

SEBI extends limit for submission of reports, eases compliance for brokers

Updated at December 1, 2020 23:53 IST

Markets regulator Sebi on Tuesday relaxed compliance requirements for brokers and depository participants with regards to submission of reports pertaining to internal as well as system audit in the wake of the coronavirus pandemic.

The decision comes after receiving representation from stock exchanges and depositories, the Securities and Exchange Board of India (Sebi) said in a circular.

The capital markets watchdog has given time till December 31 to brokers to submit half-yearly net worth certificate (as on September 30), reports on internal audit as well a system audit for half year ended on September 30, 2020.

Also, brokers have been given time till January 31 to submit report on cybersecurity and cyber resilience audit for half year ended on September 30.

In view of the prevailing situation due to Covid-19 pandemic and representations received from the stock exchanges and depositories, it has been decided to extend the timelines for compliance with the regulatory requirements by the trading or clearing members and depository participants, Sebi said.

With regard to depository participants, Sebi said they can submit an internal audit report for the half year ended on September 30 and systems audit for the financial year ended March 31 till December 31.

Besides, Sebi has eased rules with regard to submission of KYC (Know Your Client) application.

Under the norms, KYC application form and supporting documents of the client need to be uploaded on system of KRA (KYC registration agency) within 10 days.

For this, Sebi said period of exclusion will be from March 23, 2020, till December 31, 2020.

Further, a 15-day time period after December 31 has been allowed to depository or depository participants to clear the backlog.