PART B –INSPECTION AND ENFORCEMENT DEPARTMENT

LIST OF ANNEXURES

TABLE OF CONTENTS

ANNEXURE 1 Set of Account Opening Document 1

ANNEXURE 2 Risk Disclosure Document 28

ANNEXURE 3 Rights And Obligations of Members, Authorized Persons And Clients As Prescribed By Sebi And Commodity Exchanges 34

ANNEXURE 4 Guidance Note - Do's And Don'ts For The Clients 49

ANNEXURE 5 Most Important Terms And Conditions (MITC) 53

ANNEXURE 6 Demat Debit And Pledge Instruction 54

ANNEXURE 7 Nomination Form 55

ANNEXURE 8 Declaration Form For Opting Out Of Nomination. 58

ANNEXURE 9 Contract Note Cum Tax Invoice 59

ANNEXURE 10 Frequently Asked Questions (FAQ'S) 65

ANNEXURE 11 Annual Calendar For The Settlement Of Running Account (Quarterly And Monthly) 66

ANNEXURE 12 Reporting Format For Ucc Wise Settlement Details 68

ANNEXURE 13 Indicative Format For Retention Statement 70

ANNEXURE 14 Annual Global Transaction Statement (AGTS) 73

ANNEXURE 15 Framework For Trading Members To Provide The Facility Of Voluntary Freezing/ Blocking The Online Access Of The Trading Account To Their Clients On Account Of Suspicious Activities 75

ANNEXURE 16 Information Regarding Grievance Redressal Mechanism 79

ANNEXURE 17 Detailed List Of Inspection Areas And Its Categorization 80

ANNEXURE 18 Format With Respect To Maintenance Of Bank Book 85

ANNEXURE 19 Format With Respect To Maintenance Of Client Ledger 89

ANNEXURE 20 Guidelines With Respect To Standardisation Of Bank Book And Client Ledger 92

ANNEXURE 21 Guidelines For Holding Statement 97

ANNEXURE 22 List Of Common Violations / Deficiencies Observed By Sebi During Inspections Of Trading Members 100

ANNEXURE 23 Format For Submitting Compliance Status On Corrective Actions Taken By The Members 103

ANNEXURE 24 Format Of Auditor's Certificate For Certifying Compliance Status On Corrective Actions Taken By The Members 104

ANNEXURE 25 Rationalisation And Standardization Of Penalties Levied On Members 107

ANNEXURE 26 List Of Rescinded And Modified Circulars 221

ANNEXURE 27 List Of Circulars Modified 226

ANNEXURE 28 Format Of The Statement Of Accounts For Funds. 227

ANNEXURE 1

SET OF ACCOUNT OPENING DOCUMENT

Name of member:
_____

SEBI Registration No.:
_____

Registered office address:
_____

Ph: _____ Fax: _____ E-mail: _____

Website: _____

Correspondence office address:
_____

Ph: _____ Fax: _____ E-mail: _____

Compliance officer name, phone no. & email id: _____

CEO/Partner/Proprietor name, phone no. & email id: _____

S. No.	Name of the Document	Brief Significance of the Document	Page No
MANDATORY DOCUMENTS AS PRESCRIBED BY SEBI & EXCHANGES			
1.	KYC (Account Opening) application form	KYC form - Document captures the basic information about the constituent and an instruction/check list. (Use GST details under point F and Delete – G in Part - II)	
2.	Uniform Risk Disclosure Document (RDD)	Document detailing risks associated with dealing in the commodities market.	
3.	Rights and Obligations of Members, Authorized Persons and Clients	Document stating the Rights & Obligations of member, Authorized Person and client for trading on exchanges (including additional rights & obligations in case of internet/wireless technology-based trading).	
4.	Do's and Don'ts for the Investors	Document detailing do's and don'ts for trading on exchange, for the education of the investors.	
5.	Tariff sheet	Document detailing the rate/amount of brokerage and other charges levied on the client for trading on the Commodity Exchange(s) *(to be added by the member).*	
VOLUNTARY DOCUMENTS AS PROVIDED BY THE MEMBER *			

S. No.	Name of the Document	Brief Significance of the Document	Page No
6.			
7.			

- *For any grievance/dispute please contact member (name) at the above address or email id-xxx@email.com and Phone no. 91-XXXXXXXXX. In case not satisfied with the response, please contact the concerned exchange(s) at xyz@email.com and Phone no. 91XXXXXXXXX.*

- *Following documents should not form part of either mandatory or Voluntary documents:*

  1) Authorization letter for any inter family / group company / related accounts adjustment.

  2) Authorization of adjustment of funds among securities exchange and commodities exchange

CENTRAL KYC REGISTRY | Know Your Customer (KYC) Application Form | Individual

Important Instructions:

A) Fields marked with '*' are mandatory fields.
B) Please fill the form in English and in BLOCK letters.
C) Please fill the date in DD-MM-YYYY format.
D) Please read section wise detailed guidelines / instructions at the end.
E) List of State / U.T code as per Indian Motor Vehicle Act, 1988 is available at the end.
F) List of two character ISO 3166 country codes is available at the end.
G) KYC number of applicant is mandatory for update application.
H) For particular section update, please tick (✓) in the box available before the section number and strike off the sections not required to be updated.

For office use only *(To be filled by financial institution)*

Application Type* ☐ New ☐ Update
KYC Number *(Mandatory for KYC update request)*
Account Type* ☐ Normal ☐ Simplified (for low risk customers) ☐ Small

☐ 1. PERSONAL DETAILS (Please refer instruction **A** at the end)

	Prefix	First Name	Middle Name	Last Name
☐ Name* (Same as ID proof)				
Maiden Name (If any*)				
Father / Spouse Name*				
Mother Name*				

Date of Birth* (DD – MM – YYYY)

PHOTO

Gender* ☐ M- Male ☐ F- Female ☐ T-Transgender
Marital Status* ☐ Married ☐ Unmarried ☐ Others
Citizenship* ☐ IN- Indian ☐ Others (ISO 3166 Country Code)
Residential Status* ☐ Resident Individual ☐ Non Resident Indian ☐ Foreign National ☐ Person of Indian Origin
Occupation Type* ☐ S-Service (☐ Private Sector ☐ Public Sector ☐ Government Sector) ☐ O-Others (☐ Professional ☐ Self Employed ☐ Retired ☐ Housewife ☐ Student) ☐ B-Business ☐ X- Not Categorised

☐ 2. TICK IF APPLICABLE ☐ RESIDENCE FOR TAX PURPOSES IN JURISDICTION(S) OUTSIDE INDIA (Please refer instruction **B** at the end)

ADDITIONAL DETAILS REQUIRED* (Mandatory only if section 2 is ticked)
ISO 3166 Country Code of Jurisdiction of Residence*
Tax Identification Number or equivalent (If issued by jurisdiction)*
Place / City of Birth* ISO 3166 Country Code of Birth*

☐ 3. PROOF OF IDENTITY (PoI)* (Please refer instruction **C** at the end)

(Certified copy of any one of the following Proof of Identity[PoI] needs to be submitted)

☐ A- Passport Number Passport Expiry Date (DD – MM – YYYY)
☐ B- Voter ID Card
☐ C- PAN Card
☐ D- Driving Licence Driving Licence Expiry Date (DD – MM – YYYY)
☐ E- UID (Aadhaar)
☐ F- NREGA Job Card
☐ Z- Others (any document notified by the central government) Identification Number
☐ S- Simplified Measures Account - Document Type code Identification Number

4. PROOF OF ADDRESS (PoA)*

☐ 4.1 CURRENT / PERMANENT / OVERSEAS ADDRESS DETAILS (Please see instruction **D** at the end)

(Certified copy of any one of the following Proof of Address [PoA] needs to be submitted)

Address Type* ☐ Residential / Business ☐ Residential ☐ Business ☐ Registered Office ☐ Unspecified
Proof of Address* ☐ Passport ☐ Driving Licence ☐ UID (Aadhaar) ☐ Voter Identity Card ☐ NREGA Job Card ☐ Others ☐ Simplified Measures Account - Document Type code

Address

Line 1*
Line 2
Line 3 City / Town / Village*
District* Pin / Post Code* State / U.T Code* ISO 3166 Country Code*

☐ 4.2 CORRESPONDENCE / LOCAL ADDRESS DETAILS * (Please see instruction **E** at the end)

☐ Same as Current / Permanent / Overseas Address details (In case of multiple correspondence / local addresses, please fill '**Annexure A1**')

Line 1*
Line 2
Line 3 City / Town / Village*
District* Pin / Post Code* State / U.T Code* ISO 3166 Country Code*

☐ 4.3 ADDRESS IN THE JURISDICTION DETAILS WHERE APPLICANT IS RESIDENT OUTSIDE INDIA FOR TAX PURPOSES* (Applicable if section 2 is ticked)

☐ Same as Current / Permanent / Overseas Address details ☐ Same as Correspondence / Local Address details

Line 1*
Line 2
Line 3 City / Town / Village*
State* ZIP / Post Code* ISO 3166 Country Code*

☐ **5. CONTACT DETAILS** (All communications will be sent on provided Mobile no. / Email-ID) (Please refer instruction **F** at the end)

Tel. (Off) – Tel. (Res) – Mobile –
FAX – Email ID

☐ **6. DETAILS OF RELATED PERSON** (In case of additional related persons, please fill 'Annexure B1') (please refer instruction **G** at the end)

☐ Addition of Related Person ☐ Deletion of Related Person KYC Number of Related Person (if available*)

Related Person Type* ☐ Guardian of Minor ☐ Assignee ☐ Authorized Representative

Name* Prefix First Name Middle Name Last Name

(If KYC number and name are provided, below details of section 6 are optional)

PROOF OF IDENTITY [PoI] OF RELATED PERSON* (Please see instruction (**H**) at the end)

☐ A- Passport Number Passport Expiry Date – –
☐ B- Voter ID Card
☐ C- PAN Card
☐ D- Driving Licence Driving Licence Expiry Date – –
☐ E- UID (Aadhaar)
☐ F- NREGA Job Card
☐ Z- Others (any document notified by the central government) Identification Number
☐ S- Simplified Measures Account - Document Type code Identification Number

☐ **7. REMARKS (If any)**

8. APPLICANT DECLARATION

- I hereby declare that the details furnished above are true and correct to the best of my knowledge and belief and I undertake to inform you of any changes therein, immediately. In case any of the above information is found to be false or untrue or misleading or misrepresenting, I am aware that I may be held liable for it.
- I hereby consent to receiving information from Central KYC Registry through SMS/Email on the above registered number/email address.

Date : – – Place :

Signature / Thumb Impression of Applicant

9. ATTESTATION / FOR OFFICE USE ONLY

Documents Received ☐ Certified Copies

KYC VERIFICATION CARRIED OUT BY

Date – –
Emp. Name
Emp. Code
Emp. Designation
Emp. Branch

[Employee Signature]

INSTITUTION DETAILS

Name
Code

[Institution Stamp]

CENTRAL KYC REGISTRY | Instructions / Check list / Guidelines for filling Individual KYC Application Form

General Instructions:

1. Fields marked with '*' are mandatory fields.
2. Tick ✔ wherever applicable.
3. Self-Certification of documents is mandatory.
4. Please fill the form in English and in BLOCK Letters.
5. Please fill all dates in DD-MM-YYYY format.
6. Wherever state code and country code is to be furnished, the same should be the two-digit code as per Indian Motor Vehicle, 1988 and ISO 3166 country code respectively list of which is available at the end.
7. KYC number of applicant is mandatory for updation of KYC details.
8. For particular section update, please tick (✔) in the box available before the section number and strike off the sections not required to be updated.
9. In case of 'Small Account type' only personal details at section number 1 and 2, photograph, signature and self-certification required.

A Clarification / Guidelines on filling 'Personal Details' section

1. **Name**: Please state the name with Prefix (Mr/Mrs/Ms/Dr/etc.). The name should match the name as mentioned in the Proof of Identity submitted failing which the application is liable to be rejected.
2. Either **father's name or spouse's** name is to be mandatorily furnished. In case PAN is not available father's name is mandatory.

B Clarification / Guidelines on filling details if applicant residence for tax purposes in jurisdiction(s) outside India

1. **Tax identification Number (TIN)**: TIN need not be reported if it has not been issued by the jurisdiction. However, if the said jurisdiction has issued a high integrity number with an equivalent level of identification (a "Functional equivalent"), the same may be reported. Examples of that type of number for individual include, a social security/insurance number, citizen/personal identification/services code/number, and resident registration number)

C Clarification / Guidelines on filling 'Proof of Identity [PoI]' section

1. If driving license number or passport is provided as proof of identity then expiry date is to be mandatorily furnished.
2. Mention identification / reference number if '2- Others (any document notified by the central government)' is ticked.
3. In case of Simplified Measures Accounts for verifying the identity of the applicant, any one of the following documents can also be submitted and undernoted relevant code may be mentioned in point 3 (1).

Document Code	Description
01	Identity card with applicant's photograph issued by Central/ State Government Departments, Statutory/ Regulatory Authorities, Public Sector Undertakings, Scheduled Commercial Banks, and Public Financial Institutions.
02	Letter issued by a gazetted officer, with a duly attested photograph of the person.

D Clarification / Guidelines on filling 'Proof of Address [PoA] - Current / Permanent / Overseas Address details' section

1. PoA to be submitted only if the submitted PoI does not have an address or address as per PoI is invalid or not in force.
2. State / U.T Code and Pin / Post Code will not be mandatory for Overseas addresses.
3. In case of Simplified Measures Accounts for verifying the address of the applicant, any one of the following documents can also be submitted and undernoted relevant code may be mentioned in point 4.1.

Document Code	Description
01	Utility bill which is not more than two months old of any service provider (electricity, telephone, post-paid mobile phone, piped gas, water bill).
02	Property or Municipal Tax receipt.
03	Bank account or Post Office savings bank account statement.
04	Pension or family pension payment orders (PPOs) issued to retired employees by Government Departments or Public Sector Undertakings, if they contain the address.
05	Letter of allotment of accommodation from employer issued by State or Central Government departments, statutory or regulatory bodies, public sector undertakings, scheduled commercial banks, financial institutions and listed companies. Similarly, leave and license agreements with such employers allotting official accommodation.
06	Documents issued by Government departments of foreign jurisdictions and letter issued by Foreign Embassy or Mission in India.

E Clarification / Guidelines on filling 'Proof of Address [PoA] - Correspondence / Local Address details' section

1. To be filled only in case the PoA is not the local address or address where the customer is currently residing. No separate PoA is required to be submitted.
2. In case of multiple correspondence / local addresses, Please fill '**Annexure A1**'

F Clarification / Guidelines on filling 'Contact details' section

1. Please mention two- digit country code and 10 digit mobile number (e.g. for Indian mobile number mention 91-9999999999).
2. Do not add '0' in the beginning of Mobile number.

G Clarification / Guidelines on filling 'Related Person details' section

1. Provide KYC number of related person if available.

H Clarification / Guidelines on filling 'Related Person details – Proof of Identity [PoI] of Related Person' section

1. Mention identification / reference number if '2- Others (any document notified by the central government)' is ticked.

List of two – digit state / U.T codes as per Indian Motor Vehicle Act, 1988

State / U.T	Code
Andaman & Nicobar	AN
Andhra Pradesh	AP
Arunachal Pradesh	AR
Assam	AS
Bihar	BR
Chandigarh	CH
Chattisgarh	CG
Dadra and Nagar Haveli	DN
Daman & Diu	DD
Delhi	DL
Goa	GA
Gujarat	GJ
Haryana	HR

State / U.T	Code
Himachal Pradesh	HP
Jammu & Kashmir	JK
Jharkhand	JH
Karnataka	KA
Kerala	KL
Lakshadweep	LD
Madhya Pradesh	MP
Maharashtra	MH
Manipur	MN
Meghalaya	ML
Mizoram	MZ
Nagaland	NL
Orissa	OR

State / U.T	Code
Pondicherry	PY
Punjab	PB
Rajasthan	RJ
Sikkim	SK
Tamil Nadu	TN
Telangana	TS
Tripura	TR
Uttar Pradesh	UP
Uttarakhand	UA
West Bengal	WB
Other	XX

List of ISO 3166 two- digit Country Code

Country	Country Code	Country	Country Code	Country	Country Code	Country	Country Code
Afghanistan	AF	Dominican Republic	DO	Libya	LY	Saint Pierre and Miquelon	PM
Aland Islands	AX	Ecuador	EC	Liechtenstein	LI	Saint Vincent and the Grenadines	VC
Albania	AL	Egypt	EG	Lithuania	LT	Samoa	WS
Algeria	DZ	El Salvador	SV	Luxembourg	LU	San Marino	SM
American Samoa	AS	Equatorial Guinea	GQ	Macao	MO	Sao Tome and Principe	ST
Andorra	AD	Eritrea	ER	Macedonia, the former Yugoslav Republic of	MK	Saudi Arabia	SA
Angola	AO	Estonia	EE	Madagascar	MG	Senegal	SN
Anguilla	AI	Ethiopia	ET	Malawi	MW	Serbia	RS
Antarctica	AQ	Falkland Islands (Malvinas)	FK	Malaysia	MY	Seychelles	SC
Antigua and Barbuda	AG	Faroe Islands	FO	Maldives	MV	Sierra Leone	SL
Argentina	AR	Fiji	FJ	Mali	ML	Singapore	SG
Armenia	AM	Finland	FI	Malta	MT	Sint Maarten (Dutch part)	SX
Aruba	AW	France	FR	Marshall Islands	MH	Slovakia	SK
Australia	AU	French Guiana	GF	Martinique	MQ	Slovenia	SI
Austria	AT	French Polynesia	PF	Mauritania	MR	Solomon Islands	SB
Azerbaijan	AZ	French Southern Territories	TF	Mauritius	MU	Somalia	SO
Bahamas	BS	Gabon	GA	Mayotte	YT	South Africa	ZA
Bahrain	BH	Gambia	GM	Mexico	MX	South Georgia and the South Sandwich Islands	GS
Bangladesh	BD	Georgia	GE	Micronesia, Federated States of	FM	South Sudan	SS
Barbados	BB	Germany	DE	Moldova, Republic of	MD	Spain	ES
Belarus	BY	Ghana	GH	Monaco	MC	Sri Lanka	LK
Belgium	BE	Gibraltar	GI	Mongolia	MN	Sudan	SD
Belize	BZ	Greece	GR	Montenegro	ME	Suriname	SR
Benin	BJ	Greenland	GL	Montserrat	MS	Svalbard and Jan Mayen	SJ
Bermuda	BM	Grenada	GD	Morocco	MA	Swaziland	SZ
Bhutan	BT	Guadeloupe	GP	Mozambique	MZ	Sweden	SE
Bolivia, Plurinational State of	BO	Guam	GU	Myanmar	MM	Switzerland	CH
Bonaire, Sint Eustatius and Saba	BQ	Guatemala	GT	Namibia	NA	Syrian Arab Republic	SY
Bosnia and Herzegovina	BA	Guernsey	GG	Nauru	NR	Taiwan, Province of China	TW
Botswana	BW	Guinea	GN	Nepal	NP	Tajikistan	TJ
Bouvet Island	BV	Guinea-Bissau	GW	Netherlands	NL	Tanzania, United Republic of	TZ
Brazil	BR	Guyana	GY	New Caledonia	NC	Thailand	TH
British Indian Ocean Territory	IO	Haiti	HT	New Zealand	NZ	Timor-Leste	TL
Brunei Darussalam	BN	Heard Island and McDonald Islands	HM	Nicaragua	NI	Togo	TG
Bulgaria	BG	Holy See (Vatican City State)	VA	Niger	NE	Tokelau	TK
Burkina Faso	BF	Honduras	HN	Nigeria	NG	Tonga	TO
Burundi	BI	Hong Kong	HK	Niue	NU	Trinidad and Tobago	TT
Cabo Verde	CV	Hungary	HU	Norfolk Island	NF	Tunisia	TN
Cambodia	KH	Iceland	IS	Northern Mariana Islands	MP	Turkey	TR
Cameroon	CM	India	IN	Norway	NO	Turkmenistan	TM
Canada	CA	Indonesia	ID	Oman	OM	Turks and Caicos Islands	TC
Cayman Islands	KY	Iran, Islamic Republic of	IR	Pakistan	PK	Tuvalu	TV
Central African Republic	CF	Iraq	IQ	Palau	PW	Uganda	UG
Chad	TD	Ireland	IE	Palestine, State of	PS	Ukraine	UA
Chile	CL	Isle of Man	IM	Panama	PA	United Arab Emirates	AE
China	CN	Israel	IL	Papua New Guinea	PG	United Kingdom	GB
Christmas Island	CX	Italy	IT	Paraguay	PY	United States	US
Cocos (Keeling) Islands	CC	Jamaica	JM	Peru	PE	United States Minor Outlying Islands	UM
Colombia	CO	Japan	JP	Philippines	PH	Uruguay	UY
Comoros	KM	Jersey	JE	Pitcairn	PN	Uzbekistan	UZ
Congo	CG	Jordan	JO	Poland	PL	Vanuatu	VU
Congo, the Democratic Republic of the	CD	Kazakhstan	KZ	Portugal	PT	Venezuela, Bolivarian Republic of	VE
Cook Islands	CK	Kenya	KE	Puerto Rico	PR	Viet Nam	VN
Costa Rica	CR	Kiribati	KI	Qatar	QA	Virgin Islands, British	VG
Cote d'Ivoire |Côte d'Ivoire	CI	Korea, Democratic People's Republic of	KP	Reunion |Réunion	RE	Virgin Islands, U.S.	VI
Croatia	HR	Korea, Republic of	KR	Romania	RO	Wallis and Futuna	WF
Cuba	CU	Kuwait	KW	Russian Federation	RU	Western Sahara	EH
Curacao |Curaçao	CW	Kyrgyzstan	KG	Rwanda	RW	Yemen	YE
Cyprus	CY	Lao People's Democratic Republic	LA	Saint Barthelemy |Saint Barthélemy	BL	Zambia	ZM
Czech Republic	CZ	Latvia	LV	Saint Helena, Ascension and Tristan da Cunha	SH	Zimbabwe	ZW
Denmark	DK	Lebanon	LB	Saint Kitts and Nevis	KN		
Djibouti	DJ	Lesotho	LS	Saint Lucia	LC		
Dominica	DM	Liberia	LR	Saint Martin (French part)	MF		

Annexure A1

CENTRAL KYC REGISTRY | Know Your Customer (KYC) Application Form | Individual | Correspondence / Local Address

Important Instructions:

A) Fields marked with '*' are mandatory fields.
B) Please fill the form in English and in BLOCK letters.
C) Please fill the date in DD-MM-YYYY format.
D) Please read section wise detailed guidelines / instructions at the end.
E) List of State / U.T code as per Indian Motor Vehicle Act, 1988 is available at the end.
F) List of two character ISO 3166 country codes is available at the end.
G) KYC number of applicant is mandatory for update application.
H) For particular section update, please tick (✓) in the box available before the section number and strike off the sections not required to be updated.

For office use only *(To be filled by financial institution)*
Application Type* ☐ New ☐ Update
KYC Number *(Mandatory for KYC update request)*

☐ 1. CORRESPONDENCE / LOCAL ADDRESS DETAILS (Please see instruction **E** at the end)

☐ Same as Current / Permanent / Overseas Address details

Line 1*
Line 2
Line 3 City / Town / Village*
District* Pin / Post Code* State / U.T Code* ISO 3166 Country Code*

☐ 2. CONTACT DETAILS (All communications will be sent on provided Mobile no./ Email-ID) (Please refer instruction **F** at the end)

Tel. (Off) Tel. (Res) Mobile
FAX Email ID

3. APPLICANT DECLARATION

- I hereby declare that the details furnished above are true and correct to the best of my knowledge and belief and I undertake to inform you of any changes therein, immediately. In case any of the above information is found to be false or untrue or misleading or misrepresenting, I am aware that I may be held liable for it.

