

**National Secretariat****Ref: ANMI SUB# 36/2020-21**

To,

**July 13, 2020****1. Shri Nagendraa Parakh****Executive Director**

Securities and Exchange Board of India,  
Plot No. C 4-& G Block near Bank of India,  
Bandra Kurla Complex, Bandra (East),  
Mumbai - 400051.

**2. Shri Vikram Limaye****MD & CEO**

National Stock Exchange of India Ltd.  
Exchange Plaza, C-1, Block G, Bandra  
Kurla Complex, Bandra(E), Mumbai,  
Maharashtra - 400051

**3. Shri Ashish Chauhan****MD & CEO**

The Bombay Stock Exchange  
25th floor, P. J. Towers,  
Dalal Street  
Mumbai, Maharashtra 400001

**Respected Sir,****Sub: ANMI Submission on concerns of members relating to conduct of inspections of Members during COVID times**

At the outset, ANMI would like to submit that the entire country is going through an unprecedented crisis due to the pandemic of corona virus. There are curfews and lock downs in multiple cities, especially in the cities which contribute to major turnover on the exchanges. Staff of brokers cannot come to office due to absence of public transport and especially more out of fear of contracting the virus in public spaces. All the brokers are running their offices with less than 10 % of the staff to manage their day to day operations with minimal business.

In this regard, ANMI submits that many large brokers have shifted their operations and business from Work from Home (WFH) to overcome such situations. Even amongst the large brokers, the current state of infrastructure and connectivity has impeded smooth working in their day to day operations. However, a majority of the brokers do not have the luxury of running their normal operations from home. WFH is a costly affair as compared to the office set up and majority of them are facing extreme difficulties in managing their basic business requirements.

**CIN:U67190MH1966GAP101555**

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**National Secretariat**

In such scenarios, the exchanges have commenced inspections of brokers and have asked for humungous data which is difficult to compile with the staff dispersed at multiple locations, co-ordination issues and the absence of WFH facility to many of the brokers for a majority of their staff.

It is further submitted that the Brokers have been regularly uploading and providing information on a weekly, monthly, six monthly and yearly basis to the Exchanges. To illustrate a few, the daily data of funds and securities submitted weekly and monthly, daily margins in FNO and Cash segment, the Risk based supervision data every six months and Annual returns on a yearly basis give substantial information to the exchanges to understand the risks in the system.

In short, there exists a good amount of information in the hands of MII's to analyse the data and arrive at conclusions. The Associations were of the view that with multiple and huge data being given to exchanges, the instances of inspections would come down but that does not seem to be the case.

ANMI is therefore earnestly requesting the MII's to suspend all inspections till December 2020 or till such time the situation returns to normalcy. Please do not force the brokers and their staff to come to offices and provide information which they are finding it difficult to provide by working from home. The Brokers are mainly concentrating on their basic business and bare operations to ensure sustainability in future to tide over such difficult times. To ask for humongous data in such times and carrying out even digital inspections is putting a good amount of pressure in these torrid times on brokers which can be avoided and pushed to the future when normalcy returns across the country.

We believe you will consider our submission favourably.

**Best Regards**

**For & on Behalf of ANMI**

**Sd/-**

**Dr. V. Raghavendra Prasad**

**CEO**

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