

ANNEXURE B

MANUAL FOR SUBMISSION OF INTERNAL AUDIT REPORT BY AUDITOR:

Upon registration of Auditor by member, the Internal Auditor shall receive the following indicative e-mail on his registered E mail ID.

Dear Sir/Madam,

Your Registration for submission of Internal Auditor Report for the period Oct-25 to Mar-26 has been successfully created.

Please find the details as under:

UserId: User ID

Password: Password

CM Name: Clearing member name

CM Code: Clearing Member Code

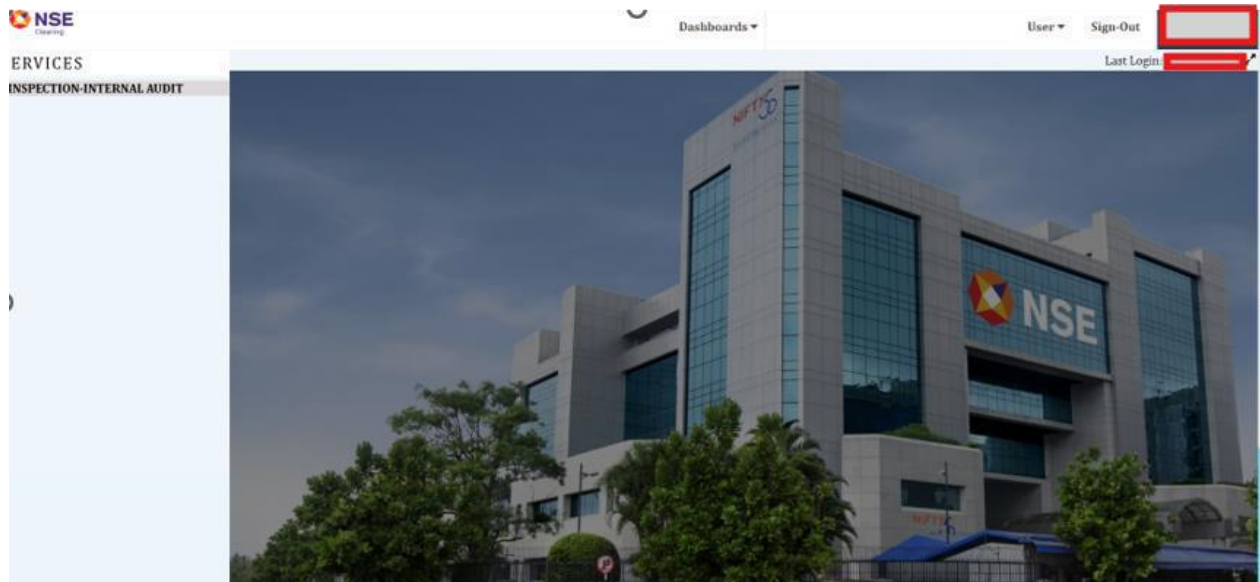
Kindly click on the following link <https://ims.connect2nsccl.com/NCLMemberPortal/>

On clicking the above link for the first time, you will be prompted to change the password, kindly change the password immediately.

You are requested to initiate Internal Audit for the Oct-25 to Mar-26 for CM, FO, CD, COM segment/s and submit Annexure I, II and V.

In case of any clarification, please contact the Member.”

