

**Annexure 1**

**Penalties /disciplinary action(s)/charges for delay or non-submission of periodic submissions**

<b>Sr. No.</b>	<b>Details of Violation/contravention</b>	<b>Penalty/disciplinary actions</b>	<b>Penalty/disciplinary action in case of Repeat violation/contravention</b>
1	Failure to furnish "Annual Returns" within the due date	<p>Levy of Monetary penalty of :</p> <p>1) Rs. 5,000 per day for the first 15 days after due date 2) Rs. 10,000 per day for the next 15 days</p> <p>In case of non-submission within 30 days from the due date of submission, TM shall be debarred from taking new clients till the date of submission.</p> <p>If member fails to submit within 60 days from the due date of submission, trading rights shall be withdrawn in all segments immediately till the date of submission</p>	<p>In case of a repeat instance by the Member, the monetary penalty shall be levied along with an escalation of 50%.</p> <p>In case of non-submission within 30 days from the due date of submission, TM shall be debarred from taking new clients till the date of submission.</p> <p>If member fails to submit within 60 days from the due date of submission, trading rights shall be withdrawn in all segments immediately till the date of submission</p>
2	Non-Submission of Stock broker mandatory indemnity/insurance policy	Monetary penalty of Rs. 1,000 per day after due date till the date of submission.	In case of a repeat instance by the Member, the monetary penalty shall be levied along with an escalation of 50%.
3	Failing to report Daily MTR file successfully to Exchange	Levy of monetary penalty of Rs. 5000/- for one instance in a month.	<p>The following actions shall be taken in case of repeated non-compliance:</p> <p>1) Levy of Monetary penalty of Rs. 10,000 per day for two to three instances in a month</p> <p>2) Non-reporting for more than three instances in a month - Withdrawal of Margin Trading Facility for a period of 3 months.</p> <p>3) Non-reporting for 6 or more instances in last consecutive 3 months- the Margin trading facility of the Member shall be withdrawn and member shall also be debarred from taking new clients for three months.</p>
4	Non-Submission of quarterly AIML details	Levy of Monetary penalty of Rs. 10,000 for each quarter.	<p>The following actions shall be taken in case of repeated non-compliance:</p> <p>1) Levy of Monetary penalty with an escalation of 50%.</p> <p>2) If member fails to submit AIML in consecutive two quarters, TM shall, in addition to the monetary penalty, be debarred from taking new clients for 1 month.</p> <p>3) In case of non submission in 3 or more consecutive quarters, the trading rights shall be withdrawn in all segments for one day.</p>

Sr. No.	Details of Violation/contravention	Penalty/disciplinary actions	Penalty/disciplinary action in case of Repeat violation/contravention
5	Failure to furnish Internal Audit report to Stock Exchanges for half year ending 30th September and half year ending 31st March within the due date	<p>1. For 1st week after due date, Charges of Rs. 2,500/- per day</p> <p>2. Charges of Rs. 5000/- per day from second week after due date</p> <p>3. In case of non-submission within three weeks from the due date of submission, New client registration to be prohibited and notice of 7 days for disablement of trading facility till submission of data/report.</p> <p>The disablement notice issued to the member shall be shared with all the Exchanges for information.</p> <p>4. In case of non-submission within four weeks from the due date of submission, Member shall be disabled in all segments till submission of data/report.</p>	<p>In case of a repeat instance by the Member, levy of applicable monetary penalty along with an escalation of 50%.</p> <p>In case of non-submission within three weeks from the due date of submission, New client registration to be prohibited and notice of 7 days for disablement of trading facility till submission of data/report.</p> <p>The disablement notice issued to the member shall be shared with all the Exchanges for information. In case of non-submission within four weeks from the due date of submission, Member shall be disabled in all segments till submission of data/report.</p>
6	Failure to submit data for the half yearly Risk Based Supervision within the time specified by Exchange.	<p>1. For 1st week after due date, Charges of Rs. 2,500/- per day</p> <p>2. Charges of Rs. 5000/- per day from second week after due date</p> <p>3. In case of non-submission within three weeks from the due date of submission, New client registration to be prohibited and notice of 7 days for disablement of trading facility till submission of data/report.</p> <p>The disablement notice issued to the member shall be shared with all the Exchanges for information.</p> <p>4. In case of non-submission within four weeks from the due date of submission, Member shall be disabled in all segments till submission of data/report.</p>	<p>In case of a repeat instance by the Member, levy of applicable monetary penalty along with an escalation of 50%.</p> <p>In case of non-submission within three weeks from the due date of submission, New client registration to be prohibited and notice of 7 days for disablement of trading facility till submission of data/report.</p> <p>The disablement notice issued to the member shall be shared with all the Exchanges for information.</p> <p>In case of non-submission within four weeks from the due date of submission, Member shall be disabled in all segments till submission of data/report.</p>
7	Non-submission of system audit report within the due date	<p>1. For 1st week after due date, Charges of Rs. 2,500/- per day</p> <p>2. Charges of Rs. 5000/- per day from second week after due date</p> <p>3. In case of non-submission within three weeks from the due date of submission, New client registration to be prohibited and notice of 7 days for disablement of trading facility till submission of data/report.</p> <p>The disablement notice issued to the member shall be shared with all the Exchanges for information.</p> <p>4. In case of non-submission within four weeks from the due date of submission, Member shall be disabled in all segments till submission of data/report.</p>	<p>In case of a repeat instance by the Member, levy of applicable monetary penalty along with an escalation of 50%.</p> <p>In case of non-submission for within three weeks from the due date of submission, New client registration to be prohibited and notice of 7 days for disablement of trading facility till submission of data/report.</p> <p>The disablement notice issued to the member shall be shared with all the Exchanges for information. In case of non-submission within four weeks from the due date of submission, Member shall be disabled in all segments till submission of data/report.</p>

