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भारतीय प्रतिभूति और विनियम बोर्ड
Securities and Exchange Board of India

CIRCULAR

CIR/MIRSD/11/2013

October 28, 2013

To

All Recognized Stock Exchanges

Mr. Gopin Iyer - DLS
Rep. 6/11/13

Dear Sir / Madam,

Sub: Disclosure of Investor Complaints on websites of Stock Exchanges

1. Please refer to SEBI Circular no. MRD/DoP/SE/Cir-10/2009 dated September 03, 2009 on the captioned subject which inter alia prescribes the formats for disclosing the details of complaints lodged by clients/investors against stock brokers on the website of stock exchanges. The '**Report 1C**' prescribes the format for disclosure of redressal of complaints lodged by clients against stock brokers during the financial year.
2. In order to bring more transparency in the disclosure of complaint redressal status of the stock brokers on the website of stock exchange, in consultation with the stock exchanges and the associations of stock brokers, it has been decided to modify the format by including following information:
 - a. Number of active clients of each stock broker. "*Active client*" means the client who has traded at least once in the last year.
 - b. Percentage of number of complaints received as against number of active clients of the stock broker (to be calculated by dividing the number of complaints received against stock broker with number of active clients)
 - c. Percentage of complaints resolved as against complaints received by the stock broker (to be calculated by dividing number of total complaints redressed with number of complaints received against stock broker)



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3. The stock exchanges shall also disclose separately in a prominent manner (i) ***total number of complaints received against all the stock brokers of the Exchange, number of their active clients and its percentage*** and (ii) ***overall market redressal rate*** by dividing total number of complaints redressed with total number of complaints received against all stock brokers of the Exchange.
4. The above modifications will result in disclosure of complaint redressal rate of individual stock broker and also overall redressal rate at stock exchange level. This will indicate the efficiency of complaint redressal process.
5. This circular is issued in exercise of powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992, to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.
6. The above provisions shall be implemented with effect from the quarter ended December 2013. All other provisions mentioned in the circular dated September 03, 2009 remain unchanged.
7. This circular is available on SEBI website at www.sebi.gov.in.

Yours faithfully,

Krishnanand Raghavan
General Manager
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