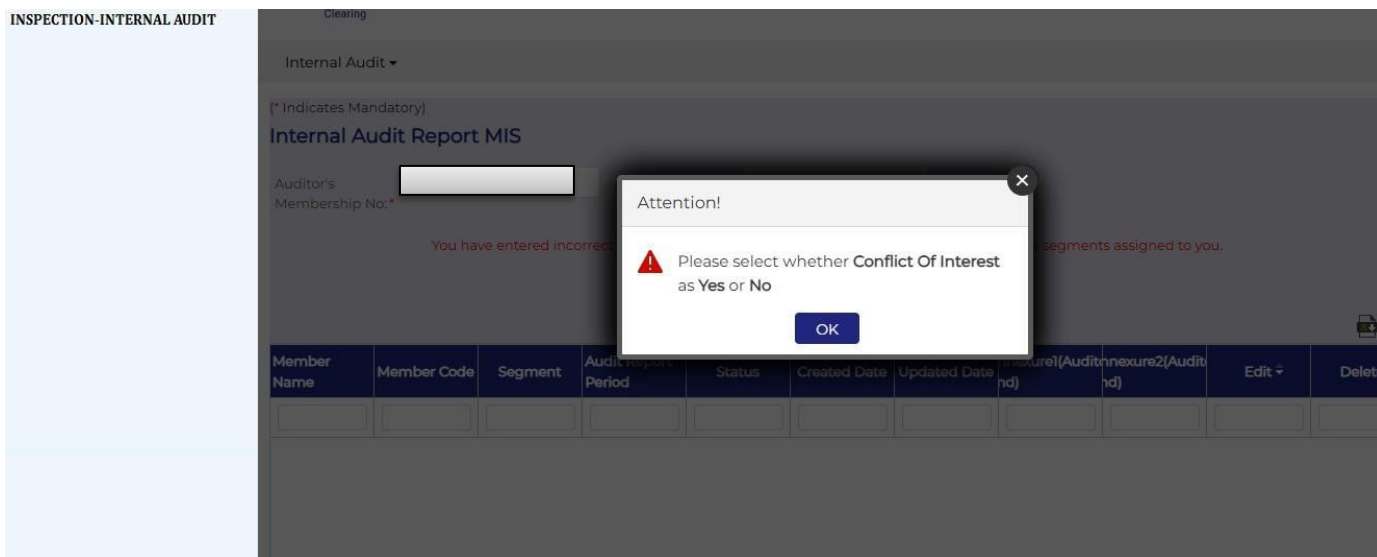
1. The auditor has to login by Clicking on the URL provided in the email and login with the given credential.
2. Click on “Inspection-Internal Audit” under Menu at the left-hand side, Internal Audit Report MIS page will open.



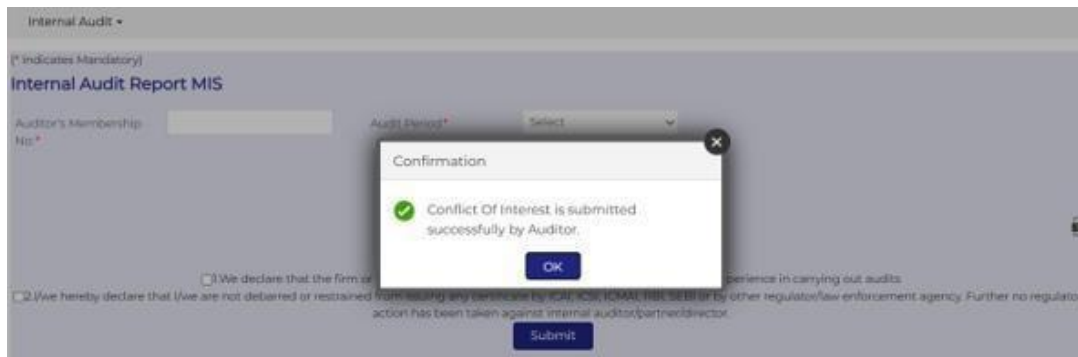
3. Under Internal Audit MIS – by entering Auditor Membership Number and Audit Period, Auditor will find data as per below screen. Auditor has to enter the Auditor’s Membership No. and Audit Period and click on search.

A screenshot of the 'Internal Audit Report MIS' form on the NSE Clearing website. The form is titled 'Internal Audit Report MIS' and includes a note: '(*) Indicates Mandatory'. It features two input fields: 'Auditor's Membership No.*' and 'Audit Period*', with a 'Select' dropdown menu for the latter. Below the form, a red error message states: 'You have entered incorrect Membership No or you have submitted the report for all of the segments assigned to you.' There are 'Search' and 'Reset' buttons. A 'New Report' button is located below the form. At the bottom, there are two checkboxes: the first is checked and reads 'We declare that the firm or at least one of the partners is having a minimum of 5 year's experience in carrying out audits'; the second is unchecked and reads 'I/we hereby declare that I/we are not debarred or restrained from issuing any certificate by ICAI, ICSI, ICMAI, RBI, SEBI or by other regulator/law enforcement agency. Further no regulatory action has been taken against internal auditor/partner/director.' A 'Submit' button is positioned at the bottom right of the form.

