भारतीय प्रतिभूति और विनिमय बोर्ड
Securities and Exchange Board of India

CIRCULAR

SEBI/HO/MIRSD/DOP/CIR/P/2020/235 **December 01, 2020**

To,

1. **All Recognised Stock Exchanges and Clearing Corporations (including those in International Financial Services Centres)**
2. **All Depositories**
3. **Trading members / Clearing Members through Stock Exchanges / Clearing Corporations (including those in International Financial Services Centres)**
4. **Depository Participants through Depositories**
5. **KYC Registration Agency**

Madam / Sir,

Subject: Relaxation in timelines for compliance with regulatory requirements

1. In view of the situation arising due to COVID-19 pandemic, lockdown imposed by the Government and representations received from Stock Exchanges, SEBI had earlier provided relaxations in timelines for compliance with various regulatory requirements by the trading members / clearing members / depository participants, vide circular nos. SEBI/HO/MIRSD/DOP/CIR/P/2020/61 dated April 16, 2020, SEBI/HO/MIRSD/DOP/CIR/P/2020/62 dated April 16, 2020, SEBI/HO/MIRSD/DOP/CIR/P/2020/68 dated April 21, 2020 and SEBI/HO/MIRSD/DOP/CIR/P/2020/72 dated April 24, 2020.

2. Later, vide circular nos. SEBI/HO/MIRSD/DOP/CIR/P/2020/82 dated May 15, 2020, SEBI/HO/MIRSD/DOP/CIR/P/2020/101 dated June 19, 2020, SEBI/HO/MIRSD/DOP/CIR/P/2020/112 dated June 30, 2020, SEBI/HO/MIRSD/DOP/CIR/P/2020/141 dated July 29, 2020, SEBI/HO/MIRSD/DOP/CIR/P/2020/142 dated July 29, 2020 and SEBI/HO/MIRSD/DOP/CIR/P/2020/191 dated October 01, 2020, timelines / period of exclusion were further extended for certain compliance requirements.

3. In view of the prevailing situation due to Covid-19 pandemic and representation received from the Stock Exchanges, it has been decided to extend the timelines for compliance with the following regulatory requirements by the trading members / clearing members, as under:

S. No.	Compliance requirements for which timelines are extended	Extended timeline
I	Internal Audit for half year ended on September 30, 2020.	December 31, 2020.
II	System Audit for half year ended on September 30, 2020.	

S. No.	Compliance requirements for which timelines are extended	Extended timeline
III	Half yearly net worth certificate as on September 30, 2020.	December 31, 2020.
IV	Cyber Security and Cyber Resilience Audit for half year ended on September 30, 2020.	January 31, 2020.

4. In view of the request received from the Depositories, it has been decided to extend the timelines for compliance with the following regulatory requirements by depository participants (DPs), as under:

S. No.	Compliance requirements for which timelines are extended	Extended timeline / Period of exclusion
I	Submission of half yearly Internal Audit Report by DPs for the half year ended on September 30, 2020.	December 31, 2020.
II	KYC application form and supporting documents of the clients to be uploaded on system of KRA within 10 working days.	Period of exclusion shall be from March 23, 2020 till December 31, 2020. A 15-day time period after December 31, 2020 is allowed to Depository / DPs, to clear the back log.
III	Systems audit on annual basis for the financial year ended March 31, 2020.	December 31, 2020.

5. Stock Exchanges / Clearing Corporations and Depositories are directed to bring the provisions of this circular to the notice of their members and participants respectively and also disseminate the same on their websites.

6. This circular is issued in exercise of powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992 and Section 19 of the Depositories Act, to protect the interests of investors in securities and to promote the development of, and to regulate the securities markets.

Yours faithfully

Rachna Anand
General Manager
Market Intermediaries Regulation and Supervision Department