Date : D D – M M – Y Y Y Y Place :

Signature / Thumb Impression of Applicant

Annexure B1

CENTRAL KYC REGISTRY | Know Your Customer (KYC) Application Form | Individual | Related Person

Important Instructions:

A) Fields marked with '*' are mandatory fields.

B) Please fill the form in English and in BLOCK letters.

C) Please fill the date in DD-MM-YYYY format.

D) Please read section wise detailed guidelines / instructions at the end.

E) List of State / U.T code as per Indian Motor Vehicle Act, 1988 is available at the end.

F) List of two character ISO 3166 country codes is available at the end.

G) KYC number of applicant is mandatory for update application.

H) For particular section update, please tick (✓) in the box available before the section number and strike of the sections not required to be updated.

For office use only (To be filled by financial institution) Application Type* ☐ New ☐ Update

KYC Number (Mandatory for KYC update request)

☐ 1. DETAILS OF RELATED PERSON (Please refer instruction G at the end)

☐ Addition of Related Person ☐ Deletion of Related Person KYC Number of Related Person (if available*)

Related Person Type* ☐ Guardian of Minor ☐ Assignee ☐ Authorized Representative

Name* Prefix | First Name | Middle Name | Last Name

(If KYC number and name are provided, below details of section 1 are optional)

PROOF OF IDENTITY (PoI) OF RELATED PERSON* (Please see instruction (H) at the end)

☐ A- Passport Number — Passport Expiry Date D D – M M – Y Y Y Y

☐ B- Voter ID Card

☐ C- PAN Card

☐ D- Driving Licence — Driving Licence Expiry Date D D – M M – Y Y Y Y

☐ E- UID (Aadhaar)

☐ F- NREGA Job Card

☐ Z- Others (any document notified by the central government) — Identification Number

☐ S- Simplified Measures Account - Document Type code — Identification Number

2. APPLICANT DECLARATION

- I hereby declare that the details furnished above are true and correct to the best of my knowledge and belief and I undertake to inform you of any changes therein, immediately. In case any of the above information is found to be false or untrue or misleading or misrepresenting, I am aware that I may be held liable for it.

Date : D D – M M – Y Y Y Y Place :

[Signature / Thumb Impression]

Signature / Thumb Impression of Applicant

3. ATTESTATION / FOR OFFICE USE ONLY

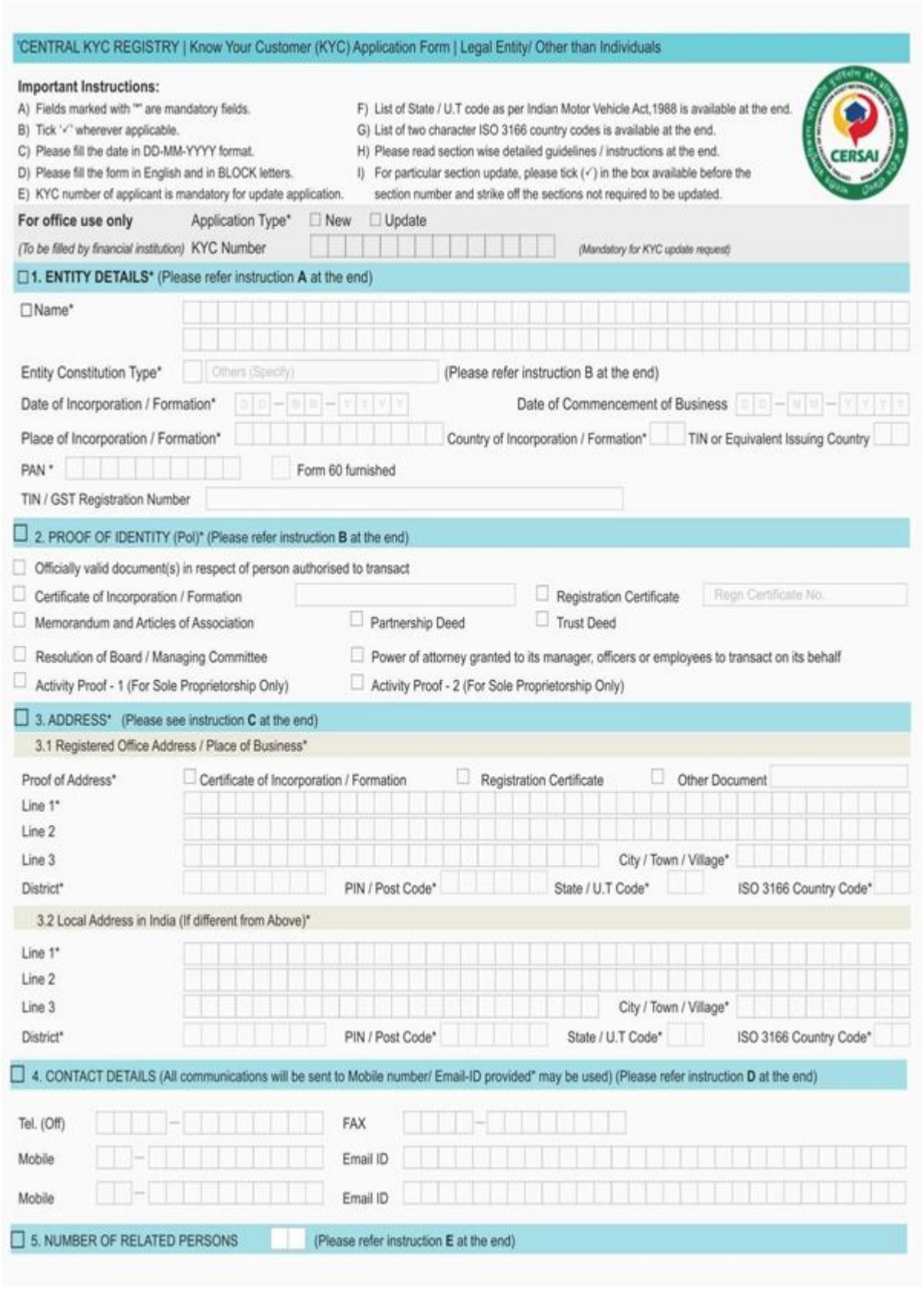
Documents Received ☐ Certified Copies

KYC VERIFICATION CARRIED OUT BY		INSTITUTION DETAILS	
Date	D D – M M – Y Y Y Y	Name	
Emp. Name		Code	
Emp. Code			
Emp. Designation			
Emp. Branch			

[Employee Signature]

[Institution Stamp]

Non – Individual CKYC Form



'CENTRAL KYC REGISTRY | Know Your Customer (KYC) Application Form | Legal Entity/ Other than Individuals

Important Instructions:

A) Fields marked with '*' are mandatory fields.
B) Tick '✓' wherever applicable.
C) Please fill the date in DD-MM-YYYY format.
D) Please fill the form in English and in BLOCK letters.
E) KYC number of applicant is mandatory for update application.
F) List of State / U.T code as per Indian Motor Vehicle Act,1988 is available at the end.
G) List of two character ISO 3166 country codes is available at the end.
H) Please read section wise detailed guidelines / instructions at the end.
I) For particular section update, please tick (✓) in the box available before the section number and strike off the sections not required to be updated.

CERSAI

For office use only Application Type* ☐ New ☐ Update

(To be filled by financial institution) KYC Number *(Mandatory for KYC update request)*

☐ **1. ENTITY DETAILS*** (Please refer instruction **A** at the end)

☐ Name*

Entity Constitution Type* Others (Specify) (Please refer instruction B at the end)

Date of Incorporation / Formation* D D – M M – Y Y Y Y Date of Commencement of Business D D – M M – Y Y Y Y

Place of Incorporation / Formation* Country of Incorporation / Formation* TIN or Equivalent Issuing Country

PAN * Form 60 furnished

TIN / GST Registration Number

☐ 2. PROOF OF IDENTITY (PoI)* (Please refer instruction **B** at the end)

☐ Officially valid document(s) in respect of person authorised to transact

☐ Certificate of Incorporation / Formation ☐ Registration Certificate Regn Certificate No.

☐ Memorandum and Articles of Association ☐ Partnership Deed ☐ Trust Deed

☐ Resolution of Board / Managing Committee ☐ Power of attorney granted to its manager, officers or employees to transact on its behalf

☐ Activity Proof - 1 (For Sole Proprietorship Only) ☐ Activity Proof - 2 (For Sole Proprietorship Only)

☐ 3. ADDRESS* (Please see instruction **C** at the end)

3.1 Registered Office Address / Place of Business*

Proof of Address* ☐ Certificate of Incorporation / Formation ☐ Registration Certificate ☐ Other Document

Line 1*

Line 2

Line 3 City / Town / Village*

District* PIN / Post Code* State / U.T Code* ISO 3166 Country Code*

3.2 Local Address in India (If different from Above)*

Line 1*

Line 2

Line 3 City / Town / Village*

District* PIN / Post Code* State / U.T Code* ISO 3166 Country Code*

☐ 4. CONTACT DETAILS (All communications will be sent to Mobile number/ Email-ID provided* may be used) (Please refer instruction **D** at the end)

Tel. (Off) – FAX –

Mobile – Email ID

Mobile – Email ID

☐ 5. NUMBER OF RELATED PERSONS (Please refer instruction **E** at the end)

☐ **6. REMARKS** (If any)

7. APPLICANT DECLARATION (Please refer Instruction **G** at the end)

- I hereby declare that the details furnished above are true and correct to the best of my knowledge and belief and I undertake to inform you of any changes therein, immediately. In case any of the above information is found to be false or untrue or misleading or misrepresenting, I am aware that I may be held liable for it.
- I/we hereby consent to receiving information from Central KYC Registry through SMS/Email on the above registered number/email address.

Date : D D – M M – Y Y Y Y Place:

Signature / Thumb Impression of Authorised Person(s)

8. ATTESTATION / FOR OFFICE USE ONLY

Documents Received ☐ Certified Copies ☐ Equivalent e-document

KYC VERIFICATION CARRIED OUT BY		INSTITUTION DETAILS	
Identity Verification	☐ Done Date	Name	
Emp. Name		Code	
Emp. Code			
Emp. Designation			
Emp. Branch			

[Employee Signature]

[Institution Stamp]

CENTRAL KYC REGISTRY | Instructions / Check list / Guidelines for filling Legal Entity / Other than Individuals KYC Application Form

A Clarification / Guidelines for filing Entity Details section

1 Entity Constitution Type

A - Sole Proprietorship	H - Trust	O - Artificial Jurisdical Person
B - Partnership Firm	I - Liquidator	P - International Organisation or Agency /Foreign
C - HUF	J - Limited Liability Partnership	Embassy or Consular Office etc.
D - Private Limited Company	K - Artificial Liability Partnership	Q - Not Categorized
E - Public Limited Company	L - Public Sector Banks	R - Others
F - Society	M - Central/State Government Department or Agency	S - Foreign Portfolio Investors
G - Association of Persons (AOP) / Body of Individuals (BOI)	N - Section 8 Companies (Companies Act, 2013)	

2 In case of companies and partnerships, PAN of the entity is mandatory. In case of other entitites, FORM 60 may be obtained if PAN is not available.

B Clarification / Guidelines for filling 'Proof of Identity[PoI]' section

1 Activity Proof - 1 and Activity Proof - 2 are applicable for accounts in case of proprietorship firms. Please refer to relevant instructions issued by the Reserve Bank of India in this regard.

2 Please refer to the relevant instructions issued by the regulator regarding applicable documents for the legal entity.

3 Certified copy of document or equivalent e-document or OVD obtained through Digital KYC process to be submitted.

4 'Equivalent e-document' means an electronic equivalent of a document, issued by the issuing authority of such document with its valid digital signature including documents issued to the digital locker account of the client as per rule 9 of the Information Technology (Preservation and Retention of Information by Intermediaries Providing Digital Locker Facilities) Rules, 2016.

5 'Digital KYC process' has to be carried out as stipulated in the PML Rules, 2005.

6 KYC requirements for Foreign Portfolio Investors (FPIs) will be as specified by the concerned regulator from time to time.

C Clarification / Guidelines for filling 'Proof of Address [PoA]' section

1 State / U.T Code and Pin / Post Code will not be mandatory for Overseas addresses.

2 Certified copy of document or equivalent e-document to be submitted.

D Clarification / Guidelines for filling 'Contact Details' section

1 Please mention two- digit country code and 10 digit mobile number (e.g. for Indian mobile number mention 91-9999999999).

2 Do not add '0' in the beginning of Mobile number.

E Clarification / Guidelines for filling 'Related Person Details' section

1 Personal Details
- The name should match the name as mentioned in the Proof of Identity submitted failing which the application is liable to be rejected.

2 Proof of Address [PoA]
- PoA to be submitted only if the submitted PoI does not have an address or address as per PoI is invalid or not in force.
- State / U.T Code and Pin / Post Code will not be mandatory for Overseas addresses.
- In case of deemed PoA such as utility bill, the document need not be uploaded on CKYCR
- REs may use the Self Declaration check box where Aadhaar authentication has been carried out successfully for a client and client wants to provide a current address, different from the address as per the identity information available in the Central Identities Data Repository.

3 If KYC number of Related Person is available, no other details except 'Person Type' and 'Name of the Related Person' are required.

4 Regulated Entity (RE) shall redact (first 8 digits) of the Aadhaar number from Aadhaar related data and documents such as proof of possession of Aadhaar, while uploading on CKYCR.

F Provision for capturing signature of multiple authorised persons is to be made by the RE.

List of two digit state / U.T codes as per Indian Motor Vehicle Act, 1988

State/U.T	Code	State / U.T	Code		Code
Andaman & Nicobar	AN	Himachal Pradesh	HP	Pondicherry	PY
Andhra Pradesh	AP	Jammu & Kashmir	JK	Punjab	PB
Arunachal Pradesh	AR	Jharkhand	JH	Rajasthan	RJ
Assam	AS	Karnataka	KA	Sikkim	SK
Bihar	BR	Kerala	KL	Tamil Nadu	TN
Chandigarh	CH	Lakshadweep	LD	Telangana	TS
Chattisgarh	CG	Madhya Pradesh	MP	Tripura	TR
Dadra and Nagar Haveli	DN	Maharashtra	MH	Uttar Pradesh	UP
Daman & Diu	DD	Manipur	MN	Uttarakhand	UA
Delhi	DL	Meghalaya	ML	West Bengal	WB
Goa	GA	Mizoram	MZ	Other	XX
Gujarat	GJ	Nagaland	NL		
Haryana	HR	Orissa	OR		

List of ISO 3166 two digit Country Code

Country	Country Code	Country	Country Code	Country	Country Code	Country	Country Code
Afghanistan	AF	Dominican Republic	DO	Libya	LY	Saint Pierre and Miquelon	PM
Aland Islands	AX	Ecuador	EC	Liechtenstein	LI	Saint Vincent and the Grenadines	VC
Albania	AL	Egypt	EG	Lithuania	LT	Samoa	WS
Algeria	DZ	El Salvador	SV	Luxembourg	LU	San Marino	SM
American Samoa	AS	Equatorial Guinea	GQ	Macao	MO	Sao Tome and Principe	ST
Andorra	AD	Eritrea	ER	Macedonia, the former Yugoslav Republic of	MK	Saudi Arabia	SA
Angola	AO	Estonia	EE	Madagascar	MG	Senegal	SN
Anguilla	AI	Ethiopia	ET	Malawi	MW	Serbia	RS
Antarctica	AQ	Falkland Islands (Malvinas)	FK	Malaysia	MY	Seychelles	SC
Antigua and Barbuda	AG	Faroe Islands	FO	Maldives	MV	Sierra Leone	SL
Argentina	AR	Fiji	FJ	Mali	ML	Singapore	SG
Armenia	AM	Finland	FI	Malta	MT	Sint Maarten (Dutch part)	SX
Aruba	AW	France	FR	Marshall Island	MH	Slovakia	SK
Australia	AU	French Guiana	GF	Martinique	MQ	Slovenia	SI
Austria	AT	French Polynesia	PF	Mauritania	MR	Solomon Island	SB
Azerbaijan	AZ	French Southern Territories	TF	Mauritius	MU	Somalia	SO
Bahamas	BS	Gabon	GA	Moyotte	YT	South Africa	ZA
Bahrain	BH	Gambia	GM	Mexico	MX	South Georgia and the South Sandwich Islands	GS
Bangladesh	BD	Georgia	GE	Micronesia, Federated States of	FM	South Sudan	SS
Barbados	BB	Germany	DE	Moldova, Republic of	MD	Spain	ES
Belarus	BY	Ghana	GH	Monaco	MC	Sri Lanka	LK
Belgium	BE	Gibraltar	GI	Mongolia	MN	Sudan	SD
Belize	BZ	Greece	GR	Montenegro	ME	Suriname	SR
Benin	BJ	Greenland	GL	Montserrat	MS	Svalbard and Jan Mayen	SI
Bermuda	BM	Grenada	GD	Morocco	MA	Swaziland	SZ
Bhutan	BT	Guadeloupe	GP	Mozambique	MZ	Sweden	SE
Bolivia, Plurinational State of	BO	Guam	GU	Myanmar	MM	Switzerland	CH
Bonaire, Sint Eustatius and Saba	BQ	Guatemala	GT	Namibia	NA	Syrian Arab Republic	SY
Bosnia and Herzegovina	BA	Guernsey	GG	Nauru	MZ	Taiwan province of china	TW
Botswana	BW	Guinea	GN	Nepal	NP	Tajikistan	TJ
Bouvet Island	BV	Guinea-Bissau	GW	Netherlands	NL	Tanzania, United Republic of	TZ
Brazil	BR	Guyana	GY	New Caledonia	NC	Thailand	TH
British Indian Ocean Territory	IO	Haiti	HT	New Zealand	NZ	Timor-Leste	TL
Brunei Darussalam	BN	Heard Island and McDonald Islands	HM	Nicaragua	NI	Togo	TG
Bulgaria	BG	Holy See (Vatican City State)	VA	Niger	NE	Tokelau	TK
Burkina Faso	BF	Honduras	HN	Nigeria	NG	Tonga	TO
Burundi	BI	Hongkong	HK	Niue	NU	Trinidad and Tobago	TT
Cabo Verde	CV	Hungary	HU	Norfolk Island	NF	Tunisia	TN
Cambodia	KH	Iceland	IS	Northern Mariana Islands	MP	Turkey	TR
Cameroon	CM	India	IN	Norway	NO	Turkmenistan	TM
Canada	CA	Indonesia	ID	Oman	OM	Turks and Caicos Islands	TC
Cayman Islands	KY	Iran, Islamic Republic of	IR	Pakistan	PK	Tuvalu	TV
Central African Republic	CF	Iraq	IQ	Palau	PW	Uganda	UG
Chad	TD	Ireland	IE	Palestine, State of	PS	Ukraine	UA
Chile	CL	Isle of Man	IM	Panama	PA	United Arab Emirates	AE
China	CN	Israel	IL	Papua New Guinea	PG	United Kingdom	GB
Christmas Island	CX	Italy	IT	Paraguay	PY	United States	US
Cocos (Keeling) Islands	CC	Jamaica	JM	Peru	PE	United States Minor Outlying Islands	UM
Colombia	CO	Japan	JP	Philippines	PH	Uruguay	UY
Comoros	KM	Jersey	JE	Pitcairn	PN	Uzbekistan	UZ
Congo	CG	Jordan	JO	Poland	PL	Vanuatu	VU
Congo, the Democratic Republic of the	CD	Kazakhstan	KZ	Portugal	PT	Venezuela, Bolivarian Republic of	VE
Cook Islands	CK	Kenya	KE	Puerto Rico	PR	Viet Nam	VN
Costa Rica	CR	Kiribati	KI	Qatar	QA	Virgin Islands, British	VG
Cote d'Ivoire ICote d'Ivoire	CI	Korea, Democratic People's Republic of	KP	Reunion !Reunion	RE	Virgin Island, U.S.	VI
Croatia	HR	Korea, Republic of	KR	Romania	RO	Wallis and Futuna	WF
Cuba	CU	Kuwait	KW	Russian Federation	RU	Western Sahara	EH
Curacao ICuracao	CW	Kyrgyzstan	KG	Rwanda	RW	Yemen	YE
Cyprus	CY	Lao People's Democratic Republic	LA	Saint Barthelemy !Saint BartheJemy	BL	Zambia	ZM
Czech Republic	CZ	Latvia	LV	Saint Helena, Ascension and Tristan da Cunha	SH	Zimbabwe	ZW
Denmark	DK	Lebanon	LB	Saint Kittsand Nevis	KN		
Djibouti	DJ	Lesotho	LS	Saint Lucia	LC		

Annexure A2 | Legal Entity / Other than Individuals

CENTRAL KYC REGISTRY | Know Your Customer (KYC) Application Form | Related Person

Important Instructions:

A) Fields marked with '*' are mandatory fields.
B) Tick '✓' wherever applicable.
C) Please fill the date in DD-MM-YYYY format.
D) Please fill the form in English and in BLOCK letters.
E) KYC number of applicant is mandatory for update application.
F) List of State / U.T code as per Indian Motor Vehicle Act, 1988 is available at the end.
G) List of two character ISO 3166 country codes is available at the end.
H) Please read section wise detailed guidelines / instructions at the end.
I) For particular section update, please tick (✓) in the box available before the section number and strike off the sections not required to be updated

For office use only (To be filled by financial institution) Application Type* ☐ New ☐ Update ☐ Delete
KYC Number (Mandatory for KYC update and delete request)

1. DETAILS OF RELATED PERSON* (Please refer instruction E at the end)

☐ Addition of Related Person ☐ Deletion of Related Person ☐ Update Related Person Details

KYC Number of Related Person (if available*) *If KYC number is available, only 'Related Person Type' & 'Name' is mandatory*

Related Person Type* ☐ Director ☐ Promoter ☐ Karta ☐ Trustee ☐ Partner ☐ Court Appointment Official ☐ Proprietor ☐ Beneficiary ☐ Authorised Signatory ☐ Beneficial Owner ☐ Power of Attorney Holder ☐ Other (Please specify)

DIN (Director Identification Number) *(Mandatory if Related Person Type is Director)*

1.1 PERSONAL DETAILS (Please refer instruction E at the end)

	Prefix	First Name	Middle Name	Last Name
Name* (Same as ID proof)				
Maiden Name				
Father / Spouse Name				
Mother Name				
Date of Birth*	D D – M M – Y Y Y Y			

Gender* ☐ M- Male ☐ F- Female ☐ T-Transgender

Nationality* ☐ IN- Indian ☐ Others (ISO 3166 Country Code ☐☐)

PAN* ☐ Form 60 furnished

1.2 PROOF OF IDENTITY AND ADDRESS* (Please refer instruction E at the end)

I Certified copy of OVD or equivalent e-document of OVD or OVD obtained through digital KYC process needs to be submitted (anyone of the following OVDs)

- ☐ A- Passport Number
- ☐ B-Voter ID Card
- ☐ C- Driving Licence
- ☐ D-NREGA Job Card
- ☐ E- National Population Register Letter
- ☐ F - Proof of Possession of Aadhaar

II ☐ E-KYC Authentication

III ☐ Offline verification of Aadhaar

☐ PHOTO*

Address

Line 1*
Line 2
Line 3 City / Town / Village*
District* Pin / Post Code* State / U.T Code* ISO 3166 Country Code*

☐ 1.3. CURRENT ADDRESS DETAILS (Please refer instruction E and the end)

☐ Same as above mentioned address (In such cases address details as below need not be provided)

I Certified copy of OVD or equivalent e-document of OVD or OVD obtained through digital KYC process needs to be submitted (anyone of the following OVDs)

- ☐ A- Passport Number
- ☐ B-Voter ID Card
- ☐ C- Driving Licence
- ☐ D-NREGA Job Card
- ☐ E- National Population Register Letter
- ☐ F - Proof of Possession of Aadhaar

II ☐ E-KYC Authentication

II ☐ Offline verification of Aadhaar

IV ☐ Deemed PoA

V ☐ Self Declaration

Address

Line 1*

Line 2

Line 3 City / Town / Village*

District* Pin / Post Code* State / U.T Code* ISO 3166 Country Code*

1. 4 CONTACT DETAILS (All communication will be sent on provided mobile no. / Email-ID) (Please refer instruction **D** at the end)

Tel. (Off) – Tel. (Res) – Mobile –

Email ID

2. APPLICANT DECLARATION

- I hereby declare that the details furnished above are true and correct to the best of my knowledge and belief and I undertake to inform you of any changes therein, immediately. In case any of the above information is found to be false or untrue or misleading or misrepresenting, I am aware that I may be held liable for it.
- I/we hereby consent to receiving information from Central KYC Registry through SMS/Email on the above registered number/email address.