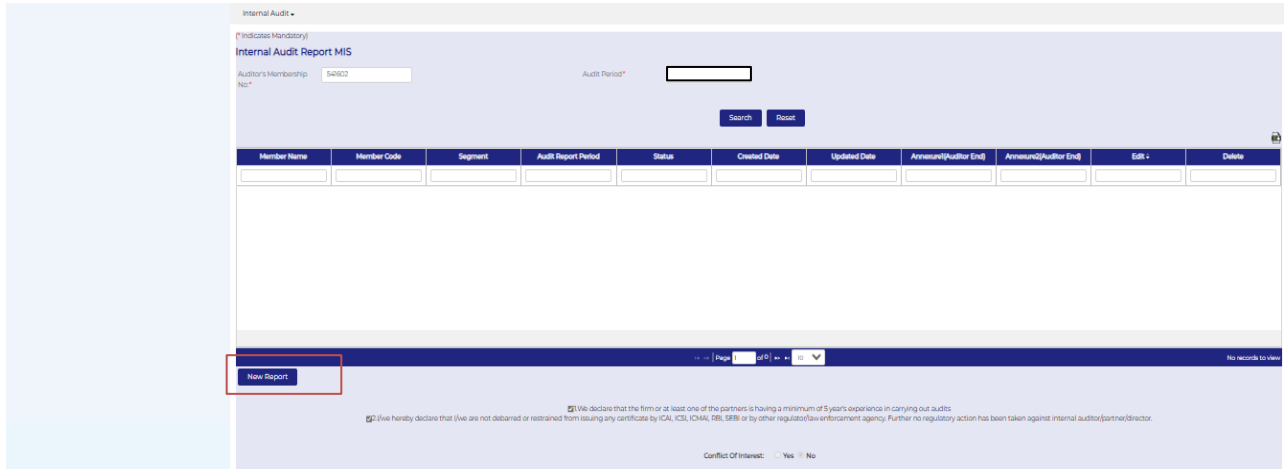
Click on “OK”



4. After clicking on 'Search' button, auditor is required to click the 2 checkboxes and submit declaration (as per below screenshot). Also, auditor has to submit conflict of interest to the member (subsequently to be submitted by Member to the Clearing corporation from his login). 'New Report' button would be visible to the auditor only after Conflict of Interest is submitted by both Auditor and Member (First auditor then member).



5. On clicking, “New Report” button (As per above screenshot). The screen will move to the next page and auditor is required to fill certain details. Click ‘OK’ after reading all the point to proceed and fill all the details.



6. On the same page, auditor can either download the checklist (excel template) provided in the system or use the checklist provided in the circular for carrying out the internal Audit.

non-compliance is observed, % of Non-compliance observed and value involved in non-compliances to be provided wherever applicable.

Similarly, for “Not Applicable (N.A.)” points, auditors are required to mention appropriate remarks for non-applicability of the checklist point.

The screenshot shows the NSE Clearing dashboard with a table titled "NON COMPLIANCE/NOT APPLICABLE CLAUSES". The table has columns for S.No, Area Of Verification, Compliance Status, Remarks in case of observation, Sample size verified, Details of sample where non-compliance observed, percentage of instances where non-compliance is observed, and amount/value involved where non-compliance is observed.

S.No	Area Of Verification	Compliance Status	Remarks in case of observation	Sample size verified	Details of sample where non-compliance observed	percentage of instances where non-compliance is observed	amount/value involved where non-compliance is observed
1.2	The clearing member had collected appropriate and adequate margins (EOD margins and peak margins) in prescribed forms from respective trading members/custodial participants. Refer to Annexure V for format of samples verified to be provided by auditor.	HC		40			
2.4	Member has not pledged clients' securities to the Banks/NBFCs for raising funds, even with authorization by client as the same would amount to fund based activity which is in contravention of Rule 8(1)(f) & 8(3)(f) of Securities Contracts (Regulation) Rules, 1957	HC		40			
2.12	Whether there was any delay in issuing the DMS? Refer to Annexure V for format of samples verified to be provided by auditor	HC		40			
5.24	Monitoring pay-in timelines by the TIS. CA should monitor the pay-in timelines by the TIS and regular delayed receipt of papers/ needed instances of DMS/SLs be dealt with in accordance with the Risk Management Policy of the Clearing Member Refer to Annexure V for format of samples verified to be provided by auditor	N.A		3			

