



Department: Inspection

Segment: All Segments

Circular no: No: MSE/INSP/IAR-17-18(1)/5739/2017

November 06, 2017

Sub: Internal Audit for Trading Members / Clearing Members for the period April 1, 2017 to September 30, 2017

This has reference to the Exchange circular Ref. no. MSE/INSP/IAR-17-18(1)/5661/2017 dated October 12, 2017 wherein all trading/clearing members are required to carry out complete Internal Audit for the April 1, 2017 to September 30, 2017 and submit the audit report by **November 30, 2017**.

Members may please note that the existing charges for late/ non submission as mentioned below shall be applicable for the current Internal Audit Report submission i.e. for Half year ended September 30, 2017.

Following penalties shall be applicable for late submission / non submission of Internal Audit Reports:

Particulars	Penalty for delayed submission	Penalty for delayed submission in case of repeat contravention *
Delay upto 3 months (from December 1, 2017 to February 28, 2018)	Rs. 100/- per day	Rs. 200/- per day
Delay beyond 3 months upto 6 months (from March 1, 2018 to May 31, 2018)	Rs. 1000/- per day	

* Repeat contravention means non-submission of IAR within the due date both in current half year as well as the previous half-year.

Further, disciplinary action as decided by the relevant authority may be taken against the members for non-submission of IAR beyond six months from the due date. Non submission of IAR beyond six months may also entail withdrawal of trading facility. Further, members are advised to exercise due diligence in ensuring that the IAR submitted conforms to the requirements of this circular. In case of submission of incomplete/inadequate/deficient internal audit report, the matter shall be examined on case to case basis.

All the members are advised to ensure compliance with the above requirements and submit the internal audit report positively by November 30, 2017

**For and on behalf of
Metropolitan Stock Exchange of India Limited**

**Kirit Dodiya
Vice President – Inspection**

In case of any query kindly contact Inspection Department on 61129000 or mail on compliancemsx@msei.in