Date : D D – M M – Y Y Y Y Place:

Signature /Thumb Impression of Applicant

3. ATTESTATION / FOR OFFICE USE ONLY

Documents Received ☐ Certified Copies ☐ E-KYC data received from UIDAI ☐ Data received from Offline verification ☐ Digital KYC process ☐ Equivalent e-document

KYC VERIFICATION CARRIED OUT BY	INSTITUTION DETAILS
Date – –	Name
Emp. Name	Code
Emp. Code	
Emp. Designation	
Emp. Branch	
[Employee Signature]	[Institution Stamp]

- I/we hereby consent to receiving information from Central KYC Registry through SMS/Email on the above registered number/email address.

Date : D D – M M – Y Y Y Y Place:

Signature /Thumb Impression of Applicant

Central KYC Registry | Instructions / Check list / Guidelines for filling Legal Entity / Other than Individuals KYC Application Form

A. Clarification / Guidelines on filling 'Entity Details' section

1. Entity Constitution Type

A – Sole Partnership	H – Trust	O – Artificial Juridical Person
B – Partnership Firm	I – Liquidator	P – International Organisation or
C – HUF	J – Limited Liability Partnership	Agency/Foreign Embassy or Consular Office, etc.
D – Private Limited Company	K – Artificial Liability Partnership	Q – Not Categorized
E – Public Limited Company	L – Public Sector Banks	R – Others
F – Society	M – Central/State Government Department or Agency	S – Foreign Portfolio Investors
G – Association of Persons (AOP)/Body of Individuals (BOI)	N – Section 8 Companies (Companies Act, 2013)	

2. In case of companies and partnerships, PAN of the entity is mandatory. In case of other entities.

B. Clarification / Guidelines on filling 'Proof of Identity [POI]' section

A. Activity Proof – 1 and Activity Proof – 2 are applicable for accounts in case of proprietorship firms. Please refer to relevant instructions issued by the Reserve Bank of India in this regard.

B. Please refer to the relevant instructions issued by the regulator regarding applicable documents for the legal entity.

C. Certified copy of document or equivalent e-document or OVD obtained through Digital KYC process to be submitted.

D. 'Equivalent e-document' means an electronic equivalent of a document, issued by the issuing authority of such document with its valid digital signature including documents issued to the digital locker account of the client as per rule 9 of the Information Technology (Preservation and Retention of Information by Intermediaries Providing Digital Locker Facilities) Rules, 2016.

E. 'Digital KYC process' has to be carried out as stipulated in the PML Rules, 2005.

F. KYC requirements for Foreign Portfolio Investors (FPIs) will be as specified by the concerned regulator from time to time.

C. Clarification/Guidelines for filling Proof of Address [PoA]' section

A. State/U.T Code and Pin/Post Code will not be mandatory for overseas addresses.

B. Certified copy of document or equivalent e-document to be submitted.

D. Clarification/Guidelines for filling 'Related Person Details' section

A. Please mention two-digit 'country code and 10 digit mobile number (e.g. for Indian mobile number mention 91-9999999999).

B. Do not add '0' in the beginning of Mobile number.

E. Clarification/Guidelines for filling 'Related Person Details' section

1. Personal Details
   - The name should match the name as mentioned in the Proof of Identity submitted failing which the application is liable to be rejected.
   - One of the following is mandatory: Mother's name, Spouse's name, Father's name.
2. Proof of Address [PoA]
   - PoA to be submitted only if the submitted PoI does not have an address or address as per PoI is invalid or not in force.
   - State/U.T Code and Pin/Post Code will not be mandatory for Overseas addresses.
   - In case of deemed PoA such as utility bill, the document need not be uploaded on CKYCR
   - REs may use the Self Declaration check box where Aadhaar authentication has been carried out successfully for a client and client wants to provide a current address, different from the address as per the identity information available in the Central Identities Data Repository.

C. If KYC number of Related Person is available, no other details except 'Person Type' and 'Name of the Related' are required.

D. Regulated Entity (RE) shall redact (first 8 digits) of the Aadhaar number from Aadhaar related data and documents such as proof of possession of Aadhaar, while uploading on CKYCR.

F. Provision for capturing signature of multiple authorised persons is to be made by the RE.

G. List of people authorized to attest the documents after verification with the originals:

1. Authorised officials of Asset Management Companies (AMC).
2. Authorised officials of Registrar & Transfer Agent (R&T) acting on behalf of the AMC.
3. KYD compliant mutual fund distributors.
4. Notary Public, Gazetted Officer, Manager of a Scheduled Commercial/Co-operative Bank or Multinational Foreign Banks (Name, Designation & Seal should be affixed on the copy).
5. In case of NRIs, authorized officials of overseas branches of Scheduled Commercial Banks registered in India, Notary Public, Court Magistrate, Judge, Indian Embassy/Consulate General in the country where the client resides are permitted to attest the documents.
6. Government authorised officials who are empowered to issue Apostille Certificates.

General instructions:

1. Self-Certification of documents is mandatory.
2. Copies of all documents that are submitted need to be compulsorily self-attested by the applicant and accompanied by originals for verification. In case the original of any document is not produced for verification, then the copies should be properly attested by entities authorized for attesting the documents, as per the list mentioned under [F].
3. If any proof of identity or address is in a foreign language, then translation into English is required duly attested by the official as indicated above
4. Name & address of the applicant mentioned on the KYC form, should match with the documentary proof submitted.
5. If current & permanent addresses are different, then proofs for both have to be submitted.
6. Sole proprietor must make the application in his individual name & capacity.
7. For non-residents and foreign nationals, (allowed to trade subject to RBI and FEMA guidelines), copy of passport / PIO Card /OCI and overseas address proof is mandatory.
8. In case of Merchant Navy NRI's, Mariner's declaration or certified copy of CDC (Continuous Discharge Certificate) is to be submitted.
9. For opening an account with Depository participant or Mutual Fund, for a minor, photocopy of the School Leaving Certificate/Mark sheet issued by Higher Secondary Board / Passport of Minor / Birth Certificate must be provided.

List of two digit state / U.T codes as per Indian Motor Vehicle Act, 1988

State/U.T	Code
Andaman & Nicobar	AN
Andhra Pradesh	AP
Arunachal Pradesh	AR
Assam	AS
Bihar	BR
Chandigarh	CH
Chhattisgarh	CG
Dadra and Nagar Haveli	DN
Daman & Diu	DD
Delhi	DL
Goa	GA
Gujarat	GJ
Haryana	HR

State/U.T	Code
Himachal Pradesh	HP
Jammu & Kashmir	JK
Jharkhand	JH
Karnataka	KA
Kerala	KL
Lakshadweep	LD
Madhya Pradesh	MP
Maharashtra	MH
Manipur	MN
Meghalaya	ML
Mizoram	MZ
Nagaland	NL
Orissa	OR

State/U.T	Code
Pondicherry	PY
Punjab	PB
Rajasthan	RJ
Sikkim	SK
Tamil Nadu	TN
Telangana	TS
Tripura	TR
Uttar Pradesh	UP
Uttarkhand	UA
West Bengal	WB
Other	XX

List of ISO 3166 two digit Country Code

Country	Country Code	Country	Country Code	Country	Country Code	Country	Country Code
Afghanistan	AF	Dominican Republic	DO	Libya	LY	Saint Pierre and Miquelon	PM
Aland Islands	AX	Ecuador	EC	Liechtenstein	LI	Saint Vincent and the Grenadines	VC
Albania	AL	Egypt	EG	Lithuania	LT	Samoa	WS
Algeria	DZ	El Salvador	SV	Luxembourg	LU	San Marino	SM
American Samoa	AS	Equatorial Guinea	GQ	Macao	MO	Sao Tome and Principe	ST
Andorra	AD	Eritrea	ER	Macedonia, the former Yugoslav Republic of	MK	Saudi Arabia	SA
Angola	AO	Estonia	EE	Madagascar	MG	Senegal	SN
Anguilla	AI	Ethiopia	ET	Malawi	MW	Serbia	RS
Antarctica	AQ	Falkland Islands (Malvinas)	FK	Malaysia	MY	Seychelles	SC
Antigua and Barbuda	AG	Faroe Islands	FO	Maldives	MV	Sierra Leone	SL
Argentina	AR	Fiji	FJ	Mali	ML	Singapore	SG
Armenia	AM	Finland	FI	Malta	MT	Sint Maarten (Dutch part)	SX
Aruba	AW	France	FR	Marshall Island	MH	Slovakia	SK
Australia	AU	French Guiana	GF	Martinique	MQ	Slovenia	SI
Austria	AT	French Polynesia	PF	Mauritania	MR	Solomon Island	SB
Azerbaijan	AZ	French Southern Territories	TF	Mauritius	MU	Somalia	SO
Bahamas	BS	Gabon	GA	Mayotte	YT	South Africa	ZA
Bahrain	BH	Gambia	GM	Mexico	M X	South Georgia and the South Sandwich Islands	GS
Bangladesh	BD	Georgia	GE	Micronesia, Federated States of	FM	South Sudan	SS
Barbados	BB	Germany	DE	Moldova, Republic of	MD	Spain	ES
Belarus	BY	Ghana	GH	Monaco	MC	Sri Lanka	LK
Belgium	BE	Gibraltar	GI	Mongolia	MN	Sudan	SD
Belize	BZ	Greece	GR	Montenegro	ME	Suriname	SR
Benin	BJ	Greenland	GL	Montserrat	MS	Svalbard and Jan Mayen	SJ
Bermuda	BM	Grenada	GD	Morocco	MA	Swaziland	SZ
Bhuten	BT	Guadeloupe	GP	Mozambique	MZ	Sweden	SE
Bolivia, Plurinational State of	BO	Guam	GU	Myanmar	MM	Switzerland	CH
Bonaire, Sint Eustatius and Saba	BQ	Guatemala	GT	Namibia	NA	Syrian Arab Republic	SY
Bosnia and Herzegovina	BA	Guernsey	GG	Nauru	NZ	Taiwan province of China	TW
Botswana	BW	Guinea	GN	Nepal	NP	Tajikistan	TJ
Bouvet Island	BV	Guinea-Bissau	GW	Netherlands	NL	Tanzania, United Republic of	TZ
Brazil	BR	Guyana	GY	New Caledonia	NC	Thailand	TH
British Indian Ocean Territory	IO	Haiti	HT	New Zealand	NZ	Timor-Leste	TL
Brunei Darussalam	BN	Heard Island and McDonald Islands	HM	Nicaragua	NI	Togo	TG
Bulgaria	BG	Holy See (Vatican City State)	VA	Niger	NE	Tokelau	TK
Burkina Faso	BF	Honduras	HN	Nigeria	NG	Tonga	TO
Burundi	BI	Hong Kong	HK	Niue	NU	Trinidad and Tobago	TT
Cabo Verde	CV	Hungary	HU	Norfolk Island	NF	Tunisia	TN
Cambodia	KH	Iceland	IS	Northern Mariana Islands	MP	Turkey	TR
Cameroon	CM	India	IN	Norway	NO	Turkmenistan	TM
Canada	CA	Indonesia	ID	Oman	OM	Turks and Caicos Islands	TC
Cayman Islands	KY	Iran, Islamic Republic of	IR	Pakistan	PK	Tuvalu	TV
Central African Republic	CF	Iraq	IQ	Palau	PW	Uganda	UG
Chad	TD	Ireland	IE	Palestine, State of	PS	Ukraine	UA
Chile	CL	Isle of Man	IM	Panama	PA	United Arab Emirates	AE
China	CN	Israel	IL	Papua New Guinea	PG	United Kingdom	GB
Christmas Island	CX	Italy	IT	Paraguay	PY	United States	US
Cocos (Keeling) Islands	CC	Jamaica	JM	Peru	PE	United States Minor Outlying Islands	UM
Colombia	CO	Japan	JP	Philippines	PH	Uruguay	UY
Comoros	KM	Jersey	JE	Pitcairn	PN	Uzbekistan	UZ
Congo	CG	Jordan	JO	Poland	PL	Vanuatu	VU
Congo, the Democratic Republic of the	CD	Kazakhstan	KZ	Portugal	PT	Venezuela, Bolivarian Republic of	VE
Cook Islands	CK	Kenya	KE	Puerto Rica	PR	Viet Nam	VN
Costa Rica	CR	Kiribati	KI	Qatar	QA	Virgin Islands, British	VG
Cote d'Ivoire | Code d'Ivoire	CI	Korea, Democratic People's Republic of	KP	Reunion (Reunion	RE	Virgin Island, U.S.	VI
Croatia	HR	Korea, Republic	KR	Romania	RO	Wallis and Futuna	WF
Cuba	CU	Kuwait	KW	Russian Federation	RU	Western Sahara	EH
Curacao | Curacao	CW	Kyrgyzstan	KG	Rwanda	RW	Yemen	YE
Cyprus	CY	Lao People's Democratic Republic	LA	Saint Barthelemy | Saint Barthelemy	BL	Zambia	ZM
Czech Republic	CZ	Latvia	LV	Saint Helena, Ascension and Tristan da Cunha	SH	Zimbabwe	ZW
Denmark	DK	Lebanon	LB	Saint Kitts and Nevis	KN		
Djibouti	DJ	Lesotho	LS	Saint Lucia	LC		
Dominica	DM	Liberia	LR	Saint Martin (French Part)	MF		

Annexure – 1

Part II

For Individuals

Please fill this form in ENGLISH and in BLOCK LETTERS.

PHOTOGRAPH

Please affix your recent passport size photograph and sign across it

A. Other Details

1. **Gross Annual Income Details (please specify):** Income Range per annum: Below Rs 1 Lac / 1-5 Lac /5-10 Lac / 10-25 Lac / >25 Lacs **or**

2. **Net-worth as on** (date)_____ (_____) (Net worth should not be older than 1 year)

3. **Occupation (please tick any one and give brief details): Private Sector/ Public Sector/ Government Service/Business/ Professional/ Farmer/ Others (Specify)** _____

4. **Please tick, as applicable:** Politically Exposed Person (PEP)/ Related to a Politically Exposed **Person (PEP) / Not a Politically Exposed Person (PEP) / Not Related to a Politically Exposed Person (PEP)**

B. BANK ACCOUNT(S) DETAILS

Bank Name	Branch address	Bank account no.	Account Type: Saving / Current / Others	MICR Number	IFSC code

Note: Provide a copy of cancelled cheque leaf/ passbook/bank statement specifying name of the client, MICR Code or/and IFSC Code of the bank.

C. DEPOSITORY ACCOUNT(S) DETAILS, if available

Depository Participant Name	Depository Name (NSDL/CDSL)	Beneficiary name	DP ID	Beneficiary ID (BO ID)

Note: Provide a copy of either Demat Master or a recent holding statement issued by DP bearing name of the client.

D. TRADING PREFERENCES

Note: Please sign in the relevant boxes against the Exchange with which you wish to trade. The Exchange not chosen should be struck off by the client.

Following format to be used by members registered exclusively in Commodity Derivatives Exchange:

Sr. No.	Name of the National Commodity Exchanges #	Date of Consent for trading on concerned Exchange	Signature of the Client
1.			
2.			
3.			
4.			

 # At the time of printing the form, the Member must specify the names of the Exchanges where the Member has membership.

[In case of allowing a client for trading on any other Exchange later, which is not selected now, a separate consent letter is required to be obtained by the Member from client and to be kept as enclosure with this document]

E. INVESTMENT / TRADING EXPERIENCE

☐ No Prior Experience

☐ _____Years in Commodities

☐ _____Years in other investment related fields

F. PAST REGULATORY ACTIONS

☐ Details of any action/proceedings initiated/pending/ taken by FMC/ SEBI / Stock exchange / Commodity exchange/any other authority against the client during the last 3 years: _____

G. DEALINGS THROUGH OTHER MEMBERS

If client is dealing through any other Member, provide the following details (incase dealing with multiple Members/APs, provide details of all in a separate sheet containing all the information as mentioned below) :

Member's / AP's Name: _____

Exchange: _____

Exchange's Registration number: _____

Concerned Member's Name with whom the AP is registered: _____

Registered office address: _____

Ph: _____ Fax: _____ Email:_____
Website:_____ Client Code: _____

Details of disputes/dues pending from/to such Member/AP_____

H. INTRODUCER DETAILS (optional)

Name of the Introducer:

_____

(Surname) (Name) (Middle Name)

Status of the Introducer: Authorized Person / Existing Client / Others, please specify_____

Address and phone no. of the Introducer: _____

Signature of the Introducer_____

I. ADDITIONAL DETAILS

- Whether you wish to receive communication from Member in electronic form on your Email-id [Yes / No]:

DECLARATION

1. I/We hereby declare that the details furnished above are true and correct to the best of my/our knowledge and belief and I/we undertake to inform you of any change therein, immediately. In case any of the above information is found to be false or untrue or misleading or misrepresenting, I am/we are aware that I/we may be held liable for it.

2. I/We confirm having read/been explained and understood the contents of the tariff sheet and all voluntary/non-mandatory documents.

3. I/We further confirm having read and understood the contents of the 'Rights and Obligations' document(s), 'Risk Disclosure Document' and 'Do's and Dont's'. I/We do hereby agree to be bound by such provisions as outlined in these documents. I/We have also been informed that the standard set of documents has been displayed for Information on Member's designated website, if any.

Place_____ (_____)

Date _____ **Signature of Client FOR OFFICE USE ONLY**

UCC Code allotted to the Client: _____

	Documents verified with Originals
Name of the Employee	
Employee Code	
Designation of the employee	
Date	
Signature	

I / We undertake that we have made the client aware of tariff sheet and all the voluntary/non-mandatory documents. I/We have also made the client aware of 'Rights and Obligations' document (s), RDD, 'Do's and Dont's' and Guidance Note. I/We have given/sent him a copy of all the KYC documents. I/We undertake that any change in the tariff sheet and all the voluntary/non-mandatory documents would be duly intimated to the clients. I/We also undertake that any change in the 'Rights and Obligations' and RDD would be made available on my/our website, if any, for the information of the clients.

Signature of the Authorised Signatory

Date _____ **Seal/Stamp of the Member**

KNOW YOUR CLIENT (KYC) APPLICATION FORM

For Non-Individuals

Please fill this form in ENGLISH and in BLOCK LETTERS.

PHOTOGRAPH
Please affix Authorized Signatories recent passport size photographs and sign across it

A. OTHER DETAILS

1. **Gross Annual Income Details (please specify):** Income Range per annum: Below Rs 1 Lac / 1-5 Lac /5-10 Lac / 10-25 Lac / 25 Lacs-1 crore/ > 1 crore

2. **Net-worth as on** (date) _____(dd/mm/yyyy): _____ *(*Net worth should not be older than 1 year)*

3. Name, PAN, residential address and photographs of Promoters/Partners/Karta/Trustees and whole-time directors_____

4. DIN / DPIN / UID of Promoters/Partners/LLP Partners and whole-time directors**:** _____

5. **Please tick, as applicable, for any of your authorized signatories / Promoters / Partners / Karta / Trustees / whole time directors:** Politically Exposed Person (PEP) / Related to a Politically Exposed Person (PEP) / Not a Politically Exposed Person (PEP) / Not Related to a Politically Exposed Person (PEP)

B. BANK ACCOUNT(S) DETAILS

Bank Name	Branch address	Bank account no.	Account Type: Saving/Current/ Others	MICR Number	IFSC code

Note: Provide a copy of cancelled cheque leaf/ passbook/bank statement specifying name of the client, MICR Code or/and IFSC Code of the bank.

C. DEPOSITORY ACCOUNT(S) DETAILS, if available

Depository Participant Name	Depository Name (NSDL/CDSL)	Beneficiary name	DP ID	Beneficiary ID (BO ID)

Note: Provide a copy of either Demat Master or a recent holding statement issued by DP bearing name of the client.

D. TRADING PREFERENCES

Note: Please sign in the relevant boxes against the Exchange with which you wish to trade. The Exchange not chosen should be struck off by the client.

Following format to be used by members registered exclusively in Commodity Derivatives Exchange:

Sr. No.	Name of the National Commodity Exchanges #	Date of Consent for trading on concerned Exchange	Signature of the Client
1.			
2.			
3.			
4.			

 # At the time of printing the form, the Member must specify the names of the Exchanges where the Member has membership.

[In case of allowing a client for trading on any other Exchange at a later date, which is not selected now, a separate consent letter is required to be obtained by the Member from client and to be kept as enclosure with this document]

E. INVESTMENT / TRADING EXPERIENCE

☐ No Prior Experience

☐ _____Years in Commodities

☐ _____Years in other investment related fields

F. PAST REGULATORY ACTIONS

Details of any action/proceedings initiated/pending/ taken by FMC/ SEBI / Stock exchange / Commodity exchange/any other authority against the client or its Partners/promoters/whole time directors/authorized persons in charge during the last 3 years: _____

G. DEALINGS THROUGH OTHER MEMBERS

If client is dealing through any other Member, provide the following details (incase dealing with multiple Members/APs, provide details of all in a separate sheet containing all the information as mentioned below) :

Member's / AP's Name: _____

Exchange: _____

Exchange's Registration number: _____

Concerned Member's Name with whom the AP is registered: _____

Registered office address: _____

Ph: _____ Fax: _____ Email: _____

Website:_____ Client Code: _____

Details of disputes/dues pending from/to such Member/AP: _____

H. INTRODUCER DETAILS (optional)

Name of the Introducer: _____
(Surname) (Name) (Middle Name)

Status of the Introducer: Authorized Person/Existing Client/Others, please specify _____

Address and phone no. of the Introducer: _____

Signature of the Introducer: _____

I. ADDITIONAL DETAILS

- Whether you wish to receive communication from Member in electronic form on your Email-id [Yes / No]:

DECLARATION

1. I/We hereby declare that the details furnished above are true and correct to the best of my/our knowledge and belief and I/we undertake to inform you of any changes therein, immediately. In case any of the above information is found to be false or untrue or misleading or misrepresenting, I am/we are aware that I/we may be held liable for it.

2. I/We confirm having read/been explained and understood the contents of the tariff sheet and all voluntary/non-mandatory documents.

3. I/We further confirm having read and understood the contents of the 'Rights and Obligations' document(s), 'Risk Disclosure Document' and 'Do's and Dont's'. I/We do hereby agree to be bound by such provisions as outlined in these documents. I/We have also been informed that the standard set of documents has been displayed for Information on Member's designated website, if any.

