Circular No.: NSDL/POLICY/2013/0094 Date: July 24, 2013

Subject: Addendum to Internal and Concurrent Audit Report by Qualified Participants

All Qualified Participants (QP) are aware that as per Bye Law 10.3, each Participant is required to have its depository operations audited by a qualified Chartered Accountant or a Company Secretary or a Cost and Management Accountant holding a Certificate of Practice. Such audit should be conducted at least twice a year and a copy of the report should be submitted to NSDL.

All QP are advised to refer to Circular No. **NSDL/POLICY/2013/0068 dated May 7, 2013** in which guidelines related to scope of the audit and format of the audit report (IAR/ CAR) were provided.

In addition to above, QPs are required to submit addendum to the IAR in the format enclosed as Annexure A. Further, QPs are advised to take note of the following:

1. The requirement to submit the addendum shall be applicable with effect from the date of opening the QFI accounts by the QPs in the relevant audit period.

2. The addendum is required to be submitted in addition to Internal/Concurrent Audit report submitted to NSDL. QPs can submit a consolidated report.

3. Timelines for submission of Internal/ Concurrent Audit report are applicable for submission of Addendum to IAR/ CAR. QPs are advised to extend full co-operation to their auditors to enable them to perform an effective audit. All circulars / guidelines issued by NSDL / SEBI from time to time and other information / records desired by the auditors should be made available to them within a reasonable time.

4. QPs are also requested to note that in accordance with Circular No. **NSDL/POLICY/2013/0084 dated June 27, 2013**, the internal audit findings along with management comments pertaining to the above mentioned addendum are placed before its Board of Directors.

5. QPs are advised to note that the guidelines provided in this circular are applicable for audit period **April 1, 2013 to September 30, 2013** and onwards.

6. QPs are hereby informed that non submission of Addendum to Internal and/or concurrent audit reports as per guidelines will be treated as non submission of the report. NSDL reserves the right to advise a QP to change its auditor if quality of the report is not satisfactory or the audit is not carried out as per guidelines.

For and on behalf of
National Securities Depository Limited

Samar Banwat
Senior Vice President

Encl: a/a

FORTHCOMING COMPLIANCE			
Particulars	**Deadline**	**Manner of sending**	**Reference**
Investor Grievance Report (Monthly)	By 10th of the following month.	By email at dp_igreport@nsdl.co.in. Alternatively, by hard copy to the Investor Relationship Cell.	1. Circular No. NSDL/PI/98/500 dated October 6, 1998. 2. Circular No. NSDL/PI/2004/1688 dated September 16, 2004.
Compliance Certificate (January - June)	July 31st every year	Digitally signed compliance certificate by email at nsdl-bp-inspection@nsdl.co.in Alternatively, by hard copy to Inspection Department.	Circular No. NSDL/ POLICY/2006/0023 dated July 6, 2006 and Circular No. NSDL/POLICY/2010/0017 dated February 22, 2010

Signature Not Verified
Digitally signed by BANWAT SAMAR
Date: 2013.07.24 16:52:22 +05:30
Reason: Authentication
Location: NSDL, Mumbai