

**Annexure 1**

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

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  If member fails to submit within 60 days from the due date of submission, trading rights shall be withdrawn in all segments immediately till the date of submission	In case of a repeat instance by the Member, the monetary penalty shall be levied along with an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  If member fails to submit within 60 days from the due date of submission, trading rights shall be withdrawn in all segments immediately till the date of submission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Non-reporting for 6 or more instances in last consecutive 3 months- the Margin trading facility of the Member shall be withdrawn and member shall also be debarred from taking new clients for three months.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.  3) In case of non submission in 3 or more consecutive quarters, the trading rights shall be withdrawn in all segments for one day.

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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  2. Charges of Rs. 5000/- per day from second week after due date  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  2. Charges of Rs. 5000/- per day from second week after due date  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  2. Charges of Rs. 5000/- per day from second week after due date  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>

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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>