Place _____ (_____)

Date -_____ **Signature of (all) Authorized Signatory(ies)***

*Form needs to be signed by all the authorized signatories.

INSTRUCTIONS/CHECK LIST FOR FILLING KYC FORM

A. IMPORTANT POINTS:

1. Self-attested copy of PAN card is mandatory for all clients, including Promoters/Partners/Karta/Trustees and whole time directors and persons authorized to deal in commodity derivatives on behalf of company/firm/others.

2. Copies of all the documents submitted by the applicant should be self-attested and accompanied by originals for verification. In case the original of any document is not produced for verification, then the copies should be properly attested by entities authorized for attesting the documents, as per the below mentioned list.

3. If any proof of identity or address is in a regional language, then translation into English is required.

4. Name & address of the applicant mentioned on the KYC form, should match with the documentary proof submitted.

5. If correspondence & permanent address are different, then proofs for both have to be submitted.

6. Sole proprietor must make the application in his individual name & capacity.

7. For non-residents and foreign nationals, (allowed to trade subject to RBI and FIPB/FEMA guidelines and other applicable statutory approvals), copy of passport/PIO Card/OCI Card and overseas address proof is mandatory.

8. For foreign entities, CIN is optional; and in the absence of DIN no. for the directors, their passport copy should be given.

9. In case of Merchant Navy NRI's, Mariner's declaration or certified copy of CDC (Continuous Discharge Certificate) is to be submitted along with other statutory approvals required for investment in commodities.

10. Politically Exposed Persons (PEP) are defined as individuals who are or have been entrusted with prominent public functions in a foreign country, e.g., Heads of States or of Governments, senior politicians, senior Government/judicial/ military officers, senior executives of state owned corporations, important political party officials, etc.

B. Proof of Identity (POI): - *List of documents admissible as Proof of Identity:*

1. Unique Identification Number (UID) (Aadhaar)/ Passport/ Voter ID card/ Driving license.

2. PAN card with photograph.

3. Identity card issued by any of the following: Central/State Government and its Departments, Statutory/Regulatory Authorities, Public Sector Undertakings, Scheduled Commercial Banks, Public Financial Institutions, Colleges affiliated to Universities, Professional Bodies such as ICAI, ICWAI, ICSI, Bar Council etc., to their Members; and Credit cards/Debit cards issued by Banks.

C. Proof of Address (POA): - *List of documents admissible as Proof of Address:*

(Note: Documents having an expiry date should be valid on the date of submission.)

1. Passport/ Voters Identity Card/ Ration Card/ Registered Lease or Sale Agreement of Residence/ Driving License/ Flat Maintenance bill/ Insurance Copy.

2. Utility bills like Telephone Bill (only land line), Electricity bill or Gas bill **-** Not more than 3 months old.

3. Bank Account Statement/Passbook -- Not more than 3 months old.

4. Proof of address issued by any of the following: Bank Managers of Scheduled Commercial Banks/Scheduled Co-Operative Bank/Multinational Foreign Banks/Gazetted Officer/Notary public/Elected representatives to the Legislative Assembly/Parliament/Documents issued by any Govt. or Statutory Authority.

5. Identity card/document with address, issued by any of the following: Central/State Government and its Departments, Statutory/Regulatory Authorities, Public Sector Undertakings, Scheduled Commercial Banks, Public Financial Institutions, Colleges affiliated to Universities and Professional Bodies such as ICAI, ICWAI, ICSI, Bar Council etc., to their Members.

6. The proof of address in the name of the spouse may be accepted.

D. Exemptions to PAN

(Note: Sufficient documentary evidence in support of such claims to be collected.)

1. Transactions undertaken on behalf of Central Government and/or State Government and by officials appointed by Courts e.g. Official liquidator, Court receiver etc.

2. Investors residing in the State of Sikkim (subject to the continued exemption granted by Government).

E. List of people authorized to attest the documents:

1. Notary Public, Gazetted Officer, Manager of a Scheduled Commercial/ Co-operative Bank or Multinational Foreign Banks (Name, Designation & Seal should be affixed on the copy).

2. In case of NRIs, authorized officials of overseas branches of Scheduled Commercial Banks registered in India, Notary Public, Court Magistrate, Judge, Indian Embassy /Consulate General in the country where the client resides are permitted to attest the documents.

F. In case of Non-Individuals, additional documents to be obtained from non-individuals, over & above the POI & POA, as mentioned below:

Types of entity	Documentary requirements
Corporate	• Copy of the balance sheets for the last 2 financial years (to be submitted every year). • Copy of latest share holding pattern including list of all those holding control, either directly or indirectly, in the company in terms of SEBI takeover Regulations, duly certified by the company secretary/ whole time director/MD (to be submitted every year), • Photograph, POI, POA, PAN and DIN numbers of whole-time directors / two directors in charge of day-to-day operations. • Photograph, POI, POA, PAN of individual promoters holding control either directly or indirectly. • Copies of the Memorandum and Articles of Association and certificate of incorporation. • Copy of the Board Resolution for investment in commodity market. • Copy of Board Resolution or declaration (on the letterhead) naming the persons authorized to deal in commodity derivatives on behalf of.
Partnership firm	• Copy of the balance sheets for the last 2 financial years (to be submitted every year). • Certificate of registration (for registered partnership firms only). Copy of partnership deed • Authorised signatories list with specimen signatures. Photograph, POI, POA, PAN of Partners.
Trust	• Copy of the balance sheets for the last 2 financial years (to be submitted every year). • Certificate of registration (for registered trust only). Copy of Trust deed. • List of trustees certified by managing trustees/ CA, Photograph, POI, POA, PAN of Trustees.
HUF	• PAN of HUF. • Deed of declaration of HUF & List of coparceners. • Bank passbook / bank statement in the name of HUF. • Photograph, POI, POA, PAN of Karta.
Army / Government Bodies	• Self-certification on letterhead. • Authorized signatories list with specimen signatures.

Types of entity	Documentary requirements
Registered Society	• Copy of Registration Certificate under Societies Registration Act. • List of Managing Committee members. • Committee resolution for persons authorised to act as authorised signatories with specimen signatures. • True copy of Society Rules and Bye Laws certified by the Chairman / Secretary.

ANNEXURE 2

RISK DISCLOSURE DOCUMENT

The Exchange does not expressly or impliedly, guarantee nor make any representation concerning the completeness, the adequacy or accuracy of this disclosure documents nor has the Exchange endorsed or passed any merits of participating in the Commodity Derivatives /trading. This brief statement does not disclose all of the risks and other significant aspects of trading. You should, therefore, study derivatives trading carefully before becoming involved in it.

In the light of the risks involved, you should undertake transactions only if you understand the nature of the contractual relationship into which you are entering and the extent of your exposure to risk.

You must know and appreciate that investment in commodity futures contracts/ derivatives or other instruments traded on the Commodity Exchange(s), which have varying element of risk, is generally not an appropriate avenue for someone of limited resources/ limited investment and/ or trading experience and low risk tolerance. You should, therefore, carefully consider whether such trading is suitable for you in the light of your financial condition. In case, you trade on the Exchange and suffer adverse consequences or loss, you shall be solely responsible for the same and the Exchange shall not be responsible, in any manner whatsoever, for the same and it will not be open for you to take the plea that no adequate disclosure regarding the risks involved was made or that you were not explained the full risk involved by the concerned member. The Client shall be solely responsible for the consequences and no contract can be rescinded on that account.

You must acknowledge and accept that there can be no guarantee of profits or no exception from losses while executing orders for purchase and/or sale of a commodity derivatives being traded on the Exchange.

It must be clearly understood by you that your dealings on the Exchange through a member shall be subject to your fulfilling certain formalities set out by the member, which may, inter alia, include your filing the know your client form and are subject to Rules, Byelaws and Business Rules of the Exchange guidelines prescribed by SEBI from time to time and circulars as may be issued by the Exchange from time to time.

The Exchange does not provide or purport to provide any advice and shall not be liable to any person who enters into any business relationship with any member of the Exchange and/ or third party based on any information contained in this document. Any information contained in this document must not be construed as business advice/investment advice. No consideration to trade should be made without thoroughly understanding and reviewing the risks involved in such trading. If you are unsure, you must seek professional advice on the same.

In considering whether to trade, you should be aware of or must get acquainted with the following: -

1. Basic Risks involved in the trading of Commodity Futures Contracts and other Commodity Derivatives Instruments on the Exchange.

i Risk of Higher Volatility

Volatility refers to the dynamic changes in price that commodity derivative contracts undergo when trading activity continues on the Commodity Exchange. Generally, higher the volatility of a commodity derivatives contract, greater is its price swings. There may be normally greater volatility in thinly traded commodity derivatives

contracts than in actively traded commodities/ contracts. As a result of volatility, your order may only be partially executed or not executed at all, or the price at which your order got executed may be substantially different from the last traded price or change substantially thereafter, resulting in real losses.

ii **Risk of Lower Liquidity**

a. Liquidity refers to the ability of market participants to buy and/ or sell commodity derivative contract expeditiously at a competitive price and with minimal price difference. Generally, it is assumed that more the number of orders available in a market, greater is the liquidity. Liquidity is important because with greater liquidity, it is easier for investors to buy and/ or sell commodity derivatives contracts swiftly and with minimal price difference and as a result, investors are more likely to pay or receive a competitive price for commodity derivative contracts purchased or sold. There may be a risk of lower liquidity in some commodity derivative contracts as compared to active commodity derivative contracts. As a result, your order may only be partially executed, or may be executed with relatively greater price difference or may not be executed at all.

b. Buying/ Selling without intention of giving and/ or taking delivery of certain commodities may also result into losses, because in such a situation, commodity derivative contracts may have to be squared-off at a low/ high prices, compared to the expected price levels, so as not to have any obligation to deliver/ receive such commodities.

iii **Risk of Wider Spreads**

a. Spread refers to the difference in best buy price and best sell price. It represents the differential between the price of buying a commodity derivative and immediately selling it or vice versa. Lower liquidity and higher volatility may result in wider than normal spreads for less liquid or illiquid commodities/ commodity derivatives contracts. This in turn will hamper better price formation.

iv **Risk-reducing orders**

a. Most of the Exchanges have a facility for investors to place “limit orders”, “stop loss orders” etc. Placing of such orders (e.g. “stop loss” orders or “limit” orders) which are intended to limit losses to certain amounts may not be effective many a time because rapid movement in market conditions may make it impossible to execute such orders.

b. A “market” order will be executed promptly, subject to availability of orders on opposite side, without regard to price and that while the customer may receive a prompt execution of a “market” order, the execution may be at available prices of outstanding orders, which satisfy the order quantity, on price time priority. It may be understood that these prices may be significantly different from the last traded price or the best price in that commodity derivatives contract.

c. A “limit” order will be executed only at the “limit” price specified for the order or a better price. However, while the client received price protection, there is a possibility that the order may not be executed at all.

d. A stop loss order is generally placed "away" from the current price of a commodity derivatives contract, and such order gets activated if and when the contract reaches, or trades through, the stop price. Sell stop orders are entered ordinarily below the current price, and buy stop orders are entered ordinarily above the current price. When the contract approaches pre-determined price, or trades through such price, the stop loss order converts to a market/limit order and is executed at the limit or better. There is no assurance therefore that the limit order will be executable since a contract might penetrate the predetermined price, in which case, the risk of such order not getting executed arises, just as with a regular limit order.

v **Risk of News Announcements**

a. Traders/Manufacturers make news announcements that may impact the price of the commodities and/or commodity derivatives contracts. These announcements may occur during trading and when combined with lower liquidity and higher volatility may suddenly cause an unexpected positive or negative movement in the price of the commodity/ commodity derivatives contract.

vi **Risk of Rumours**

a. Rumours about the price of a commodity at times float in the market through word of mouth, newspaper, websites or news agencies, etc., the investors should be wary of and should desist from acting on rumours.

vii **System Risk**

a. High volume trading will frequently occur at the market opening and before market close. Such high volumes may also occur at any point in the day. These may cause delays in order execution or confirmation.

b. During periods of volatility, on account of market participants continuously modifying their order quantity or prices or placing fresh orders, there may be delays in execution of order and its confirmation.

c. Under certain market conditions, it may be difficult or impossible to liquidate a position in the market at a reasonable price or at all, when there are no outstanding orders either on the buy side or the sell side, or if trading is halted in a commodity due to any action on account of unusual trading activity or price hitting circuit filters or for any other reason.

viii **System/ Network Congestion**

a. Trading on the Exchange is in electronic mode, based on satellite/ leased line communications, combination of technologies and computer systems to place and route orders. Thus, there exists a possibility of communication failure or system problems or slow or delayed response from system or trading halt, or any such other problem/glitch whereby not being able to establish access to the trading

system/network, which may be beyond the control of and may result in delay in processing or not processing buy or sell orders either in part or in full. You are cautioned to note that although these problems may be temporary in nature, but when you have outstanding open positions or unexecuted orders, these represent a risk because of your obligations to settle all executed transactions.

2. As far as Futures Commodity Derivatives are concerned, please note and get yourself acquainted with the following additional features:-

2.1 Effect of "Leverage" or "Gearing":

a. The amount of margin is small relative to the value of the commodity derivatives contract so the transactions are 'leveraged' or 'geared'. Commodity Derivatives trading, which is conducted with a relatively sma2.1ll amount of margin, provides the possibility of great profit or loss in comparison with the principal investment amount. But transactions in commodity derivatives carry a high degree of risk. You should therefore completely understand the following statements before actually trading in commodity derivatives contracts and also trade with caution while taking into account one's circumstances, financial resources, etc.

b. Trading in Futures Commodity Derivatives involves daily settlement of all positions. Every day the open positions are marked to market based on the closing price. If the closing price has moved against you, you will be required to deposit the amount of loss (notional) resulting from such movement. This margin will have to be paid within a stipulated time frame, generally before commencement of trading on the next day.

c. If you fail to deposit the additional margin by the deadline or if an outstanding debt occurs in your account, the Member of the Exchange may liquidate/square-up a part of or the whole position. In this case, you will be liable for any losses incurred due to such squareup/ Close Outs.

d. Under certain market conditions, an Investor may find it difficult or impossible to execute the transactions. For example, this situation can occur due to factors such as illiquidity i.e. when there are insufficient bids or offers or suspension of trading due to price limit or circuit breakers etc.

e. Steps, such as, changes in the margin rate, increase in the cash margin rate etc. may be adopted in order to maintain market stability. These new measures may be applied to the existing open interests. In such conditions, you will be required to put up additional margins or reduce your positions.

f. You must ask your Member of the Exchange to provide the full details of the commodity derivatives contracts you plan to trade i.e. the contract specifications and the associated obligations.

3. TRADING THROUGH WIRELESS TECHNOLOGY OR ANY OTHER TECHNOLOGY:

Any additional provisions defining the features, risks, responsibilities, obligations and liabilities associated with commodities trading through wireless technology or any other technology should be brought to the notice of the client by the member.

4. General

i **Deposited cash and property:**

You should familiarize yourself with the protections accorded to the money or other property you deposit particularly in the event of a firm become insolvent or bankrupt. The extent to which you may recover your money or property may be governed by specific legislation or local rules. In some jurisdictions, property, which has been specifically identifiable as your own, will be prorated in the same manner as cash for purposes of distribution in the event of a shortfall. In case of any dispute with the Member of the Exchange, the same shall be subject to arbitration as per the Rules, Bye-laws and Business Rules of the Exchange.

ii **Commission and other charges:**

Before you begin to trade, you should obtain a clear explanation of all commissions, fees and other charges for which you will be liable. These charges will affect your net profit (if any) or increase your loss.

iii For rights and obligations of the Members/Authorised Persons/ clients, please refer to *Annexure 3*

iv The term 'Constituent' shall mean and include a Client, a Customer or an Investor, who deals with a member for the purpose of trading in the commodity derivatives through the mechanism provided by the Exchange.

v The term 'member' shall mean and include a Trading Member or a Member/Broker, who has been admitted as such by the Exchange and got a registration certificate from SEBI.

Additional Risk Disclosure documents for Options Trading

Risk of Option holders:

1. An option holder runs the risk of losing the entire amount paid for the option in a relatively short period of time. This risk reflects the nature of an option as a wasting asset which becomes worthless when it expires. An option holder who neither sells his option in the secondary market nor exercises it prior to its expiration will necessarily lose his entire investment in the option. If the price of the underlying does not change in the anticipated direction before the option expires, to an extent sufficient to cover the cost of the option, the investor may lose all or a significant part of his investment in the option.

2. The Exchanges may impose exercise restrictions and have absolute authority to restrict the exercise of options at certain times in specified circumstances.

Risks of Option Writers:

1. If the price movement of the underlying is not in the anticipated direction, the option writer runs the risks of losing substantial amount.

2. The risk of being an option writer may be reduced by the purchase of other options on the same underlying interest and thereby assuming a spread position or by acquiring other types of hedging positions in the options markets or other markets. However, even where the writer

has assumed a spread or other hedging position, the risks may still be significant. A spread position is not necessarily less risky than a simple 'long' or 'short' position.

3. Transactions that involve buying and writing multiple options in combination, or buying or writing options in combination with buying or selling short the underlying interests, present additional risks to investors. Combination transactions, such as option spreads, are more complex than buying or writing a single option. And it should be further noted that, as in any area of investing, a complexity not well understood is, in itself, a risk factor. While this is not to suggest that combination strategies should not be considered, it is advisable, as is the case with all investments in options, to consult with someone who is experienced and knowledgeable with respect to the risks and potential rewards of combination transactions under various market circumstances.

ANNEXURE 3

RIGHTS AND OBLIGATIONS OF MEMBERS, AUTHORIZED PERSONS AND CLIENTS AS PRESCRIBED BY SEBI AND COMMODITY EXCHANGES

1. The client shall invest/trade in those commodities /contracts/other instruments admitted to dealings on the Exchanges as defined in the Rules, Byelaws and Business Rules/ Regulations of Exchanges/SEBI and circulars/notices issued there under from time to time.

2. The Member, Authorized Person and the client shall be bound by all the Rules, Byelaws and Business Rules of the Exchange and circulars/notices issued there under and Rules and Regulations of SEBI and relevant notifications of Government authorities as may be in force from time to time.

3. The client shall satisfy himself of the capacity of the Member to deal in commodities and/or deal in derivatives contracts and wishes to execute its orders through the Member and the client shall from time to time continue to satisfy itself of such capability of the Member before executing orders through the Member.

4. The Member shall continuously satisfy itself about the genuineness and financial soundness of the client and investment objectives relevant to the services to be provided.

5. The Member shall take steps to make the client aware of the precise nature of the Member's liability for business to be conducted, including any limitations, the liability and the capacity in which the Member acts.

6. Requirements of professional diligence

    a. The Member must exercise professional diligence while entering into a financial contract or discharging any obligations under it.

    b. "professional diligence" means the standard of skill and care that a Member would be reasonably expected to exercise towards a Client, commensurate with-

        i. honest market practice;

        ii. the principle of good faith;

        iii. level of knowledge, experience and expertise of the Client.

        iv. the nature and degree of risk embodied in the financial product* or financial service being availed by the Client; and

        v. the extent of dependence of the Client on the Member. *Commodity derivative contract

7. The Authorized Person shall provide necessary assistance and co-operate with the Member in all its dealings with the client(s).

CLIENT INFORMATION

8. The client shall furnish all such details in full as are required by the Member in "Account Opening Form" with supporting details, made mandatory by commodity exchanges/SEBI from time to time.

9. The client shall familiarize himself with all the mandatory provisions in the Account Opening documents. Any additional clauses or documents specified by the Member shall be non-mandatory; therefore, subject to specific acceptance by the client.

10. The client shall immediately notify the Member in writing if there is any change in the information in the 'account opening form' as provided at the time of account opening and thereafter; including the information on winding up petition/insolvency petition or any litigation which may have material bearing on his capacity. The client shall provide/update the financial information to the Member on a periodic basis.

11. A. Protection from unfair terms in financial contracts**

    a. An unfair term of a non-negotiated contract will be void.

    b. A term is unfair if it –

        i. causes a significant imbalance in the rights and obligations of the parties under the financial contract, to the detriment of the Client; and

        ii. is not reasonably necessary to protect the legitimate interests of the Member.

    c. The factors to be taken into account while determining whether a term is unfair, include–

        i. the nature of the financial product or financial service dealt with under the financial contract;

        ii. the extent of transparency of the term;

        **contracts offered by commodity exchanges

        iii. the extent to which the term allows a Client to compare it with other financial contracts for similar financial products or financial services; and

        iv. the financial contract as a whole and the terms of any other contract on which it is dependent.

    d. A term is transparent if it –

        i. is expressed in reasonably plain language that is likely to be understood by the Client;

        ii. is legible and presented clearly; and

        iii. is readily available to the Client affected by the term.

    e. If a term of a financial contract is determined to be unfair under point 11.A.c, the parties will continue to be bound by the remaining terms of the financial contract to the extent that the financial contract is capable of enforcement without the unfair term.

11. B.

a. "Non-negotiated contract" means a contract whose terms, other than the terms contained in point 11.C. (given below) are not negotiated between the parties to the financial contract and includes –

i. a financial contract in which, relative to the Client, the Member has a substantially greater bargaining power in determining terms of the financial contract; and

ii. a standard form contract.

b. "Standard form contract" means a financial contract that is substantially not negotiable for the Client, except for the terms contained in point 11.C.

c. Even if some terms of a financial contract are negotiated in form, the financial contract may be regarded as a non-negotiated contract if so indicated by –

i. an overall and substantial assessment of the financial contract; and

ii. the substantial circumstances surrounding the financial contract

d. In a claim that a financial contract is a non-negotiated contract, the onus of demonstrating otherwise will be on the Member.

11 C.

a. The above does not apply to a term of a financial contract if it –

i. defines the subject matter of the financial contract;

ii. sets the price that is paid, or payable, for the provision of the financial product or financial service under the financial contract and has been clearly disclosed to the Client; or

iii. is required, or expressly permitted, under any law or regulations.

b. The exemption under point 11.C does not apply to a term that deals with the payment of an amount which is contingent on the occurrence or non- occurrence of any particular event.

12. The Member and Authorized Person shall maintain all the details of the client as mentioned in the account opening form or any other information pertaining to the client, confidentially and that they shall not disclose the same to any person/authority except as required under any law/regulatory requirements. Provided however that the Member may so disclose information about his client to any person or authority with the express permission of the client.

13. A. Protection of personal information and confidentiality

a. "Personal information" means any information that relates to a Client or allows a Client's identity to be inferred, directly or indirectly, and includes –

i. name and contact information;

ii. biometric information, in case of individuals

iii. information relating to transactions in, or holdings of, financial products

iv. information relating to the use of financial services; or

v. such other information as may be specified.

