



भारतीय प्रतिभूति और विनियम बोर्ड
Securities and Exchange Board of India

CIRCULAR

CIR/MIRSD/18/2011

August 25, 2011

All Recognized Stock Exchanges

Sir/Madam,

Sub: Redressal of investor grievances against stock brokers and sub-brokers in SEBI Complaints Redress System (SCORES)

1. SEBI has commenced processing of investor grievances in a centralized web-based complaints redressal system, 'SCORES'. The salient features of this system are:
 - Centralized database of all complaints;
 - Online movement of complaints to the concerned entities;
 - Online upload of Action Taken Reports (ATRs) by the concerned entities; and
 - Online tracking of status of complaints by investors.
2. The investor grievances received by SEBI against stock brokers and sub-brokers will be taken up electronically with the concerned stock exchange(s) through SCORES (<https://scores.gov.in/Admin>). The stock exchange(s) shall, in turn, take up the matter with the concerned stock brokers/sub-brokers.
3. The stock brokers and sub-brokers shall take adequate steps for redressal of grievances within one month from the date of receipt of the complaint and keep the investor/stock exchange(s) duly informed of the action taken thereon. Failure to comply with the said requirement will render the stock broker liable for penal action.

4. The stock exchanges shall:
- a) put in place a suitable mechanism to follow up with the stock brokers and sub-brokers, wherever necessary;
 - b) devise a system to levy penalty on its members for any non-compliance with the requirements specified in para 3 above;
 - c) update the status of the complaints in SCORES, at every stage, along with supporting documents; and
 - d) ensure that the status of investor complaints disclosed on their websites is in conformity with the status updated in SCORES.
5. The stock exchanges are advised to:
- a) issue necessary instructions to bring the provisions of this circular to the notice of their constituents and also disseminate the same on their websites;
 - b) make necessary amendments to the relevant bye-laws, rules and regulations for the implementation of the above in co-ordination with one another to achieve uniformity in approach;
 - c) communicate to SEBI, the status of the implementation of the provisions of this circular in the Monthly Development Report of the following month;
 - d) monitor the compliance of this circular through half-yearly internal audit and inspections of stock brokers; and
 - e) encourage investors to use SCORES for lodging their grievances.
6. 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 and shall come into effect from the date of this circular.
7. This circular is available on SEBI website at www.sebi.gov.in under the categories "Legal Framework" and "Circulars".

Yours faithfully,

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