

CIRCULAR

Circular No.

20260527-2

Circular Date

20260527

Category

Regulatory and Compliance

Segment

ALL

Subject

Submission of Annual System Audit Report for the period ended March 31, 2026

Attachments

[Annexures](#)

Circular Ref. No. 20260527-2

May 27, 2026

Subject – Submission of Annual System Audit Report for the period ended March 31, 2026

Members' attention is drawn to IFSCA circular no. IFSCA/CMD/MIIT/MCBDCM/2026 dated May 12, 2026, titled Master Circular for Broker Dealers and Clearing Members.

As per the above-mentioned circular, all members are required to carry out an annual system audit of their trading facility for the period ended March 31, 2026, as per the applicability criteria given below:

Sr. No.	Particulars	Broker Type	Terms of Reference (ToR)
1	Exchange provided terminal (NEAT/BOLT)	I	TOR I
2	IML / IBT / DMA / STWT / SOR users and who may also be Type I brokers.	II	TOR II
3	Algo users and who may also be Type II brokers	III	TOR III

Members may note that the above-mentioned reports are required to be submitted only in electronic form through IIEFS (INDIA INX Electronic Filing System). Once IIEFS is activated for submission, submission of System Audit Report shall be considered complete only after Member submits the report to the Exchange and receives an acknowledgment email. Saved reports/reports submitted by auditor will not be considered as final submission. The timelines for submission of system audit report are as below:

S. No.	Particulars	Due Date for submission to the Exchange
1.	Preliminary Audit Report	June 30, 2026 or within one month from the date of submission of Audit report by an auditor to Broker Dealer w.e. is earlier
2.	Corrective Action Report	September 30, 2026
3.	Follow on Report	December 31, 2026

The following are the annexures applicable for the system audit report:

- Annexure 1 - Auditor Selection Norms
- Annexure 2 - Preliminary and Follow-on Audit Report Format
- Annexure 3A - Terms of Reference (TOR) for System Audit (for Type I)
- Annexure 3B - Terms of Reference (TOR) for System Audit (for Type II)
- Annexure 3C - Terms of Reference (TOR) for System Audit (for Type III)
- Annexure 4 - Declaration for Selection of Auditor

The user manual for submission of System Audit Report will be available on the IIEFS (INDIA INX Electronic Filing System) portal.

Kindly note that in case of non/late submission of reports within the due date, disciplinary action/charges will be levied as follows:

Particulars	Penalty
For the 1 st month after due date till the date of submission	USD 2 per day
For the 2 nd month after due date till the date of submission or disablement whichever is earlier	USD 10 per day
Non-submission beyond three months from the due date	Disablement of trading facility after giving 2 weeks' notice

In case of any further clarification, Members may contact on the following:

Name of Department	Tel No.	Email
Membership	079-61993134/3135	inxmembership.ops@indiainx.com

**For and on behalf of,
India International Exchange (IFSC) Ltd.**

**Jay Soni
Manager - Regulatory**