13.B

a. A Member must –

i. not collect personal information relating to a Client in excess of what is required for the provision of a financial product or financial service;

ii. maintain the confidentiality of personal information relating to Clients and not disclose it to a third party, except in a manner expressly permitted under point 13.B.b.;

iii. make best efforts to ensure that any personal information relating to a Client that it holds is accurate, up to date and complete;

iv. ensure that Clients can obtain reasonable access to their personal information, subject to any exceptions that the Regulator may specify; and

v. allows Clients an effective opportunity to seek modifications to their personal information to ensure that the personal information held by the Member is accurate, up to date and complete.

b. A Member may disclose personal information relating to a Client to a third party only if –

i. it has obtained prior written informed consent of the Client for the disclosure, after giving the Client an effective opportunity to refuse consent;

ii. the Client has directed the disclosure to be made;

iii. the Regulator has approved or ordered the disclosure, and unless prohibited by the relevant law or regulations, the Client is given an opportunity to represent under such law or regulations against such disclosure;

iv. the disclosure is required under any law or regulations, and unless prohibited by such law or regulations, the Client is given an opportunity to represent under such law or regulations against such disclosure;

v. the disclosure is directly related to the provision of a financial product or financial service to the Client, if the Member –

1. informs the Client in advance that the personal information may be shared with a third party; and

2. makes arrangements to ensure that the third party maintains the confidentiality of the personal information in the same manner as required under this Part; or

vi. the disclosure is made to protect against or prevent actual or potential fraud, unauthorised transactions or claims, if the Member arranges with the third party to maintain the confidentiality of the personal information in the manner required under this Part. -

c. "Third party" means any person other than the concerned Member, including a person belonging to the same group as the Member.

14. A. Requirement of fair disclosure both initially and on continuing basis

a. Member must ensure fair disclosure of information that is likely to be required by a Client to make an informed transactional decision.

b. In order to constitute fair disclosure, the information must be provided –

i. sufficiently before the Client enters into a financial contract, so as to allow the Client reasonable time to understand the information;

ii. in writing and in a manner that is likely to be understood by a Client belonging to a particular category; and

iii. in a manner that enables the Client to make reasonable comparison of the financial product or financial service with other similar financial products or financial services.

c. The types of information that must be disclosed to a Client in relation to a financial product or financial service, which may include information regarding –

i. main characteristics of the financial product or financial service, including its features, benefits and risks to the Client;

ii. consideration to be paid for the financial product or financial service or the manner in which the consideration is calculated;

iii. existence, exclusion or effect of any term in the financial product or financial contract;

iv. nature, attributes and rights of the Member, including its identity, regulatory status and affiliations;

v. contact details of the Member and the methods of communication to be used between the Member and the Client;

vi. rights of the Client to rescind a financial contract within a specified period; or

vii. rights of the Client under any law or regulations.

14. B.

a. Member must provide a Client that is availing a financial product or financial service provided by it, with the following continuing disclosures –

   i. any material change to the information that was required to be disclosed under point 14.A at the time when the Client initially availed the financial product or financial service;

   ii. information relating to the status or performance of a financial product held by the Client, as may be required to assess the rights or interests in the financial product or financial service; and

   iii. any other information that may be specified.

b. A continuing disclosure must be made –

   i. within a reasonable time-period from the occurrence of any material change or at reasonable periodic intervals, as applicable; and

   ii. in writing and in a manner that is likely to be understood by a client belonging to that category.

MARGINS

15. The client shall pay applicable initial margins, withholding margins, special margins or such other margins as are considered necessary by the Member or the Exchange or as may be directed by SEBI from time to time as applicable to the segment(s) in which the client trades. The Member is permitted in its sole and absolute discretion to collect additional margins (even though not required by the Exchange or SEBI) and the client shall be obliged to pay such margins within the stipulated time.

16. The client understands that payment of margins by the client does not necessarily imply complete satisfaction of all dues. In spite of consistently having paid margins, the client may, on the settlement of its trade, be obliged to pay (or entitled to receive) such further sums as the contract may dictate/require.

TRANSACTIONS AND SETTLEMENTS

17. The client shall give any order for buy or sell of commodities derivatives contract in writing or in such form or manner, as may be mutually agreed between the client and the Member however ensuring the regulatory requirements in this regard are complied with. The Member shall ensure to place orders and execute the trades of the client, only in the Unique Client Code assigned to that client.

18. The Member shall inform the client and keep him apprised about trading/settlement cycles, delivery/payment schedules, any changes therein from time to time, and it shall be the responsibility in turn of the client to comply with such schedules/procedures of the relevant commodity exchange where the trade is executed.

19. The Member shall ensure that the money deposited by the client shall be kept in a separate account, distinct from his/its own account or account of any other client and shall not be used by the Member for himself/itself or for any other client or for any purpose other than the

purposes mentioned in Rules, circulars, notices, guidelines of SEBI and/or Rules, Business Rules, Bye-laws, circulars and notices of Exchange.

20. Where the Exchange(s) cancels trade(s) suo moto all such trades including the trade/s done on behalf of the client shall ipso facto stand cancelled, Member shall be entitled to cancel the respective contract(s) with client(s).

21. The transactions executed on the Exchange are subject to Rules, Byelaws and Business Rules and circulars/notices issued thereunder of the Exchanges where the trade is executed and all parties to such trade shall have submitted to the jurisdiction of such court as may be specified by the Byelaws and Business Rules of the Exchanges where the trade is executed for the purpose of giving effect to the provisions of the Rules, Byelaws and Business Rules of the Exchanges and the circulars/notices issued thereunder.

BROKERAGE

22. The Client shall pay to the Member brokerage and statutory levies as are prevailing from time to time and as they apply to the Client's account, transactions and to the services that Member renders to the Client. The Member shall not charge brokerage more than the maximum brokerage permissible as per the Rules, Business Rules and Bye-laws of the relevant commodity exchanges and/or Rules of SEBI.

LIQUIDATION AND CLOSE OUT OF POSITION

23. Without prejudice to the Member's other rights (including the right to refer a matter to arbitration), the client understands that the Member shall be entitled to liquidate/close out all or any of the client's positions for non-payment of margins or other amounts, outstanding debts, etc. and adjust the proceeds of such liquidation/close out, if any, against the client's liabilities/obligations. Any and all losses and financial charges on account of such liquidation/closing-out shall be charged to and borne by the client.

24. In the event of death or insolvency of the client or his/its otherwise becoming incapable of receiving and paying for or delivering or transferring commodities which the client has ordered to be bought or sold, Member may close out the transaction of the client and claim losses, if any, against the estate of the client. The client or his nominees, successors, heirs and assignee shall be entitled to any surplus which may result there from. The client shall note that transfer of funds/commodities in favor of a Nominee shall be valid discharge by the Member against the legal heir.

DISPUTE RESOLUTION

25. The Member shall co-operate in redressing grievances of the client in respect of all transactions routed through it.

26. The client and the Member shall refer any claims and/or disputes with respect to deposits, margin money, etc., to arbitration as per the Rules, Byelaws and Business Rules of the Exchanges where the trade is executed and circulars/notices issued thereunder as may be in force from time to time.

27. The client/Member understands that the instructions issued by an authorized representative for dispute resolution, if any, of the client/Member shall be binding on the client/Member in

accordance with the letter authorizing the said representative to deal on behalf of the said client/Member.

28. Requirement for each Member to have an effective grievance redress mechanism which is accessible to all its clients.

a. A Member must have in place an effective mechanism to receive and redress complaints from its clients in relation to financial products or financial services provided by it, or on its behalf, in a prompt and fair manner.

b. A Member must inform a client, at the commencement of relationship with the Client and at such other time when the information is likely to be required by the Client, of –

i. the Client's right to seek redress for any complaints; and

ii. the processes followed by the Member to receive and redress complaints from its clients.

29. A Suitability of advice for the Client

Right to receive advice that is suitable taking into account the relevant personal circumstances of the Client, such as the Clients financial circumstances and needs. This obligation would apply to persons who render advice to Clients and the regulator may specify categories of financial products and service that necessarily require such advice to be given.

a. A Member must –

i. make all efforts to obtain correct and adequate information about the relevant personal circumstances of a Client; and

ii. ensure that the advice given is suitable for the Client after due consideration of the relevant personal circumstances of the Client.

b. If it is reasonably apparent to the Member that the available information regarding the relevant personal circumstances of a Client is incomplete or inaccurate, the Member must warn the Client of the consequences of proceeding on the basis of incomplete or inaccurate information.

c. If a Client intends to avail of a financial product or financial service that the Member determines unsuitable for the Client, the Member –

i. must clearly communicate its advice to the Client in writing and in a manner that is likely to be understood by the Client; and

ii. may provide the financial product or financial service requested by the Client only after complying with point 29.A.a and obtaining a written acknowledgement from the Client.

30. Dealing with conflict of interest

In case of any conflict between the interests of a client and that of the Member, preference much be given to the Client interests.

a. A member must –

i. provide a Client with information regarding any conflict of interests, including any conflicted remuneration that the Member has received or expects to receive for making the advice to the Client; and

ii. give priority to the interests of the Client if the Member knows, or reasonably ought to know, of a conflict between

1. its own interests and the interests of the Client; or

2. the interests of the concerned Member and interests of the Client, in cases where the Member is a financial representative.

b. The information under point 16a.i. must be given to the Client in writing and in a manner that is likely to be understood by the Client and a written acknowledgement of the receipt of the information should be obtained from the Client.

c. In this section, “conflicted remuneration” means any benefit, whether monetary or non-monetary, derived by a Member from persons other than Clients that could, under the circumstances, reasonably be expected to influence the advice given by the Member to a Client.

TERMINATION OF RELATIONSHIP

31. This relationship between the Member and the client shall be terminated; if the Member for any reason ceases to be a member of the commodity exchange including cessation of membership by reason of the Member's default, death, resignation or expulsion or if the certificate is cancelled by the Exchange.

32. The Member, Authorized Person and the client shall be entitled to terminate the relationship between them without giving any reasons to the other party, after giving notice in writing of not less than one month to the other parties. Notwithstanding any such termination, all rights, liabilities and obligations of the parties arising out of or in respect of transactions entered into prior to the termination of this relationship shall continue to subsist and vest in/be binding on the respective parties or his/its respective heirs, executors, administrators, legal representatives or successors, as the case may be.

33. In the event of demise/insolvency of the Authorized Person or the cancellation of his/its registration with the Board or/withdrawal of recognition of the Authorized Person by the commodity exchange and/or termination of the agreement with the Authorized Person by the Member, for any reason whatsoever, the client shall be informed of such termination and the client shall be deemed to be the direct client of the Member and all clauses in the ‘Rights and Obligations’ document(s) governing the Member, Authorized Person and client shall continue to be in force as it is, unless the client intimates to the Member his/its intention to terminate their relationship by giving a notice in writing of not less than one month.

ADDITIONAL RIGHTS AND OBLIGATIONS

34. The Member and client shall reconcile and settle their accounts from time to time as per the Rules, Business Rules, Bye Laws, Circulars, Notices and Guidelines issued by SEBI and the relevant Exchanges where the trade is executed.

35. The Member shall issue a contract note to his clients for trades executed in such format as may be prescribed by the Exchange from time to time containing records of all transactions including details of order number, trade number, trade time, trade price, trade quantity, details of the derivatives contract, client code, brokerage, all charges levied etc. and with all other relevant details as required therein to be filled in and issued in such manner and within such time as prescribed by the Exchange. The Member shall send contract notes to the investors within 24 hours of the execution of the trades in hard copy and/or in electronic form using digital signature.

36. The Member shall make pay out of funds or delivery of commodities as per the Exchange Rules, Bye-Laws, Business Rules and Circulars, as the case may be, to the Client on receipt of the payout from the relevant Exchange where the trade is executed unless otherwise specified by the client and subject to such terms and conditions as may be prescribed by the relevant Exchange from time to time where the trade is executed.

37. The Member shall send a complete `Statement of Accounts' for both funds and commodities in respect of each of its clients in such periodicity and format within such time, as may be prescribed by the relevant Exchange, from time to time, where the trade is executed. The Statement shall also state that the client shall report errors, if any, in the Statement within such time as may be prescribed by the relevant Exchange from time to time where the trade was executed, from the receipt thereof to the Stock broker.

38. The Member shall send margin statements to the clients on daily basis. Margin statement should include, interalia, details of collateral deposited, collateral utilized and collateral status (available balance/due from client) with break up in terms of cash, Fixed Deposit Receipts (FDRs), Bank Guarantee, warehouse receipts, securities etc.

39. The Client shall ensure that it has the required legal capacity to, and is authorized to, enter into the relationship with Member and is capable of performing his obligations and undertakings hereunder. All actions required to be taken to ensure compliance of all the transactions, which the Client may enter into shall be completed by the Client prior to such transaction being entered into.

40. In case, where a member surrenders his/ her/ its membership, Member gives a public notice inviting claims, if any, from investors. In case of a claim relating to transactions executed on the trading system of the Exchange, ensure that client lodge a claim with the Exchange within the stipulated period and with the supporting documents.

41. A. Protection from unfair conduct which includes misleading conduct & abusive conduct

    a. Unfair conduct in relation to financial products or financial services is prohibited.

    b. "Unfair conduct" means an act or omission by a Member or its financial representative that significantly impairs, or is likely to significantly impair, the ability of a Client to make an informed transactional decision and includes –

        i. misleading conduct under point 41.B

        ii. abusive conduct under point 41.C

        iii. such other conduct as may be specified.

41. B.

a. Conduct of a Member or its financial representative in relation to a determinative factor is misleading if it is likely to cause the Client to take a transactional decision that the Client would not have taken otherwise, and the conduct involves –

i. providing the Client with inaccurate information or information that the Member or financial representative does not believe to be true; or

ii. providing accurate information to the Client in a manner that is deceptive.

b. In determining whether a conduct is misleading under point 41.B.a, the following factors must be considered to be “determinative factors” –

i. the main characteristics of a financial product or financial service, including its features, benefits and risks to the Client;

ii. the Client’s need for a particular financial product or financial service or its suitability for the Client;

iii. the consideration to be paid for the financial product or financial service or the manner in which the consideration is calculated;

iv. the existence, exclusion or effect of any term in a financial contract, which is material term in the context of that financial contract;

v. the nature, attributes and rights of the Member, including its identity, regulatory status and affiliations; and

vi. the rights of the Client under any law or regulations.

41. C.

a. A conduct of a Member or its financial representative in relation to a financial product or financial service is abusive if it –

i. involves the use of coercion or undue influence; and

ii. causes or is likely to cause the Client to take a transactional decision that the Client would not have taken otherwise.

b. In determining whether a conduct uses coercion or undue influence, the following must be considered –

i. the timing, location, nature, or persistence of the conduct.

ii. the use of threatening or abusive language or behaviour

iii. the exploitation of any particular misfortune or circumstance of the Client, of which the Member is aware, to influence the Client’s decision with regard to a financial product or financial service;

iv. any non-contractual barriers imposed by the Member where the Client wishes to exercise rights under a financial contract, including –

v. the right to terminate the financial contract

vi. the right to switch to another financial product or another Member and

vii. a threat to take any action, depending on the circumstances in which the threat is made.

ELECTRONIC CONTRACT NOTES (ECN)

42. In case, client opts to receive the contract note in electronic form, he shall provide an appropriate e-mail id to the stock broker. The client shall communicate to the stock broker any change in the email-id through a physical letter. If the client has opted for internet trading, the request for change of email id may be made through the secured access by way of client specific user id and password.

43. The Member shall ensure that all ECNs sent through the e-mail shall be digitally signed, encrypted, non-tamperable and in compliance with the provisions of the IT Act, 2000. In case, ECN is sent through e-mail as an attachment, the attached file shall also be secured with the digital signature, encrypted and non-tamperable.

44. The client shall note that non-receipt of bounced mail notification by the Member shall amount to delivery of the contract note at the e-mail ID of the client.

45. The Member shall retain ECN and acknowledgement of the e-mail in a soft and non tamperable form in the manner prescribed by the exchange in compliance with the provisions of the IT Act, 2000 and as per the extant rules/circulars/guidelines issued by SEBI/Commodity exchanges from time to time. The proof of delivery i.e., log report generated by the system at the time of sending the contract notes shall be maintained by the Member for the specified period under the extant rules/circulars/guidelines issued by SEBI/Commodity exchanges. The log report shall provide the details of the contract notes that are not delivered to the client/e-mails rejected or bounced back. The Member shall take all possible steps to ensure receipt of notification of bounced mails by him at all times within the stipulated time period under the extant rules/circulars/guidelines issued by SEBI/Commodity exchanges.

46. The Member shall continue to send contract notes in the physical mode to such clients who do not opt to receive the contract notes in the electronic form. Wherever the ECNs have not been delivered to the client or has been rejected (bouncing of mails) by the e-mail ID of the client, the Member shall send a physical contract note to the client within the stipulated time under the extant Regulations/ Rules, Bye-Laws, Business Rules and Circulars of SEBI/commodity exchanges and maintain the proof of dispatch and delivery of such physical contract notes.

47. In addition to the e-mail communication of the ECNs to the client, the Member shall simultaneously publish the ECN on his designated web-site, if any, in a secured way and enable relevant access to the clients and for this purpose, shall allot a unique user name and password to the client, with an option to the client to save the contract note electronically and/or take a print out of the same.

LAW AND JURISDICTION

48. In addition to the specific rights set out in this document, the Member, Authorised Person and the client shall be entitled to exercise any other rights which the Member or the client may have under the Rules, Bye-laws and Business Rules of the Exchanges in which the client chooses to trade and circulars/notices issued thereunder or Rules of SEBI.

49. The provisions of this document shall always be subject to Government notifications, any rules, guidelines and circulars/notices issued by SEBI and Circulars, Rules, Business Rules and Bye laws of the relevant commodity exchanges, where the trade is executed, that may be in force from time to time.

50. The Member and the client shall abide by any award passed by the Arbitrator(s) under the Arbitration and Conciliation Act, 1996. However, there is also a provision of appeal, if either party is not satisfied with the arbitration award.

51. Words and expressions which are used in this document but which are not defined herein shall, unless the context otherwise requires, have the same meaning as assigned thereto in the Rules, Byelaws and Regulations/Business Rules and circulars/notices issued thereunder of the Exchanges/SEBI.

52. All additional voluntary/non-mandatory clauses/document added by the Member should not be in contravention with Rules/ Business Rules/Notices/Circulars of Exchanges/SEBI. Any changes in such voluntary clauses/document(s) need to be preceded by a notice of 15 days. Any changes in the rights and obligations which are specified by Exchanges/SEBI shall also be brought to the notice of the clients.

53. If the rights and obligations of the parties hereto are altered by virtue of change in Rules of SEBI or Bye-laws, Rules and Business Rules of the relevant commodity exchanges where the trade is executed, such changes shall be deemed to have been incorporated herein in modification of the rights and obligations of the parties mentioned in this document.

54. Members are required to send account statement to their clients every week.

INTERNET & WIRELESS TECHNOLOGY BASED TRADING FACILITY PROVIDED BY MEMBERS TO CLIENT (All the clauses mentioned in the 'Rights and Obligations' document(s) shall be applicable. Additionally, the clauses mentioned herein shall also be applicable.)

1. Member is eligible for providing Internet based trading (IBT) and commodities trading through the use of wireless technology that shall include the use of devices such as mobile phone, laptop with data card, etc. which use Internet Protocol (IP). The Member shall comply with all requirements applicable to internet-based trading/- commodities trading using wireless technology as may be specified by SEBI & the Exchanges from time to time.

2. The client is desirous of investing/trading in commodities and for this purpose, the client is desirous of using either the internet-based trading facility or the facility for commodities trading through use of wireless technology. The Member shall provide the Member's IBT Service to the Client, and the Client shall avail of the Member's IBT Service, on and subject to SEBI/Exchanges Provisions and the terms and conditions specified on the Member's IBT Web Site provided that they are in line with the norms prescribed by Exchanges/SEBI.

3. The Member shall bring to the notice of client the features, risks, responsibilities, obligations, and liabilities associated with commodities trading through wireless technology/internet or any other technology should be brought to the notice of the client by the Member.

4. The Member shall make the client aware that the Member's IBT system itself generates the initial password and its password policy as stipulated in line with norms prescribed by Exchanges/SEBI.

5. The Client shall be responsible for keeping the Username and Password confidential and secure and shall be solely responsible for all orders entered and transactions done by any person whosoever through the Member's IBT System using the Client's Username and/or Password whether or not such person was authorized to do so. Also the client is aware that authentication technologies and strict security measures are required for the internet trading/ commodities trading through wireless technology through order routed system and undertakes to ensure that the password of the client and/or his authorized representative are not revealed to any third party including employees and dealers of the Member

6. The Client shall immediately notify the Member in writing if he forgets his password, discovers security flaw in Member's IBT System, discovers/suspects discrepancies/ unauthorized access through his username/password/account with full details of such unauthorized use, the date, the manner and the transactions effected pursuant to such unauthorized use, etc.

7. The Client is fully aware of and understands the risks associated with availing of a service for routing orders over the internet/ commodities trading through wireless technology and Client shall be fully liable and responsible for any and all acts done in the Client's Username/password in any manner whatsoever.

8. The Member shall send the order/trade confirmation through email to the client at his request. The client is aware that the order/ trade confirmation is also provided on the web portal. In case client is trading using wireless technology, the Member shall send the order/trade confirmation on the device of the client.

9. The client is aware that trading over the internet involves many uncertain factors and complex hardware, software, systems, communication lines, peripherals, etc. are susceptible to interruptions and dislocations. The Member and the Exchange do not make any

representation or warranty that the Member's IBT Service will be available to the Client at all times without any interruption.

10. The Client shall not have any claim against the Exchange or the Member on account of any suspension, interruption, non-availability or malfunctioning of the Member's IBT System or Service or the Exchange's service or systems or non-execution of his orders due to any link/system failure at the Client/Members/Exchange end for any reason beyond the control of the Member/Exchanges.

ANNEXURE 4

GUIDANCE NOTE - DO'S AND DON'TS FOR THE CLIENTS

Do's

1. Trade only through Registered Members of the Exchange. Check from the Exchange website at following link https://www.mcxindia.com/membership/notice-board/Member-AP-Details to see whether the Member is registered with the Exchange.

2. Insist on filling up a standard 'Know Your Client (KYC)' form before you commence trading

3. Insist on getting a Unique Client Code (UCC) and ensure all your trades are done under the said UCC.

4. Insist on reading and signing a standard 'Risk Disclosure Agreement'.

5. Obtain a copy of your KYC and/ or other documents executed by you with the Member, from the Member.

6. Cross check the genuineness of trades carried out at the Exchange through the trade verification facility available on the Exchange website at the following link https://www.mcxindia.com/en/login. The trades can be verified online where trade information is available up to 5 working days from the trade date.

7. Insist on a duly signed Contract Note in specified format for every executed trade within 24 hours of trade, highlighting the details of the trade along with your UCC.

8. Ensure that the Contract Note contains all the relevant information such as Member Registration Number, Order No., Order Date, Order time, Trade No., Trade rate, Quantity, Arbitration Clause, etc.

9. Obtain receipt for collaterals deposited with the Member towards margins.

10. Go through the Rules, Bye-laws, Regulations, Circulars, Directives, Notifications of the Exchange as well as of the Regulators, Government and other authorities to know your rights and duties vis-à-vis those of the Member.

11. Ask all relevant questions and clear your doubts with your Member before transacting.

12. Insist on receiving the bills for every settlement.

13. Insist on Monthly statements of your ledger account and report any discrepancies in the statement to your Member within 7 working days. In case of unsatisfactory response report the discrepancy to the Exchange within 15 working days from the date of cause of action.

14. Scrutinize minutely both the transaction & holding statements that you receive from your Depository Participant.

15. Keep Delivery Instruction Slips (DIS) book issued by DPs in safe possession.

16. Ensure that the DIS numbers are preprinted and your account number (UCC) is mentioned in the DIS book.

17. Freeze your Demat account in case of your absence for longer duration or in case of not using the account frequently.

18. Pay required margins in time and only by Cheque and ask for receipt thereof from the Member.

19. Deliver the commodities in case of sale or pay the money in case of purchase within the time prescribed.

20. Understand and comply with accounting standards for derivatives.

21. Ensure to read, understand and then sign the voluntary clauses, if any, agreed between you and the Member. Note that the clauses as agreed between you and the Member cannot be changed without your consent.

