

DEPUTY GENERAL MANAGER
Market Regulation Department - Division of Policy
E-mail: harinib@sebi.gov.in

MRD/DoP/SE/Cir- 21 /2009
December 9, 2009

All Stock Exchanges

Dear Sir,

Sub: Preservation of records

1. This circular is issued in supersession of SEBI circular no. SEBI/MRD/SE/Cir-15/2005 dated August 4, 2005 and SEBI/MRD/SE/Cir-23/05 dated December 22, 2005.
2. In terms of Rules 14 and 15 of Securities Contracts (Regulation) Rules, 1957 (hereinafter referred to as SCRR, 1957), every recognized stock exchange and its members are required to maintain and preserve the specified books of account and documents for a period ranging from two years to five years. Further, as per regulation 18 of SEBI (Stock Brokers & Sub-brokers) Regulations, 1992 (hereinafter referred to as Stock Broker Regulations), every stock broker shall preserve the specified books of account and other records for a minimum period of five years. In case such documents are maintained in electronic form, provisions of Information Technology Act, 2000 in this regard shall be complied with.
3. Further, it has been noticed that enforcement agencies like CBI, Police, Crime Branch etc. have been collecting copies of the various records/documents during the course of their investigation. The originals of such documents maintained either in physical or in electronic form or in both would be required by such enforcement agencies during trial of the case also.
4. In view of the above, it is clarified that if a copy is taken by such enforcement agency either from physical or electronic record then the respective original is to be maintained till the trial or investigation proceedings have concluded.
5. All the Stock Exchanges are advised to:-
 - a) make necessary amendments to the bye-laws and Listing Agreement, as applicable ;
 - b) bring the provisions of this circular to the notice of their members and also to put up the same on the website; and
 - c) communicate to SEBI the status of the implementation of the provisions of this circular in the Monthly Development Report.

6. This circular is being issued in exercise of the powers conferred by Section 11(1) of Securities and Exchange Board of India Act, 1992 to protect the interest of investors in securities and to promote the development of, and to regulate, the securities market.

Yours faithfully,

HARINI BALAJI