Below the main table, there is a "Hide/Show" section with a table of 12 items:

Sr No	Area of Verification	Observation of Internal Auditor	Sample size verified
A. MARGINS			
1	The clearing member has collected margins on Consolidated Crystallized Obligation from its respective TIS/CP(s) only in the form of Cash (and not in the form of FDRs/BSG or any other form of collateral) in the F&O and Currency Segment (except for physical settlement component on expiry of the contract, as may be specified by Clearing Corporation) in terms of NCL/CPL/44877 Refer to Annexure V for format of samples verified to be provided by auditor.	C	3
2	The clearing member had collected appropriate and adequate margins (EOD margins and peak margins) in prescribed forms from respective trading members/custodial participants. Refer to Annexure V for format of samples verified to be provided by auditor.	HC	40
3	Margin collection reported to Clearing Corporation is in accordance with margins actually collected from trading member/custodial participant. Refer to Annexure V for format of samples verified to be provided by auditor.	C	3
B. DEALING WITH CLIENTS' FUNDS AND SECURITIES AND COMMODITIES			
4	Client (TIS/CP) funds and securities & commodities are segregated from own funds and securities & commodities.	C	3
5	No Cash dealings with TIS/CP.	C	3
6	Member has not pledged clients' securities to the Banks/NBFCs for raising funds, even with authorization by client as the same would amount to fund based activity which is in contravention of Rule 8(1)(f) & 8(3)(f) of Securities Contracts (Regulation) Rules, 1957	HC	40
7	Member has not engaged in any activity involving any personal financial liability, other than of securities or commodities derivative or which is connected to or incidental to or consequential upon securities/commodities business.	C	3
8	Whether member has availed loan facility based on Client Bank Account/Overdrawing Account.	C	3
9	Record of monies borrowed or loaned including monies received in terms of NSE/COMP/20967 dated Jan 7, 2022 and NSE/COMP/53062 dated Sep 22, 2022	C	3
10	Statement of accounts has been sent to trading member/ custodial participants.	C	3
11	Daily Margin statement is issued to the respective clients with the details as specified and Proof of delivery / dispatch/ log for dispatch is maintained. Refer to Annexure V for format of samples verified to be provided by auditor	C	3
12	Whether there was any delay in issuing the DMS? Refer to Annexure V for format of samples verified to be provided by auditor.	HC	40

If auditor wants to provide additional information with regards to any other material observations with respect to non-compliances, auditor can enter details by adding or deleting rows as required.

This screenshot is identical to the one above, showing the NSE Clearing dashboard with the "NON COMPLIANCE/NOT APPLICABLE CLAUSES" table and the "Hide/Show" section below it.

Select	Observation	Remark	
Contact Person	<input type="text"/>	Email Id	<input type="text"/>
Telephone No.	<input type="text"/>	Cell	<input type="text"/>
Address	<input type="text"/>	City	<input type="text"/>
Pin Code	<input type="text"/>	State	<input type="text"/>
<input type="button" value="Submit to Next"/>			
<input type="button" value="Save As Draft"/>			

11. Once, the auditor enters all the details & submits, he will get navigated to the next screen i.e. 'Internal Auditor Report' having the Annexure I (Auditor Certificate) & Annexure II (Audit Report) as PDF which needs to be downloaded by the Auditor. Auditors can also refer to annexures as provided in circular Annexure I (Auditor Certificate) & Annexure II (Audit Report) and fill on the required details and convert the same in pdf.

12. Auditor needs to digitally sign Annexure I & Annexure II by Download the files affixing the DSC. Once Annexure I & Annexure II files are signed, click on choose file and select the file to be uploaded. Submit the declaration and click on submit.