22. Get a clear idea about all brokerage, commissions, fees and other charges levied by the Member on you for trading and the relevant provisions/ guidelines specified by SEBI/Commodity exchanges.

23. Make the payments by account payee cheque in favour of the Member. Ensure that you have a documentary proof of your payment/deposit of commodities with the Member, stating date, commodity, quantity, towards which bank/ demat account such money or commodities (in the form of warehouse receipts) deposited and from which bank/ demat account.

24. The payout of funds or delivery of commodities (as the case may be) shall not be made to you within one working day from the receipt of payout from the Exchange, in case you have given specific authorization for maintaining running account to the member. Thus, in this regard, the running account authorization provided by you to the Member shall be subject to the following conditions:

    a) Such authorization from you shall be dated, signed by you only and contains the clause that you may revoke the same at any time.

    b) You need to bring any dispute arising from the statement of account to the notice of the Member in writing preferably within 7 (seven) working days from the date of receipt of funds/commodities or statement, as the case may be. In case of dispute, refer the matter in writing to the Investors Grievance Cell of the relevant Commodity exchanges without delay.

    c) In case you have not opted for maintaining running account and pay-out is not received on the next working day of the receipt of payout from the exchanges, please refer the matter to the Member. In case there is dispute, ensure that you lodge a complaint in writing immediately with the Investors Grievance Cell of the relevant Commodity exchange.

    d) Please register your mobile number and email id with the Member, to receive trade confirmation alerts/ details of the transactions through SMS or email, by the end of the trading day, from the commodity exchanges.

25. You should familiarize yourself with the protection accorded to the money or other property you may deposit with your member, particularly in the event of a default in the commodity derivatives or the member becomes insolvent or bankrupt.

26. Please ensure that you have a documentary proof of having made the deposit of such money or property with the member, stating towards which account such money or property deposited.

27. In case your problem/grievance/issue is not being sorted out by concerned Member/Authorised Person then you may take up the matter with the concerned Commodity Exchange. If you are not satisfied with the resolution of your complaint then you can escalate the matter to SEBI.

Don'ts

1. Do not deal with any unregistered intermediaries.
2. Do not undertake off-market transactions as such transactions are illegal and fall outside the jurisdiction of the Exchange.
3. Do not enter into assured returns arrangement with any Member
4. Do not get carried away by luring advertisements, rumours, hot tips, explicit/ implicit promise of returns, etc.
5. Do not make payments in cash/ take any cash towards margins and settlement to/ from the Member.
6. Do not start trading before reading and understanding the Risk Disclosure Agreement.
7. Do not neglect to set out in writing, orders for higher value given over phone.
8. Do not accept unsigned/duplicate contract note/confirmation memo.
9. Do not accept contract note/confirmation memo signed by any unauthorized person.
10. Don’t share your internet trading account’s password with anyone
11. Do not delay payment/deliveries of commodities to Member.
12. Do not forget to take note of risks involved in the investments.
13. Do not sign blank Delivery Instruction Slips (DIS) while furnishing commodities, deposits and/or keep them with Depository Participants (DP) or member to save time.
14. Do not pay brokerage in excess of that rates prescribed by the Exchange 15. Don’t issue cheques in the name of Authorized Person.

ANNEXURE 5

MOST IMPORTANT TERMS AND CONDITIONS (MITC)

(For non-custodial settled trading accounts)

1. Your trading account has a “Unique Client Code” (UCC), different from your demat account number. Do not allow anyone (including your own stock broker, their representatives and dealers) to trade in your trading account on their own without taking specific instruction from you for your trades. Do not share your internet/ mobile trading login credentials with anyone else.

2. You are required to place collaterals as margins with the stock broker before you trade. The collateral can either be in the form of funds transfer into specified stock broker bank accounts or margin pledge of securities from your demat account. The bank accounts are listed on the stock broker website. Please do not transfer funds into any other account. The stock broker is not permitted to accept any cash from you.

3. The stock broker’s Risk Management Policy provides details about how the trading limits will be given to you, and the tariff sheet provides the charges that the stock broker will levy on you.

4. All securities purchased by you will be transferred to your demat account within one working day of the payout. In case of securities purchased but not fully paid by you, the transfer of the same may be subject to limited period pledge i.e. seven trading days after the pay-out (CUSPA pledge) created in favor of the stock broker. You can view your demat account balances directly at the website of the Depositories after creating a login.

5. The stock broker is obligated to deposit all funds received from you with any of the Clearing Corporations duly allocated in your name. The stock broker is further mandated to return excess funds as per applicable norms to you at the time of quarterly/ monthly settlement. You can view the amounts allocated to you directly at the website of the Clearing Corporation(s).

6. You will get a contract note from the stock broker within 24 hours of the trade.

7. You may give a one-time Demat Debit and Pledge Instruction (DDPI) authority to your stock broker for limited access to your demat account, including transferring securities, which are sold in your account for pay-in.

8. The stock broker is expected to know your financial status and monitor your accounts accordingly. Do share all financial information (e.g. income, networth, etc.) with the stock broker as and when requested for. Kindly also keep your email Id and mobile phone details with the stock broker always updated.

9. In case of disputes with the stock broker, you can raise a grievance on the dedicated investor grievance ID of the stock broker. You can also approach the stock exchanges and/or SEBI directly.

10. Any assured/guaranteed/fixed returns schemes or any other schemes of similar nature are prohibited by law. You will not have any protection/recourse from SEBI/stock exchanges for participation in such schemes.

ANNEXURE 6

DEMAT DEBIT AND PLEDGE INSTRUCTION

S. No.	Purpose	Signature of Client *
1.	Transfer of securities held in the beneficial owner accounts of the client towards Stock Exchange related deliveries / settlement obligations arising out of trades executed by clients on the Stock Exchange through the same stock broker.	
2.	Pledging / re-pledging of securities in favour of trading member (TM) / clearing member (CM) for the purpose of meeting margin requirements of the clients in connection with the trades executed by the clients on the Stock Exchange.	
3.	Mutual Fund transactions being executed on Stock Exchange order entry platforms.	
4.	Tendering shares in open offers through Stock Exchange platforms.	

*The same may be signed physically against each purpose of DDPI. The same may also be eSigned.

In case of eSign, client shall be given an option for choosing the specific purpose(s) of DDPI.

ANNEXURE 7

NOMINATION FORM

TM / DP Name and Address	**FORM FOR NOMINATION** **(***To be filled in by individual applying singly or jointly***)**
Date:	**UCC/ DP ID** **Client ID**

I/We wish to make a nomination. [*As per details given below*]

Nomination Details

I/We wish to make a nomination and do hereby nominate the following person(s) who shall receive all the assets held in my / our account in the event of my / our death.

	Nomination can be made upto three nominees in the account.		**Details of 1st Nominee**	**Details of 2nd Nominee**	**Details of 3rd Nominee**
1	**Name of the nominee(s) (Mr./Ms.)**				
2	**Share of each Nominee**	Equally[If not equally, please specify percentage]	**%**	**%**	**%**
			Any odd lot after division shall be transferred to the first nominee mentioned in the form.		
3	**Relationship With the Applicant (If Any)**				
4	**Address of Nominee(s)** City / Place: State & Country:				
		PIN Code			
5	**Mobile / Telephone No. of nominee(s) #**				
6	**Email ID of nominee(s) #**				
7	**Nominee Identification details # [**Please tick any one of following and provide details of same] □ Photograph & Signature □ PAN □ Aadhaar □ Saving Bank account no. □ Proof of Identity □ Demat Account ID				

Sr. Nos. 8-14 should be filled only if nominee(s) is a minor:									
8	**Date of Birth {in case of minor nominee(s)}**								
9	**Name of Guardian (Mr./Ms.) {in case of minor nominee(s) }**								
10	**Address of Guardian(s)**								
	City / Place: State & Country:								
	PIN Code								
11	**Mobile / Telephone no. of Guardian #**								
12	**Email ID of Guardian #**								
13	**Relationship of Guardian with nominee**								
14	**Guardian Identification details # [**Please tick any one of following and provide details of same] □ Photograph & Signature □ PAN □ Aadhaar Saving Bank account no. □ Proof of Identity □ Demat Account ID								
Name(s) of holder(s)								**Signature(s) of holder***	
Sole / First Holder (Mr./Ms.)									
Second Holder (Mr./Ms.)									
Third Holder (Mr./Ms.)									

*** * Signature of witness, along with name and address are required, if the account holder affixes thumb impression, instead of signature.**

Optional Fields (Information required at Serial nos. 5, 6, 7, 11, 12 & 14 is not mandatory)

Note:

This nomination shall supersede any prior nomination made by the account holder(s), if any.

Name and Signature of Holder(s)*		
1.	**2.**	**3.**

* Signature of witness, along with name and address are required, if the account holder affixes thumb impression, instead of signature

ANNEXURE 8

DECLARATION FORM FOR OPTING OUT OF NOMINATION.

To Trading Member/Participant's Name Trading Member/Participant's Address	Date	D	D	M	M	Y	Y	Y	Y
UCC/DP ID	I	N							
Client ID (only for Demat account)									
Sole/First Holder Name									
Second Holder Name									
Third Holder Name									
I / We hereby confirm that I / We do not wish to appoint any nominee(s) in my / our trading / demat account and understand the issues involved in non-appointment of nominee(s) and further are aware that in case of death of all the account holder(s), my / our legal heirs would need to submit all the requisite documents / information for claiming of assets held in my / our trading / demat account, which may also include documents issued by Court or other such competent authority, based on the value of assets held in the trading / demat account.									
Name and Signature of Holder(s)* **1.** **2.** **3**									

*Signature of witness, along with name and address are required, if the account holder affixes thumb impression, instead of signature

ANNEXURE 9

CONTRACT NOTE CUM TAX INVOICE

(Tax Invoice under Section 31 of GST Act)

NAME OF THE MEMBER, LOGO OF THE MEMBER **SEBI REGISTRATION NO. ADDRESS, TELEPHONE NO, FAX NO AND WEBSITE**
NAME OF COMPLIANCE OFFICER HIS/ HER EMAIL & TELEPHONE NO., EMAIL ID FOR INVESTOR COMPLAINT
DEALING OFFICES ADDRESS, TELEPHONE NO, FAX NO

CONTRACT NOTE NO.			**Name of Clearing Corporation & Segment**	**Name of Clearing Corporation & Segment**	**Name of Clearing Corporation & Segment**
Invoice Reference Number (IRN)					
TRADE DATE		**SETTLEMENT NO.**			
		SETTLEMENT DATE			
Name of the Client Address of the Client State/State Code (Place of supply) PAN of Client UCC of Client Trading Back office code* GST Identification No. of client (if available)		**GIVE CLEARING CORPORATION-WISE / SEGMENTWISE SETTLEMENT NO. & DATES**			

	Name of Exchange & Segment	Name of Exchange & Segment	Name of Exchange & Segment	Name of Exchange & Segment
*Trading/ Back Office Code (If Different from UCC)				

Sir/ Madam,

I / We have this day done, by your order and on your account, the following transactions: Equity Segment

Security Description					**BUY**		**SELL**			**Net Obligation for ISIN (Before Levies) (Rs) ***				
ISIN	Security Name / Symbol	**Quantity** Total BUY quantity traded across Exchanges	WAP (across exchanges) WAP = Total buy trade value for ISIN across Exchanges / Total number of shares bought across Exchanges	Brokerage per Share (Rs)	WAP (across exchanges) after brokerage	Total BUY Value after brokerage	Quantity Total SELL quantity traded across Exchanges	WAP (across exchanges) WAP = Total SELL trade value for ISIN across Exchanges / Total number of shares sold across Exchanges	Brokerage per Share (Rs)	WAP (across exchanges) after brokerage (Rs)	Total SELL Value after brokerage	Net Quantity (Total Buy Qty across Exchange - Total Sell Qty across Exchange)	Net Obligation for ISIN (Total Buy value after brokerage - Total Sell value after brokerage)

*Exchange-wise details of orders and trades provided in separate annexure. Derivative Segment

Contract description # (# Exchange name to be mentioned in contract description in case contract is not common across Exchanges and interoperability is not applicable.) For Commodity Segment	**Buy (B)/ Sell (S)/BF/CF**	**Quantity**	**WAP Per Unit (in foreign currency)** [1] WAP (Common contract across Exchanges) = Total buy/sell trade value for common contract **across Exchanges** / Total Qty bought/sold **across Exchanges** WAP (other derivative contract) = Total buy/sell	**WAP Per Unit (Rs)** **2** WAP (Common contract across Exchanges) = Total buy/sell trade value for common contract **across Exchanges** / Total Qty bought/sold **across Exchanges** WAP (other derivative contract) = Total buy/sell trade value of	**Brokerage per unit (Rs)**	**WAP Per unit after brokerage (Rs)**	**Closing Rate per Unit**	**Net Total (Before Levies) (Rs)** **Quantity* WAP Per unit after brokerage (Rs)**	**Remarks**

(# Exchange name to be mentioned in contract description)			trade value of contract / Total Qty bought/sold.	contract / Total Qty bought/sold For Commodity Segment (Exchange wise-Contract wise) WAP=Total buy/ sell trade value of contract / Total Qty bought/sold					

* Exchange-wise details of orders and trades provided in separate annexure.

Obligation details

	Name Of Exchange/CC & Segment	**Name Of Exchange/CC & Segment**	**Name Of Exchange/CC & Segment**	**Name Of Exchange/CC & Segment**	**Name Of Exchange/CC & Segment**	**Name Of Exchange/CC & Segment**	**TOTAL (Net)**
PAY IN/ PAY OUT OBLIGATION							
Taxable value of supply [3]							
Securities Transaction Tax (Rs)							
Commodities Transaction Tax (Rs)							

CGST **4**	Rate							
	Amount (Rs)							
SGST **4**	Rate							
	Amount (Rs)							
	Rate							
IGST **4**	Amount (Rs)							
UTT **4**	Rate							
	Amount (Rs)							
Exchange Transaction Charges (Rs)								
SEBI turnover Fees. (Rs)								
Stamp Duty (Rs)								
Net amount receivable by **Client / (payable by Client) (Rs)**								

1 *Applicable only in case of cross currency contracts*

2 *To be converted into INR, based on RBI reference rate as on the date of transaction, in case cross currency contracts*

3 *To be calculated in accordance with the provisions of the applicable GST Laws issued from time to time*

4 CGST:- Central GST; SGST: - State GST; IGST:-Integrated GST; UTT: - Union Territory Tax. Details of trade-wise levies shall be provided on request.

Transactions mentioned in this contract note cum bill shall be governed and subject to the Rules, Bye-laws, Regulations, Business Rules and Circulars of the respective Exchanges on which trades have been executed and Securities and Exchange Board of India issued from time to time. It shall also be subject to the relevant Acts, Rules, Regulations, Directives, Notifications, Guidelines (including GST Laws) & Circulars issued by SEBI

/ Government of India / State Governments and Union Territory Governments issued from time to time. The Exchanges provide Complaint Resolution, Arbitration and Appellate arbitration facilities at the Regional Arbitration Centres (RAC). The client may approach its nearest centre, details of which are available on respective Exchange's website. Please visit www.mcxindia.com for MCX, www.ncdex.com for NCDEX, www.nseindia.com for NSE, www.bseindia.com for BSE and www.msei.in for MSEI.

Date: Yours faithfully,

Place: For_____(Name of Trading Member)

QR Code

PAN of Trading Member	
GSTIN of Trading Member	
Description of Service	
Accounting code of services	

Name & Signature/Digital Signature of Partner / Proprietor / Authorized Signatory

ANNEXURE 10

FREQUENTLY ASKED QUESTIONS (FAQ'S)

Serial No.	Question	Answer
1	Transaction charges are different across Exchanges. Can combined transaction charges across Exchange be provided in revised contract note?	Exchange transaction charges shall be provided on combined basis in revised contract note format.
2	Is it mandatory to send complete details of trade as annexure?	Yes, the trading member shall ensure that details of trades such as Contract number, commodity/ contract detail, Exchange, Order No., Order time, Trade No., Trade Time, Traded Quantity, Price etc is attached to the contract note as an Annexure.
3	Is it mandatory for brokers to provide one WAP across exchanges or is it optional based on client requirement?	It is mandatory for brokers to provide contract-wise single WAP. However, since inter-operability in commodity markets/segment is not applicable, it will be mandatory to issue contract notes including ECNs with **single WAP exchange wise contract wise**.

ANNEXURE 11

ANNUAL CALENDAR FOR THE SETTLEMENT OF RUNNING ACCOUNT (QUARTERLY AND MONTHLY)

Dates for Quarterly Settlement (FY2026-27):

Quarter	Period	Dates	Days
Q1	April-June	17th &/or 18th April 2026	Friday &/or Saturday
Q2	July-September	3rd &/or 4th July 2026	Friday &/or Saturday
Q3	October-December	16th &/or 17th October 2026	Friday &/or Saturday
Q4	January-March	1st &/or 2nd January 2027	Friday &/or Saturday

Dates for Monthly Settlement (FY2026-27):

Quarter	Month	Dates	Days
Q1	April	17th &/or 18th April 2026	Friday &/or Saturday
Q1	May	15th &/or 16th May 2026	Friday &/or Saturday
Q1	June	5th &/or 6th June 2026	Friday &/or Saturday
Q2	July	3rd &/or 4th July 2026	Friday &/or Saturday
Q2	August	7th &/or 8th August 2026	Friday &/or Saturday
Q2	September	4th &/or 5th September 2026	Friday &/or Saturday
Q3	October	16th &/or 17th October 2026	Friday &/or Saturday
Q3	November	6th &/or 7th November 2026	Friday &/or Saturday
Q3	December	4th &/or 5th December 2026	Friday &/or Saturday
Q4	January	1st &/or 2nd January 2027	Friday &/or Saturday
Q4	February	5th &/or 6th February 2027	Friday &/or Saturday

Quarter	Month	Dates	Days
Q4	March	5th &/or 6th March 2027	Friday &/or Saturday

ANNEXURE 12

REPORTING FORMAT FOR UCC WISE SETTLEMENT DETAILS

Sr. No.	Particulars	Description
1.	Date of Settlement	DD/MM/YYYY or DD-MM-YYYY
2.	TM Code	Numeric trading member Code **(As per MCX)**
3.	TM PAN	Alpha-numeric trading member PAN
4.	Client UCC	Alpha-numeric client code
5.	Value of amount retained	Numeric (in Rs.) (upto 2 decimal)
6.	Value of amount paid	Numeric (in Rs.) (upto 2 decimal)
7.	TM Bank account number	Bank account numbers which are reported as Down Streaming Client Nodal Bank Account (DSCNBA) under Enhanced Supervision Portal are to be considered for making payments to clients and the same has to be reported here. Append Single Quotes (‘) at the start of Bank account number to avoid the auto rounding off e.g. ‘0037767890123456
8.	TM Bank IFSC	
9.	Client Bank Account Number	Client bank account number Append single Quotes (‘) at the start of Bank account number to avoid the auto rounding off e.g. ‘0037767890123456
10.	Client Bank IFSC	Client bank account IFSC code
11.	Whether funds transferred through electronic mode	Yes/No
12.	If no, reasons for other than electronic mode	Free text
13.	Whether Statement of accounts along with retention statement (if any) is sent to the clients at the time of Settlement	Yes/No

14.	Statement of accounts – Sent Date	DD/MM/YYYY or DD-MM-YYYY
15.	Whether intimation including the details about the transfer of funds sent to clients by SMS & email.	Yes/No "Yes" if sent by both or either of the modes i.e., "Email" or "SMS." "No" if not sent through "Email" and "SMS" both
16.	Email – Sent Date	Either DD/MM/YYYY or DD-MM-YYYY or Blank, if not sent
17.	SMS – Sent Date	

ANNEXURE 13

INDICATIVE FORMAT FOR RETENTION STATEMENT

A. Total value of clients Funds available prior to settlement

Particulars	**Amount (Rs.)**	**Amount (Rs.)**
Unencumbered balance in client ledger *(after reversing value of unsettled bills if any in case of trade day billing and margin amount if debited in client ledger)*	**xxxx**	
Unencumbered balance in margin ledgers	**xxxx**	
Total Funds available (a)		**XXXX**

B. Value of securities pledged/ repledged and value of commodities.

Particulars	**Amount (Rs.)**
Value of securities (after applying appropriate haircut) accepted as collateral from the clients by way of 'margin pledge'	**xxxx**
Value of commodities (after applying appropriate haircut)	**xxxx**
Total value of securities pledged/ repledged and commodities (b)	**XXXX**

C. Explanation regarding Retention of Funds

Particulars	**CM Segment**	**FO Segment**	**CD Segment**	**Other Segments**	**Amount (Rs.)**
Funds Pay in obligation (c)	**XXXX**	**XXXX**	**XXXX**		**XXXX**

Particulars	CM Segment	FO Segment	CD Segment	Other Segments	Amount (Rs.)
50% of end of the day (EOD) margin Liability (e)	**XXXX**	**XXXX**	**XXXX**		**XXXX**
225% of T Day Margin Liability (d)	**XXXX**	**XXXX**	**XXXX**		**XXXX**
225% of T Day Margin Liability in all segments across Exchanges (after reducing 50% of EOD margin and the value of securities accepted as collateral from the clients by way of 'margin pledge' and value of commoditie) (g=f-e-b)					**XXXX**
Maximum funds that can be retained (h=c+d+e+g)	**XXXX**	**XXXX**	**XXXX**	**XXXX**	**XXXX**

D. Retention of Funds

Value of Funds received from client – retained	**xxxxx**
Total Retention	**xxxxx**
Total Funds released	**xxxxx**

E. Amount not required to be returned.

Value of BG's received from client - not required to be returned (With detail's of each BG)	**xxxxx**
Value of FD's received from client - not required to be returned (With Details of each FD)	**xxxxx**

ANNEXURE 14

ANNUAL GLOBAL TRANSACTION STATEMENT (AGTS)

Name of the client	
UCC(s) of the client	
PAN of the client	
Basis	Trade/ Settlement
Date of Issue of AGTS	
Financial Year	

Security/ Commodity Description	Exchange	Segment	Purchase Quantity	Purchase Value	Sale Quantity	Sale Value

The above is minimum information and model format. The Stock Broker may provide any additional data like ISIN, average rate, net position, etc.

1. Consolidated report to be given for entire financial year

2. Each distinct security/ commodity should be mentioned as a separate line item

3. The AGTS may be given on trade day basis or settlement day basis

4. AGTS should be generated PAN Wise. However, a single PAN has been issued multiple UCCs (eg. NRI clients, different UCCs allotted across different segments/ exchanges), then UCC wise AGTS may be provided

5. Effect of close out/ settlement / auction transactions should be mentioned in the purchase/ sale column, as appropriate

6. AGTS has to be provided to all the clients within 30 days from the end of the financial year

7. Regulatory directives as applicable from time to time regarding communication to clients should be adhered to

8. All charges mentioned in the contract notes like Securities/ Commodities Transaction Tax, Stamp Duty, Exchange Transaction Charges, SEBI turnover fees, etc. should be provided in the report appropriately

9. If the client desires any further information/ details regarding the AGTS, the same should be provided by the Stock Broker

Frequently Asked Questions (FAQs)

1. **Can a Member provide details of corporate benefits like bonus/ stock split and other non-market transactions like public issues, tender offers, etc. in the AGTS?**

   Yes, the circular permits providing additional information to the client

2. **Does the AGTS need to be issued to institutional clients?**
   Since the settlement of institutional trades is through custodians, AGTS need not be issued to institutional clients.

3. **How is Securities Lending and Borrowing (SLB) transaction to be reflected in the AGTS?**
   SLB is not a purchase/ sale and therefore is not to be included in the AGTS. However, details of the SLB trades may be provided separately.