Sr. No.	Details of Violation/contravention	Penalty/disciplinary actions	Penalty/disciplinary action in case of Repeat violation/contravention
8	Non-submission of cyber audit report within the due date	<p>1. For 1st week after due date, Charges of Rs. 2,500/- per day</p> <p>2. Charges of Rs. 5000/- per day from second week after due date</p> <p>3. In case of non-submission within three weeks from the due date of submission, New client registration to be prohibited and notice of 7 days for disablement of trading facility till submission of data/report.</p> <p>The disablement notice issued to the member shall be shared with all the Exchanges for information.</p> <p>4. In case of non-submission within four weeks from the due date of submission, Member shall be disabled in all segments till submission of data/report.</p>	<p>In case of a repeat instance by the Member, levy of applicable monetary penalty along with an escalation of 50%..</p> <p>In case of non-submission within three weeks from the due date of submission, New client registration to be prohibited and notice of 7 days for disablement of trading facility till submission of data/report.</p> <p>The disablement notice issued to the member shall be shared with all the Exchanges for information. In case of non-submission within four weeks from the due date of submission, Member shall be disabled in all segments till submission of data/report.</p>
9	Non-submission of information towards FATF public statement within the time specified by Exchange.	<p>Monetary penalty of Rs. 10,000 for each submissions.</p> <p>If member fails to submit information for FATF public statement for one week after due date, TM shall be debarred from taking new clients till submission of data</p> <p>In case of non submission within two weeks after due date, the trading rights shall be withdrawn in all segments till submission of data.</p>	<p>In case of a repeat instance by the Member, levy of applicable monetary penalty along with an escalation of 50%..</p> <p>If member fails to submit information for FATF public statement for one week after due date, TM shall be debarred from taking new clients till submission of data</p> <p>In case of non submission within two weeks after due date, the trading rights shall be withdrawn in all segments till submission of data.</p>
10	Non-submission of Cyber Incident reporting (Quarterly Submission) within the time specified by the Exchange.	<p>1. For 1st week after due date, Charges of Rs. 2,500/- per day</p> <p>2. Charges of Rs. 5000/- per day from second week after due date</p> <p>3. In case of non-submission within three weeks from the due date of submission, New client registration to be prohibited and notice of 7 days for disablement of trading facility till submission of data/report.</p> <p>The disablement notice issued to the member shall be shared with all the Exchanges for information.</p> <p>4. In case of non-submission within four weeks from the due date of submission, Member shall be disabled in all segments till submission of data/report.</p>	<p>In case of a repeat instance by the Member, levy of applicable monetary penalty along with an escalation of 50%.</p> <p>In case of non-submission within three weeks from the due date of submission, New client registration to be prohibited and notice of 7 days for disablement of trading facility till submission of data/report.</p> <p>The disablement notice issued to the member shall be shared with all the Exchanges for information. In case of non-submission within three weeks from the due date of submission, Member shall be disabled in all segments till submission of data/report.</p>
11	Non-submission of Cyber Incident reporting (Immediate Submission) within the time (with in 24 hours) specified by the Exchange.	<p>If the incident not reported within 24 hours. Rs. 20,000/- per day till the incident is reported subject to a maximum of Rs.2 lakhs per incident.</p>	<p>In case of a repeat instance by the Member, levy of applicable monetary penalty along with an escalation of 50%.</p>

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12	Non-submission/ late submission of data towards monitoring of client funds within the due date	<p>Rs. 10,000/day</p> <p>In case of non-submission within two weeks from the due date of submission, New client registration to be prohibited till submission of data.</p> <p>In case of non-submission within three weeks from the due date of submission, Member shall be disabled in all segments till submission of data.</p>
13	Non-submission of Weekly Holding-cash & cash equivalent balance reporting, Bank balance submissions, Bank statement upload within the due date	<p>Rs. 10,000/day</p> <p>In case of non-submission within one week from the due date of submission, New client registration to be prohibited till submission of data.</p> <p>In case of non-submission within two weeks from the due date of submission, Member shall be disabled in all segments till submission of data.</p>