(* Indicates Mandatory)

Internal Audit Report

Download Certificate for Internal Audit & Internal Audit Report

Download

- [▶ Internal Audit Certificate \(Annexure 1\)](#)
- [▶ Audit Report \(Annexure 2\)](#)

Upload Certificate for Internal Audit & Internal Audit Report

Certificate for Internal Audit No file chosen

Internal Audit Report No file chosen

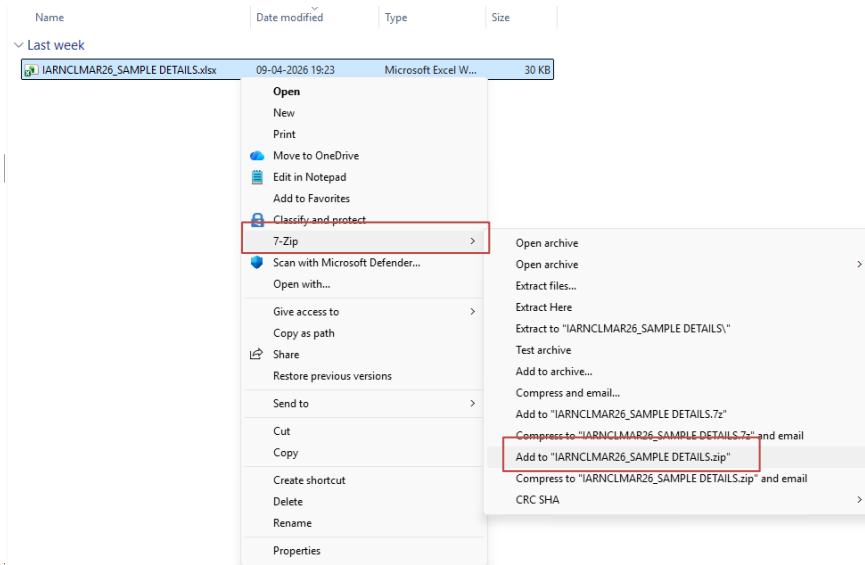
I/We have conducted the Internal Audit for the half year ended on 30th September, 2025 on the captioned subject and guidelines thereof. Please find enclosed the Audit Report for your consideration and necessary action.

Note:

1. Kindly upload PDF format documents only.
2. File size should be less than 10 MB.
3. Kindly save the file in Local Drive and upload.

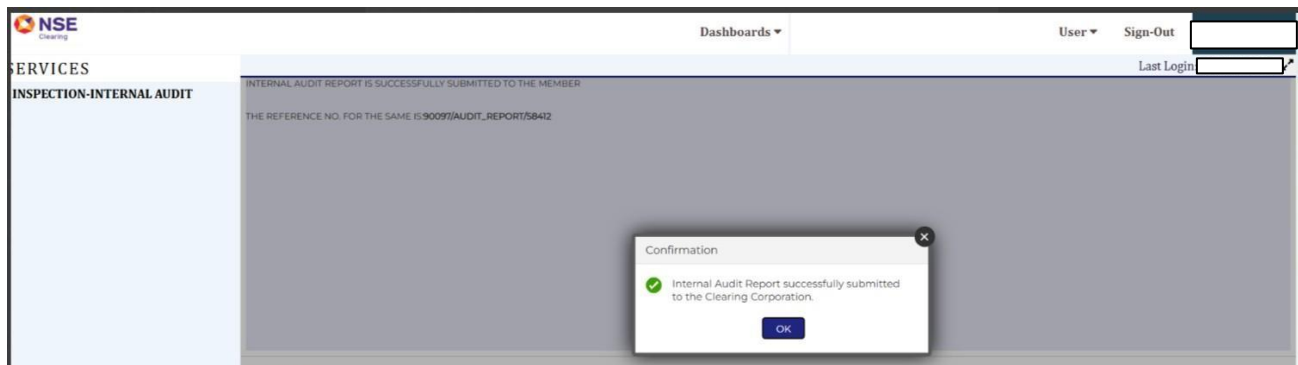
While uploading the Audit certificate (Annexure I) & Audit report (Annexure II) Auditor has to ensure the following:

- ✓ Upload the same files (Annexure I & II) in PDF format that was downloaded.
- ✓ File size should be less than 10 MB.
- ✓ File name should not be changed and should remain same as downloaded.
- ✓ Zip the Annexure V before uploading as follows



- ✓ Save the file on the system/desktop and upload.

Upload signed file of Annexure I & Annexure II and click submit. Once the files are submitted, the following screen shall be displayed.



The format for the reference no is Member code/Audit_Report/ reference no.

-END-