4. **Can transaction details of same security traded in different exchanges be merged in a single line?**
   Yes, the same may be merged in a single line. However, the exchange column should mention all the relevant exchanges

ANNEXURE 15

FRAMEWORK FOR TRADING MEMBERS TO PROVIDE THE FACILITY OF VOLUNTARY FREEZING/ BLOCKING THE ONLINE ACCESS OF THE TRADING ACCOUNT TO THEIR CLIENTS ON ACCOUNT OF SUSPICIOUS ACTIVITIES

(As per requirements of SEBI Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/4 dated January 12, 2024)

The framework for Trading Members for providing the facility of voluntary freezing/ blocking the online access of the trading account to their clients on account of suspicious activities as finalised by the Brokers' Industry Standards Forum in consultation with the Exchanges is as follows:

1. The Trading Members providing internet based trading/ mobile trading/ other online access for trading shall make available to the clients at least two modes of the following communications through which the client may request for voluntary freezing/ blocking the online access of trading account if any suspicious activity is observed in the trading account:-

    a) Email from registered e-mail ID

    b) SMS from registered mobile number

    c) IVR/tele calling

    d) Chatbot

    e) Trading Member's App / website

    f) Any other legally verifiable mechanism

2. Where an e-mail ID and/or telephone number is provided by the Trading Member for this purpose, the said e-mail ID/ telephone number should be dedicated for receipt of communication for voluntary freezing/ blocking of the online access of the clients' trading account. The nomenclature of the dedicated e-mail Id shall be stoptrade@domainname.com.

3. The Trading Member shall take the following actions on the receipt of request through any modes of communications as provided by the Trading Member for freezing/blocking of the online access of the trading account from the client:

a. Validate that the request is received from the client as per below point no. 4 and issue the acknowledgement as well as freeze/block the online access of the client's trading account and simultaneously cancel all the pending orders of the said client. The timelines for freezing/ blocking of the online access of the clients' trading account is as under:-

Scenario	**Timelines for issuing acknowledgement as well as freezing / blocking of the online access of the trading account.**
Request received during the trading hours[1] and within 15 minutes before the start of trading.	Within 15 minutes[2]
Request received after the trading hours and 15 minutes before the start of trading.	Before the start of next trading session

b. Post freezing/blocking the client's trading account, send a communication on the registered mobile number and registered e-mail ID of the client, stating that the online access to the trading account has been frozen/blocked and all the pending orders in the client's trading account, if any, have been cancelled along with the process of re-enablement for getting the online access to the trading account.

c. Details of open positions (if any) should also be communicated to the client alongwith contract expiry information within one hour from the freezing/blocking of the trading account. This will eliminate the risk of unwanted delivery settlement. This time limit shall be contracted after a review in the next six months after the date of its applicability to enhance protection of investors from suspicious activities.

4. The Trading Member shall have a mechanism in place to validate that the request for freezing/blocking of the online access of the trading account is received from the respective client only. This can be done by the Trading Member by :

---

1 Trading hours shall be as follows: Capital Market Segment: 9.15 a.m. to 3.30 p.m., Equity Derivatives Segment: 9.15 a.m. to 3.30 p.m., Currency Derivatives Segment: 09.00 a.m. to 05.00 p.m., Commodity Derivatives Segment: 09.00 a.m. to 11:30 p.m.

2 To begin with, the time limit of 15 minutes is being specified for the purpose of issuing acknowledgement as well as freezing/blocking of the online access of the trading account. This time limit shall be contracted after a review in next six months after the date of its applicability to enhance protection of investors from suspicious activities.

a. verifying whether request is received from the registered phone number/e-mail Id of the client; or where request is received from other than registered phone number/e-mail Id of the client, the Trading Member should have a client authentication procedure (2 Factor Authentication) in place or

b. Following any other process as may be prescribed by the Exchange(s) uniformly in consultation with SEBI, from time to time.

5. The Trading Member shall maintain the appropriate records/logs including, but not limited to, request received to freeze/block the online access of trading account, confirmation given for freezing/blocking of the online access of the trading account and cancellation of pending orders, if any, sent to the clients.

6. In case of failure of the Trading Member in freezing/ blocking the online access within the prescribed timelines (**15 minutes in case the request is received during the trading hours and within 15 minutes before the start of trading / Before the start of the next trading session in case the request is received after the trading hours and 15 minutes before the start of the trading),** Trading Member shall be responsible for any trades executed from the time of receipt of such request till such time the online access is blocked / frozen.

7. Re-enabling the client for online access of the trading account: - The Trading Member shall re-enable the online access of trading account after carrying out necessary due diligence including validating the client request and unfreezing / unblocking the online access of the trading account.

8. It is clarified that :

a. Freezing/blocking is only for the online access to the client's trading account, and there shall be no restrictions on the Risk Management activities of the Trading Member.

b. The request for freezing/ blocking does not constitute request for marking client Unique Client Code (UCC) as inactive in the Exchange records.

9. The Trading Member shall frame a policy on the above guidelines, which shall be the part of the Trading Member's Risk Management Policy. The Trading Member shall disclose on their website, the above policy along with the process and mode(s) through which the client can place the request to freeze/block & unfreeze / unblock the trading account along with the timelines that will be followed by the Trading Member for the same. The same shall be communicated to the new clients as a part of account opening kit with effect from July 01, 2024, and to the existing clients by July 01, 2024 via e-mail or any other suitable

mechanism which can be preserved. In case if communication gets bounced/undelivered, the same shall be communicated through alternate channels to such clients. Other suitable mechanism may include physical delivery/SMS/electronic instant messaging services after adhering with the safeguards prescribed under Exchange Circular No. MCX/INSP/337/2022 dated June 08, 2022 on Issuance of Electronic Contract Notes (ECN) through SMS/electronic instant messaging services.

ANNEXURE 16

INFORMATION REGARDING GRIEVANCE REDRESSAL MECHANISM

FOR STOCK BROKERS / DEPOSITORY PARTICIPANTS

Dear Investor,

In case of any grievance / complaint against the Stock Broker / Depository Participant:

- Please contact Compliance Officer of the Stock Broker/ Depository Participant (Name) / email-id (xxx.@email.com) and Phone No. - 91-XXXXXXXXXX.
- You may also approach CEO/ Partner/Proprietor (Name) / email-id (xxx.@email.com) and Phone No. - 91-XXXXXXXXXX.
- If not satisfied with the response of the Stock Broker/ Depository Participant, you may contact the concerned Stock Exchange / Depository at the following

	Web Address	**Contact No**	**Email-id**
MCX	www.mcxindia.com	022-6731-8888	grievance@mcxindia.com
	Web Address	**Contact No**	**Email-id**
CDSL	www.cdslindia.com	xxxxxxx	xxx@cdslindia.com
NSDL	www.nsdl.co.in	xxxxxxx	xxx@nsdl.co.in

- You can also lodge your grievances with SEBI at https://scores.sebi.gov.in/ . For any queries, feedback or assistance, please contact SEBI Office on Toll Free Helpline at 1800 22 7575 / 1800 266 7575.

ANNEXURE 17

DETAILED LIST OF INSPECTION AREAS AND ITS CATEGORIZATION

Sr. No.	Scope of Inspection (for a particular Inspection period)	Indicative Methodology	Violation Category
1	Whether all clients are registered directly with the Trading Member only.	Examine the books of account (demat and bank statements) during the inspection period to identify any clients not registered with the Trading Member.	A
2	There is no movement of Funds and securities between the clients and AP.	i) Examine all Demat statements and bank accounts of the AP during the inspection period. ii) Obtain a written confirmation from the AP that all their demat and bank accounts have been disclosed to the Trading Member. iii) If any other account of an AP is identified while examining bank and demat accounts, seek details of those accounts as well.	A
3	There are no fixed payments at regular intervals to the clients mapped to AP.	Examine all client's ledgers during the inspection period to identify any fixed periodic payments.	A
4	There are no cash dealings done with clients by AP.	Examine all bank accounts of the AP during the inspection period for any cash deposits / dealings with clients.	A
5	The AP is not involved in any fund-based activities / collecting deposits from investors / unauthorised trading or any other such schemes.	Conduct mystery shopping, surprise visits, web searches, and take regular feedback from the clients of the AP to detect any irregularities.	A
6	The AP is not involved in any illegal/dabba/paper trading.	Conduct mystery shopping, surprise visits, web searches, and take regular feedback from the clients of the AP to detect any irregularities	A

Sr. No.	Scope of Inspection (for a particular Inspection period)	Indicative Methodology	Violation Category
7	The AP has not dealt with any unregistered intermediary on behalf of its clients/self.	Conduct mystery shopping, surprise visits, web searches, and take regular feedback from the clients of the AP to detect any irregularities.	A
8	The AP is not involved in accepting deposits from the public and giving assured returns to their clients.	Conduct mystery shopping, surprise visits, web searches, and take regular feedback from the clients of the AP to detect any irregularities.	A
9	Complaints received against AP pertaining to Assured Returns / Unauthorised Trading / Dabba Trading / associated with unregistered intermediary.	Review all complaints received against the AP and conduct an analysis.	A or B depending on outcome of complaint
10	The AP does not offer any incentives to clients for opening trading accounts	Conduct mystery shopping, surprise visits, web searches, and take regular feedback from the clients of the AP to detect any irregularities.	B
11	AP has sought any authorisation to trade on behalf of its clients.	Conduct mystery shopping, surprise visits, web searches, and take regular feedback from the clients of the AP to detect any irregularities.	A
12	Advertisements for soliciting business are not issued by the APs in newspapers / pamphlets / journals / magazines / emails including social media like Facebook, Instagram, telegram channels etc., without seeking appropriate approvals from the Exchange, through the Trading Member. This includes not publishing performance returns etc.	Scan all social media accounts, newspapers, and print media platforms etc	B - advertisement issued by AP is not in line with advertisement code. C - advertisement issued by AP is

Sr. No.	Scope of Inspection (for a particular Inspection period)	Indicative Methodology	Violation Category
			in line with advertisement code.
13	All AP terminals are as per the information reported to the Exchange.	To verify that all terminals in the main office and all branches of the AP aligns with the details reported to the Exchange	A or B depending on gravity of observation
14	Trading terminals are operated by approved and certified users.	To verify that all terminals in the main office and all branches of the AP are operated by individuals approved/certified as reported to the Exchange	B
15	Adequate systems, including voice recording, have been put in place, with a view to ensure recording of order placement from clients. Trading Members must ensure that APs who do not have trading terminals assigned to them, cannot place trades on behalf of the Trading Member's clients.	To verify if the system is installed in the main office & all branches of the AP if any	B with direction to comply within specified time
16	Documents like contract notes, statement of funds, daily margin statement are not generated and issued by the AP. However, AP may provide administrative assistance in procurement of documents from the Trading Member, after maintaining proper records of the same.	To verify the process followed by the AP to fulfil its daily operations.	A
17	The AP has not dealt with / or associated with any other Trading Member/AP on behalf of its clients/self on the same Stock Exchange.	i) To review all bank accounts of AP during the inspection period. ii) Member to seek declaration signed by the AP and retain it for the future reference.	B

Sr. No.	Scope of Inspection (for a particular Inspection period)	Indicative Methodology	Violation Category
18	The AP has the necessary infrastructure like adequate office space, equipment, and manpower to effectively discharge the activities on behalf of the Trading Member.	Physical verification during Inspection.	B
19	Proper segregation and demarcation are maintained at AP office.	Physical verification during Inspection.	B
20	Notice board of the Trading Member containing all details/information prescribed from time to time, are displayed at the AP/s location	To ensure that displays in the main office and all branches of the AP adhere to the prescribed guidelines.	C
21	SEBI registration certificate of the Trading Member and registration letter issued by the Exchange is displayed at the location.	To ensure that displays in the main office and all branches of the AP adhere to the prescribed guidelines.	C
22	As required by SEBI circular CIR/MIRSD/3/2014 dated August 28, 2014, information about the grievance redressal mechanism available to investors is prominently displayed at the location.	To ensure that displays in the main office and all branches of the AP adhere to the prescribed guidelines.	C
23	Branch/AP records/data are properly maintained with confidentiality in a secure manner including sufficient backup.	To verify the process followed by the AP in carrying out its daily operations.	C
24	In case of change/shifting of location of AP/Branch, the following is ensured:		
	(a) Notice Board and applicable SEBI registration certificates are immediately put up at the new location.	To ensure that displays comply with the prescribed guidelines.	C
	(b) The new location, including details of terminals if any, have been duly reported to the Exchange, and the old location, including	Maintenance of trail of reporting of terminals / communication for change in location.	A or B depending on

Sr. No.	Scope of Inspection (for a particular Inspection period)	Indicative Methodology	Violation Category
	terminals at the old location if any have been deactivated.		gravity of observation
	(c) At the new location, adequate systems including voice recording, display of Notice Board and SEBI Registration certificates, and terminals etc. have been promptly installed to ensure the smooth functioning of business operations and the recording of order placements from clients	To verify if the system is installed in the main office & all branches of the AP if any.	B with direction to comply within specified time
25	Any changes in the AP's contact details, such as registered / communication address, email address, mobile number or any changes in the Directors/ Partners of AP, are not reported/ incorrectly reported to the Members.	Maintenance of communication by AP to Member.	B
26	The AP's mobile number, and email address are not mapped to any of its client in UCC uploaded to Exchange.	To verify with the Member database of all the clients of the AP's.	A

ANNEXURE 18

FORMAT WITH RESPECT TO MAINTENANCE OF BANK BOOK

Unique File Name	Bank Book
File format	CSV format

Members have to maintain Bank Book considering following validation points:

Header Record:

Field Name	**Structure**
Member Name	Alphanumeric
Period	First Date to Last Date (Format: DD-MM-YYYY to DD-MM-YYYY)
Account Name and Number	Bank Name and Account Number
Account Type and Exchange:	Account Type shall be either of Client/Settlement/Own

Detail Record:

Sr No.	**Field Name**	**Length (Max)**	**Description**
1.	Date	Char (10)	Format: DD-MM-YYYY
2.	Value Date	Char (10)	Format: DD-MM-YYYY
3.	Account Name	Char (100)	Alphanumeric Account name
4.	Bank Account No.	Char (30)	Alphanumeric Bank account number

Sr No.	Field Name	Length (Max)	Description
5.	Unique Client Code (UCC)	Char (20)	Alphanumeric client code
6.	Back Office Client Code	Char (20)	Alphanumeric client code
7.	Client PAN	Char (10)	Alphanumeric client PAN
8.	Narration	Char (50)	Alphanumeric narration
9.	Voucher No.	Char (20)	Alphanumeric voucher No.
10.	Settlement No.	Char (20)	Alphanumeric settlement No.
11.	Reference Number (Chq No / RTGS Ref No. / NEFT Ref No. / Any payment gateway Ref No. / Internal Reference No.)	Char (30)	Alphanumeric Reference number
12.	Payment (Rs.)	Number (20)	Amount in Numeric form. Decimals shall be allowed up to 2 digits
13.	Receipt (Rs.)	Number (20)	Amount in Numeric form. Decimals shall be allowed up to 2 digits
14.	Balance (Rs.)	Number (20)	Amount in Numeric form. Decimals shall be allowed up to 2 digits

Sr No.	Field Name	Length (Max)	Description
15.	Purpose	Char (25)	Value shall be any of the following: Payin Payout Receipt Client Payment-Client Settlement- Payment Charges-Recovery Own- A/c Third-Party Margin Payment Margin- Release FDR- Created FDR Released Cheque- Reversal Inter Client-Bank Auction-close- Out Opening Balance Closing Balance Journal Entry Contra Voucher

Sr No.	Field Name	Length (Max)	Description
			□ Others (Please specify the transaction type if it is not falling in any one of the above)

ANNEXURE 19

FORMAT WITH RESPECT TO MAINTENANCE OF CLIENT LEDGER

File Name	Client Ledger
File format	CSV format

Members have to maintain Client Ledger considering following validation points:

Header Record:

Field Name	**Structure**
Member Name	Alphanumeric
Period	First Date to Last Date (Format: DD-MM-YYYY to DD-MM-YYYY)

Detailed Record

Sr No.	**Field Name**	**Length (Max)**	**Description**
1.	Unique Client Code (UCC)	Char (20)	Alphanumeric client code
2.	Back Office Client Code	Char (20)	Alphanumeric client code
3.	Client Name	Char (100)	Alphanumeric Client Name
4.	Client PAN	Char (10)	Alphanumeric Client PAN
5.	Date	Char (10)	Format: DD-MM-YYYY
6.	Settlement Date	Char (10)	Format: DD-MM-YYYY

Sr No.	Field Name	Length (Max)	Description
7.	Exchange	Char (5)	Value shall be any of the following: MCX NCDEX NSE BSE MSE
8.	Segment Type	Char (4)	Value shall be any of the following: COM CM FO CDS
9.	Settlement No.	Char (20)	Alphanumeric settlement No.
10.	Bill/Chq No.	Char (20)	Alphanumeric Bill/Chq No.
11.	Transaction Type	Char (20)	Value shall be any of the following: Receipt Payment Settlement-Payment JV Margin Bill Dr Note Cr Note Others (Please specify the transaction type if it is not falling in any one of the above)

Sr No.	Field Name	Length (Max)	Description
12.	Particulars / Narration	Char (50)	Alphanumeric narration
13.	Voucher No.	Char (20)	Alphanumeric voucher No.
14.	Debit (Rs.)	Number (20)	□ Amount in Numeric form. □ Decimals shall be allowed up to 2 digits
15.	Credit (Rs.)	Number (20)	□ Amount in Numeric form. □ Decimals shall be allowed up to 2 digits
16.	Balance (Rs.)	Number (20)	□ Amount in Numeric form. □ Decimals shall be allowed up to 2 digits

ANNEXURE 20

GUIDELINES WITH RESPECT TO STANDARDISATION OF BANK BOOK AND CLIENT LEDGER

The Guidelines give explanation for each of the column prescribed in Annexure A & Annexure B for the purpose of guiding members in the implementation of the formats. The Guidelines shall be updated periodically based on the feedbacks/inputs received from market participants.

Following provisions shall be considered with respect to the applicability of this circular:

1. The format prescribes the minimum requirements and the Members shall record all applicable details therein. Member may include additional details as per their internal, other regulatory/statutory requirements.

2. Members are advised to do the necessary modifications in Back office system in- house or communicate Back-office software vendors to comply with revised requirements.

3. All the prescribed standard templates shall be maintained across Exchanges on consolidated basis. However, Members should have system compatibility where Exchange-wise information can also be extracted as and when required.

I. Guidelines for Bank Book:

- Bank book shall be prepared separately for all the client, settlement and Own bank accounts.

- For Own/Proprietary bank account some fields like Unique Client Code (UCC), Back Office Client Code and Client PAN may be kept blank.

S. No.	Details for Bank Book	Remarks
1.	Date	It shall be date of recording the transaction in the books. Date should be maintained in DD-MM-YYYY format.
2.	Value Date	Date of actual receipts/payments of funds or cheque clearance date. Date should be maintained in DD-MM-YYYY format. System should have the capability to update the same at

S. No.	Details for Bank Book	Remarks
		subsequent stage whenever identified, if it is not identifiable at the time of order entry.
3.	Account Name	□ In case of client transactions, it shall be referred as counterparty 'Client Name'. The Client name should be as per the details uploaded in UCC. □ In case the transfer is between one TM client Bank account to another, then Member Name with account type will be populated □ In case of clients like PMS, Proprietor where Back office name vary from UCC database, in such cases Beneficiary name of back office can be mentioned.
4.	Bank Account No.	□ Corresponding Bank account number from where money has been received or paid. □ Payments – Bank account number in case of online payments. Cheque payments – “Chequepay”. If the cheque is payable only to specific account number then the Bank account number should be mentioned. □ Receipt – Bank account number from where money has been transferred/received. □ Bank account number of the client should be the same as provided by the client and maintained by the members in their records.
5.	Unique Client Code(UCC)	□ Payments/Receipt – Client code as uploaded in UCC. □ GL code shall be required for entries other than those related to clients.
6.	Back Office Client Code	□ In case there are back office client codes which differ from client code uploaded in UCC database of the Exchange. □ This column can be kept blank if member is not maintaining Back office code separately.
7.	Client PAN	□ It is mandatory to mention PAN for every client transaction, except in cases exempted by the Rules or Regulation issued from time to time.

S. No.	Details for Bank Book	Remarks
		□ PAN should match with UCC database. □ For transaction with entity other than client, this field may be kept blank.
8.	Narration	□ Narration of transaction entries (Free form).
9.	Voucher No.	□ Members internal voucher number. This should match with corresponding entry in client ledger.
10.	Settlement No.	□ Settlement number as stipulated by Clearing Corporation for settlement of transactions. □ For other entries it may be kept blank.
11.	Reference Number (Chq No/RTGS Ref No./NEFT Ref No./ Any payment gateway Ref No./ Internal Reference No.)	□ Payments – cheque number/online payments reference number as provided by Bank. □ Receipt – cheque number/online receipt reference number as provided by Bank. □ Member's system should have the capability to update the same at subsequent stage whenever identified, if it is not identifiable at the time of order entry. □ Member may populate Internal Reference No. if Chq/RTGS/NEFT/Payment gateway Reference number are not available for transactions.
12.	Payment (Rs.)	□ Payment amount.
13.	Receipt (Rs.)	□ Receipt amount.
14.	Balance (Rs.)	□ Balance after relevant transaction.
15.	Purpose	□ It has to be populated only with one of the values: "Payin", "Payout", "Receipt" (From client), "Payment" (To client), "Settlement- Payment" (To client), "Charges-Recovery", "Own A/C", "Third Party" (Only in case of Own Account), "Margin-Payment" (To NSCCL/Clearing Member), "Margin-Release", "FDR-Created", "FDR-Released", "Cheque Reversal", "Inter Client Bank", "Auction close out", "Opening-Balance", "Closing-Balance",

S. No.	Details for Bank Book	Remarks
		"Others" (Pls specify).

II. Guidelines for Clients Fund Ledger:

- Client Fund Ledger has to be maintained client-wise and transaction-wise. Member's system should also generate consolidated report for all the clients.

S. No.	Details for Client Ledger	Remarks
1.	Unique Client Code (UCC)	Client code as reported in the UCC database of the Exchange
2.	Back Office Client Code	In case there are back office client codes which differ from client code uploaded in UCC database of the Exchange. This column can be kept blank if member is not maintaining Back office code separately.
3.	Client Name	Client Name as reported in the UCC database of the Exchange. In case of clients like PMS, Proprietor where Back office name vary from UCC database, in such cases Beneficiary name of the back office can be mentioned.
4.	Client PAN	It is mandatory to mention PAN for every client transaction, except in cases exempted by the Rules or Regulation issued from time to time. PAN should match with UCC database.
5.	Date	It should include date for which accounting is done in the ledger viz. receipts, payments, JV, Bills, etc.
6.	Settlement Date	Settlement Date.
7.	Exchange	Exchange wise client transactions entries.
8.	Segment Type	Segment of relevant client transactions entries.
9.	Settlement No.	Settlement number as stipulated by Clearing Corporation for settlement of transaction.

S. No.	Details for Client Ledger	Remarks
		For other entries, it may be kept blank.
10.	Bill/Chq No.	Payments – cheque number/online payments reference number as provided by Bank. Receipt – cheque number/online receipt reference number as provided by Bank. Bill posting – Bill No. System should have the capability to update the same at subsequent stage whenever identified, if it is not identifiable at the time of order entry.
11.	Transaction Type	It has to be populated only with one of the values: “Receipt” (From client), “Payment” (To client), “Settlement-Payment” (To client), “JV”, “Margin”, “Bill”, “Dr Note”, “Cr Note”.
12.	Particulars / Narration	Narration of transaction entries (Free form).
13.	Voucher No.	Members internal voucher number for transactions in case of receipts and payment of funds from clients, the voucher number should match with the corresponding entry in Bank book.
14.	Debit (Rs.)	Payments/Bills.
15.	Credit (Rs.)	Receipts/Bills.
16.	Balance (Rs.)	Running Balance amount for the client.

****

ANNEXURE 21

GUIDELINES FOR HOLDING STATEMENT

File format	File shall be uploaded in CSV Format
Frequency of Reporting	Weekly basis {A single file for all days of the week (Monday to Saturday)}
Last day of Submission	Members have to submit the data for all calendar days of the week except Sunday on or before the next four trading days of subsequent week.

Format of Holding statement:

Member PAN	Date	Member's Demat Account No.	Member Account Type	Unique Client Code (UCC)	Client Name	Client PAN	ISIN Code	Security / Commodity Type	Name of Commodities	Unit Type	Pledged Balance (Qty.)	Free Balance (Qty.)	Total (Qty.)

Sr. No.	Field Name	Length (Max)	Description
1	Member PAN	Char (10)	Alpha Numeric Member PAN
2	Date	DD-MM-YYYY	DD-MM-YYYY
3	Member's Demat Account No.	Char (16)	Demat Account Number in 16 digit Alpha-numeric Note: • In case of CDSL account number, append Double Quotes ("") at the start and end of Demat account number to avoid the auto rounding off Eg. "1234567890123456". • Account number should be preceded by sufficient zeroes to make it 16 character account number. Further same should append Double Quotes ("") at the start and end of Demat account number to avoid the auto rounding off.

4	Member Account Type	Char (12)	Value shall be any of the following: CLNTBENE OWN POOL TM COLL CM COLL EPI CLNTBENE- MTF TM COLL- MTF CLNT UNPAID CLNT COLL MRGN PLEDGE MTF PLEDGE
5	Unique Client Code (UCC)	Char (20)	Alpha Numeric Client code Note: “OWN” to be mentioned in case of proprietary.
6	Client Name	Char (100)	Alpha Numeric Client Name
7	Client PAN	Char (10)	Alpha Numeric Client PAN
8	ISIN Code	Char (12)	Alpha Numeric ISIN Code NA
9	Security / Commodity Type	Char (4)	Security type / Commodity shall be either of following: EQ MF BOND DEBT PREF IDR WT COMM
10	Name of Commodities	Char (100)	Alpha Numeric NA
11	Unit Type	Char (20)	Value shall be any of the following: GMS KG QUINTAL MT

			BARRELS MMBTU BALES DRUMS OTHERS NA
12	Pledged Balance (Qty.)	Number (20)	Quantity of securities in Numeric form. Decimals shall be allowed upto 3 digits.
			Note: • Demat securities which are pledged (under margin Pledge-Repledge mechanism) are not required to be reported in this column. • In case own securities / other securities are pledged in existing manner (other than margin pledge-repledge mechanism) with CC/ Bank / NBFC then it need to be reported in this column.
13	Free Balance (Qty.)	Number (20)	Quantity of securities in Numeric form. Decimals shall be allowed upto 3 digits.
14	Total (Qty.)	Number (20)	Quantity of securities in Numeric form. Decimals shall be allowed upto 3 digits. Total of column No. 12 & 13

Note:

i. **Column 10 and 11**: While submitting data, other than commodity, member needs to write “NA” in column no. 10 and 11 and in case member submits data for commodity, then member needs to write “NA” in column no. 8. Please refer to the below mentioned example in this regard:

Member PAN	Date	Member's Demat Account No.	Member Account Type	Unique Client Code (UCC)	Client Name	Client PAN	ISIN Code	Security / Commodity Type	Name of Commodities	Unit Type	Pledged Balance (Qty.)	Free Balance (Qty.)	Total (Qty.)
ABCDE1234M	02-11-2020	IN30012611182142	POOL	S078	ABCDE	AAFHS9486R	INE769A01020	EQ	NA	NA	0	2000	2000
ABCDE1234M	02-11-2020	"1234567890123456"	POOL	5566	ABCDE	AFSPP0429B	NA	COMM	GOLD	KG	0	1	1

ANNEXURE 22

LIST OF COMMON VIOLATIONS / DEFICIENCIES OBSERVED BY SEBI DURING INSPECTIONS OF TRADING MEMBERS

Common irregularities observed in the Stock brokers/ trading members books are bought to the notice of all. They are as follows

S. N	Heads	Violation
1	BCP / DR Drill / DR Site	Broker has not set / set a higher threshold limit for generation for alerts, against limit of 70% as specified in SEBI Circular.
		Broker has not diligently followed BCP DRS related requirement w.r.t. drill for full trading day, review of implementation of BCP-DR policy, periodic training.
		Broker does not have BCP/DR set up.
		Governing board of broker has not reviewed/approved the implementation of BCP-DR policy.
2.	Cybersecurity /VAPT related	Vulnerabilities identified in the VAPT assessment, were not addressed/closed (Low Vulnerabilities) within the prescribed timelines of 3 months.
		Entity has not installed capacity of 1.5 times the observed peak load in the quarter
		Gaps are identified in VAPT testing and security assessments.
		Cyber and VAPT observations were not reported and presented to TCM and board in comprehensive manner.
		Broker has not connected all their critical systems with LAMA.
		Stock broker did not report the technical glitch
		Delay in reporting of cyber incident / submission of preliminary incident report / RCA report by broker to exchange
		VAPT observations are open for more than 8 months
3.	UCC related	Common mobile number and email id linked to multiple UCC / AP credentials were mapped to his clients.
		Mismatch in Bank Account numbers, email id and mobile number of clients uploaded to the Exchange
		Incomplete/ Invalid Demat account details uploaded to the Exchange
		Invalid Email Id/Mobile number uploaded in the UCC

S. N	Heads	Violation
4.	Margin / MTF related	Margin Trading Funding (MTF) verification - SB has incorrectly reported Non- cash collateral to Exchange.
		Entity failed to comply with Terms and Conditions of MTF by not squaring off the securities on T+I day and Shares under MTF facility were held by ISL without pledging of such shares
		Stock Broker has provided incorrect submission w.r.t. unconfirmed pledge securities under MTF facility
		Extension of MTF funding to clients on securities which are not part group-1 securities
		Incorrect reporting and short collection of Margin
		Broker passed on upfront margin penalty to clients
5.	Submission of data under RBS / Enhanced Supervision	Discrepancies in reporting of clear credit balance clients under Cash and cash equivalent and segregation file
		SB has incorrectly reported the EOD ledger balance and Peak ledger balance.
		Failure to send daily margin statement
		Difference in client ledger balance between unencumbered ledger balance in retention statement, financial ledger balance and the ledger balance reported to the exchange under Cash and Cash Equivalent
		In debit balance clients, the broker has reported unclear balance instead of clear balance, which has resulted into difference in the amounts reported.
		In case of value of collaterals to be reported for debit balance clients, the broker has not considered pledged securities of debit balance clients while reporting to the Exchange, which has resulted into difference in the amounts reported.
		It was observed that the broker has reported different amount in Cash & Cash equivalent submission done at Exchange compared with Segregation file submitted by broker to Clearing Corporation,
6.	Call data records	Broker has not maintained appropriate evidence in respect of the order placed by their clients with itself / AP.
7	Authorised Persons	Broker has not conducted proper inspection of Authorized Persons
		APs are using the non-permissible words i.e. wealth/ wealth advisory/ advisory management/ investment advisory/ advisors without registration from SEBI/ other regulators.
		Market rate at which orders are placed are not obtained from the client.

S. N	Heads	Violation
		Broker has not maintained appropriate evidence in respect of the order placed by their clients.
		AP credentials were mapped to his clients.
		SB did not exercise due diligence in order to report correct count of inspected APs
		SB has not done due diligence to ensure that details of bank account of AP are not mapped to its clients
8.	Branch / Terminals related observations	Discrepancies observed in Terminals reported location
		Terminals were found to be operated by unapproved users
		Improper supervision of branch
		Mismatch in list of trading terminals/terminal users in exchange records were found

ANNEXURE 23

FORMAT FOR SUBMITTING COMPLIANCE STATUS ON CORRECTIVE ACTIONS TAKEN BY THE MEMBERS

[Certificate to be issued on the letter head of Member signed by the compliance officer]

COMPLIANCE STATUS REPORT ON THE CORRECTIVE ACTIONS TAKEN BASED ON THE FINDINGS OF SEBI INSPECTION

To,
Multi Commodity Exchange of India Limited
Exchange Square, CTS No. 255,
Suren Road, Chakala,
Andheri (East),
Mumbai - 400 093
Maharashtra.

Reference to SEBI communication:

Reference to Exchange communication:

This is to certify the status of the implementation of the corrective actions stipulated by SEBI that was intimated via above referred communication.

All observations requiring corrective actions as prescribed by SEBI	**Compliance status after considering Management comments (Complied / Not complied)**
Observation 1	
Observation 2	

Date:

Signature of the Compliance Officer:

Name of the Compliance Officer:

Designation: Compliance Officer

ANNEXURE 24

FORMAT OF AUDITOR'S CERTIFICATE FOR CERTIFYING COMPLIANCE STATUS ON CORRECTIVE ACTIONS TAKEN BY THE MEMBERS

Certificate to be issued on the letter head of empaneled auditor with the Exchange

CERTIFICATE OF COMPLIANCE ON THE CORRECTIVE ACTIONS TAKEN BY MEMBER BASED ON THE FINDINGS OF SEBI INSPECTION

We have examined the relevant books of accounts, records and documents maintained by M/s. _____, a member of the Multi Commodity Exchange of India Limited for the following segments to verify and certify on compliances of corrective action taken by the trading member on findings of SEBI inspection.

Segment	SEBI registration number
CM	
FO	
CD	
Commodity	

The purpose of this Audit is to examine that the processes, procedures followed, and the operations carried out by the Member are as per the applicable Acts, Rules, Regulations/Business Rules, Bye-laws and Circulars prescribed by SEBI and the Stock Exchanges.

We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of this audit. In our opinion, proper books of accounts, records and documents, as per the regulatory requirement, have been maintained by the member, so far as it appears from examination of the books.

Based on the scrutiny of relevant books of accounts, records and documents, and to the best of our knowledge and explanations given to us, we certify that the Member has complied with the relevant provisions of SEBI Act, 1992, Securities Contracts (Regulation) Act 1956, Securities Contracts (Regulation) Rules 1957, SEBI (Stock Brokers) Regulations, 1992 and various circulars of SEBI and with the Rules, Bye laws, Business Rules of MCX and various circulars issued by the Stock Exchange except otherwise mentioned in the **Appendix A** to this report.

We declare that the audit firm meets the eligibility criteria as prescribed by the Exchange circular in force.

Further, we declare that we do not have any direct / indirect interest in or relationship with the member or its shareholders / directors / partners / proprietors / management, other than the proposed audit assignment and also confirm that we do not perceive any conflict of interest in such relationship / interest while conducting audit of the said member.

In our opinion and to the best of our information and according to the explanations given to us by the proprietor / partners / directors / compliance officer, the Report and Compliance Certificate provided by us as per the Annexure and subject to our observations, which covers the entire

scope of the audit, is true and correct.

Audit Firm Name:
Firm Registration Number:

Signature of the Auditor:
Name of the Auditor:
Designation:
Membership Number:

UDIN Number:

Date:

Place:

Appendix A

STATUS OF COMPLIANCE ON THE CORRECTIVE ACTIONS TAKEN BY MEMBER BASED ON THE FINDINGS OF SEBI INSPECTION

Name of the Trading Member (TM)	
TM Code	
Name of the Auditor	
Auditor Designation (Proprietor / Partner)	
Type of Entity (Proprietor / Partnership)	
Auditor Address	
Auditor Firm Name	
Auditor Firm Registration No	
Auditor's Membership No	
SEBI Letter / Email Date prescribing corrective actions	DD-MMM-YY
Audit period under review	From: DD-MMM-YY To: DD-MMM-YY
Period of conducting audit	From: DD-MMM-YY To: DD-MMM-YY

All observations requiring corrective actions as prescribed by SEBI	**Compliance status after considering Management comments (Complied / Not complied)**
Observation 1	
Observation 2	

ANNEXURE 25

RATIONALISATION AND STANDARDIZATION OF PENALTIES LEVIED ON MEMBERS

Annexure 1 - List of violations / non-compliances along with classification and prescribed actions

Annexure 1.1 - Actions for non-compliances observed for during Member Inspections

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
1	Violations with financial implications	Non availability of client funds / Use of client funds for PROP / Debit balance client obligation	1. When recouped subsequently- a) For 2 days in a calendar month-0.07% per day of the shortfall amount. b) For more than 2 days in a calendar month-0.10% per day of the shortfall amount. 2. If not recouped subsequently- After 30 days of continuous shortfall- Matter to be referred to relevant authority for disciplinary action including no new client and disablement of trading terminal until the shortfall is recouped. And	-	Material

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
			<u>Administrative Action as below</u> <u>Details of contravention</u> Misuse of client funds in any of the Principles of Enhanced Supervision (Highest shortfall observed on a single day in a calendar month for more than Rs.25 lakhs) Administrative Action (s) i. The proprietary deposits/collaterals of the Trading Member available with MCXCCL shall be blocked to the extent of the shortfall/misuse amount or Rs.10 crores, whichever is lower. ii. In case misuse is observed in all principles, amount equivalent to aggregate amount of all principles, shall be blocked. iii. Proprietary deposits/collaterals shall be blocked after 2 trading days from the date of		

<table>
<tr><th>Sr. No.</th><th>Contravention Category</th><th>Details of Contravention</th><th>Action in case of first instance</th><th>Action in case of repeat instance</th><th>Tag</th></tr>
<tr><td></td><td></td><td></td><td>communication of the direction regarding the blocking of such deposits/collaterals to the Trading Member.
iv. Such deposits/collaterals shall be blocked for a period of 10 days.
v. No exposure will be granted to the Trading member on such deposits/collaterals</td><td></td><td></td></tr>
<tr><td>2#</td><td>Violations with financial implications</td><td>Improper use of client securities / Commodities</td><td>2% of amount of misuse with maximum capping of Rs. 1 lakh + direction to restore the same</td><td>2nd Time & Onwards - 3% of amount of misuse, subject to maximum penalty of Rs. 2 Lakhs + direction to restore the same</td><td>Material</td></tr>
<tr><td>3</td><td>Violations with financial implications</td><td>Net worth Shortfall / Incorrect reporting of net worth to the Exchange resulting to shortfall (below the minimum prescribed net worth)</td><td>Monetary Penalty of 5% of the amount of shortfall from the required net worth
and
Administrative action to be initiated for recoupment of Net worth shortfall as below
<table><tr><td>Shortfall as a % of the prescribed</td><td>Blocking of deposits/Collaterals #</td></tr></table></td><td>2nd Time & Onwards -
50% Escalation + Administrative action to be initiated for recoupment of Net worth shortfall as below
<table><tr><td>Shortfall over 10% and up to
20%</td><td>25%</td></tr></table></td><td>Material</td></tr>
</table>

<table>
<tr><th>Sr. No.</th><th>Contravention Category</th><th>Details of Contravention</th><th>Action in case of first instance</th><th>Action in case of repeat instance</th><th>Tag</th></tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>
<table>
<tr><td>minimum Net Worth for Trading Membership</td><td></td></tr>
<tr><td>Shortfall up to 10%</td><td>10%</td></tr>
<tr><td>Shortfall over 10% and up to 20%</td><td>25%</td></tr>
<tr><td>Shortfall over 20% and up to 50%</td><td>50%</td></tr>
<tr><td></td><td></td></tr>
<tr><td>Shortfall over 50%</td><td>100%</td></tr>
</table>

#Percentage shall be applied on the average daily total deposits / collaterals (i.e. cash and cash equivalent balances of proprietary and clients' deposits) in the previous calendar month and amount so derived shall be blocked only from proprietary deposits / collaterals subject to the minimum of shortfall amount.
</td>
<td>
<table>
<tr><td>Shortfall over 20% and up to
50%</td><td>50%</td></tr>
<tr><td>Shortfall over 50%</td><td>100%</td></tr>
</table>

#Percentage shall be applied on the average daily total deposits / collaterals (i.e. cash and cash equivalent balances of proprietary and clients' deposits) in the previous calendar month and amount so derived shall be blocked only from proprietary deposits / collaterals subject to the minimum of shortfall amount.

Trading members may please note that in order to ensure adequate residual risk mitigation, the amount to be blocked would be based on:

I. Previous calendar month's average daily
</td>
<td></td>
</tr>
</table>

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
			Trading members may please note that in order to ensure adequate residual risk mitigation, the amount to be blocked would be based on: i. Previous calendar month's average daily total cash and cash equivalent balances of proprietary and clients' deposits as reported to all Clearing Corporations. ii. The percentage mentioned in the above table corresponding to the extent of shortfall shall be applied to the amount derived as per the Point (i) above, subject to minimum of shortfall amount.	total cash and cash equivalent balances of proprietary and clients' deposits as reported to all Clearing Corporations. II. The percentage mentioned in the above table corresponding to the extent of shortfall shall be applied to the amount derived as per the Point (i) above, subject to minimum of shortfall amount.	
4#	Violations with financial implications	a) Offering or associating with person/ entities offering fixed/assured/periodic returns to clients / mobilizing deposits from investors in a manner not permitted b) Trading member has undertaken Unauthorised	Matter to be placed before the relevant authority for necessary disciplinary action	-	Material

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		Market Practices c) Association with person engaged in prohibited activity d) Issued contract notes for trades not done under the rules, byelaws & regulations/business rules of the Exchange.			
5	Violations with financial implications	Submission of complete information for inspection (excluding data residing with respective Exchange unless sought for cross verification) a) Non co-operation in providing data/records/documents to inspecting officials for inspection resulting in non-completion of inspection. b) Delay in submission of documents/data/records sought for inspection c) Material wrong/incorrect submission of data towards Inspection	a) Non co-operation in providing data/records/documents to inspecting officials for inspection resulting in non-completion of inspection. <u>For Non-QSB Members-</u> Up to 7 days - Rs.1,000/- per day, Post 7 days - Rs. 5,000/- per day subject to maximum penalty of Rs. 1 lakh, thereafter matter maybe referred to member committee. <u>For QSB Member-</u> Up to 7 days - Rs.2,000/- per day,	-	Material

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
			Post 7 days - Rs. 10,000/- per day subject to maximum penalty of Rs. 2 lakh, thereafter matter maybe referred to member committee. b) Delay in submission of documents/data/records sought for inspection Rs. 1,000 per day starting from final due date for submission of data / records /documents sought for inspection, subject to maximum penalty of Rs. 1 lakh. c) Material wrong/incorrect submission of data towards Inspection For procedurally incorrect submission - warning For materially incorrect submission - Rs. 1 lakh.		
Sr. No.	**Contravention Category**	**Details of Contravention**	**Action in case of first instance**	**Action in case of repeat instance**	**Tag**
6	Violations with	Non-adherence to the directions of the relevant	Rs.1000/- per day from the due date, subject to maximum	-	Material

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
	financial implications	authority of the Exchange/ directions under the disciplinary action framework.	penalty of Rs.1 Lakh. (when the maximum penalty is levied then, Disciplinary action such as no new clients, suspension / disablement of trading terminals / Expulsion etc. as deemed fit by the relevant authority)		
7	Violations with financial implications	Evasion of margin	Margin evasion up to Rs 1 Lakh - The amount of evasion.Margin evasion exceeding Rs 1 Lakh - Rs. 1 lakh or 0.3% of the value of trades, whichever is higher + Disciplinary action under the relevant rules of the Exchange	2nd Time & Onwards - Disciplinary action under the relevant rules of the Exchange	Material
8#	Settlement of Client Funds	a) Non-settlement of client funds b) Utilisation of client's funds to be settled in any investment product without the consent of clients	0.5% of the amount involved with maximum capping of Rs. 10 lakhs	2nd Time & Onwards - 50% Escalation	Material
9	Settlement of Client Funds	Misrepresentation of client ledger balances resulting in misuse/ non-settlement of	Disciplinary action such as no new clients, suspension / disablement of trading terminals	-	Material

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		client funds	/ Expulsion etc. as deemed fit by the relevant authority		
10#	Settlement of Client Funds	Quarterly/ Monthly Statement of accounts for funds not sent / Not sent at the time of settlement of accounts, non-issuance of transaction statement displaying all receipt and payment of funds / inward and outward movement of securities while settling the account along with statement explaining retention of funds or securities, if any/ Client preference for monthly / quarterly settlement not obtained	Up to 30 sample Instances - a) Up to 5 instances observed - Advise b) Up to 10 instances observed - Rs. 20,000/- c) Up to 15 instances observed - Rs. 60,000/- d) Above 15 instances observed- Rs. 1,00,000/- Above 30 sample Instances- a) Up to 10% of number of sample instances - Advise b) Up to 20% of number of sample instances - Rs. 20,000/- c) Up to 30% of number of sample instances - Rs. 60,000/- d) Above 30% of number of sample instances - Rs. 1,00,000/-	2nd Time - 50% Escalation 3rd Time & Onwards - 100% Escalation	Material
11	Settlement	Payment to clients not	Advise	2nd time – Warning	Financial

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
	of Client Funds	attempted through electronic mode e.g. NEFT / RTGS while settling client accounts		3rd Time & Onwards - Rs. 10,000/-	Disincentive
12	Settlement of Client Funds	Running account authorization taken by trading member from client is not dated and does not contain a clause that the client may revoke the authorization any time/ Running account authorization not signed by client but by POA holder / Other discrepancies in running account authorization from clients	a) Up to 5 instances - Advise b) More than 5 instance - Rs. 10,000/-	2nd Time - 50% Escalation 3rd Time & Onwards - 100% Escalation	Financial Disincentive
13*	Settlement of Client Funds	Non- issuance of cheques in case of running account settlement failure through online mode for other than unclaimed balances, if substantiated by member with adequate trail of failure	Advise + Direction to communicate client to update their bank details, else issue cheques within 7 days of the communication.	2nd time & onwards- If client funds are up streamed-Advise + Direction to update client detail/ issue cheques within 7 days If client funds are not up streamed-0.5% of the amount not settled, maximum up to Rs. 10 lakhs + Direction to update client detail/ issue cheques within 7 days	Material

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
14*	Settlement of Client Funds	Incorrect reporting of UCC wise settlement details	Advise	2nd time- Warning 3rd time & onwards- Rs. 5,000/-	Financial Disincentive
15	Settlement of Client Funds	Material discrepancies in the statement sent to clients (Statement of Funds & Securities / Retention Statement/ Annual Global Statement, etc.)	Rs. 15,000/-	2nd Time - 50% Escalation 3rd Time & Onwards- 100% Escalation	Material
16	Settlement of Client Funds	Intimation including the details about the transfer of funds to clients by SMS & Email not sent at the time of running account settlement of funds.	In case either SMS or email has been sent to client – Advise In case neither SMS nor Email has been sent - Rs. 10,000/-	In case either of SMS or email has been sent to client - 2nd Time - Rs. 10,000/-3rd Time & Onwards-100% EscalationIn case neither of SMS nor Email has been sent - 2nd Time & Onwards - 100% Escalation	Financial Disincentive
17#	Clients' Pay-in, Pay-out	Bank and demat account operations: funds/ securities not received from / delivered to respective clients / Inter-client adjustment done for the purpose of settlement of accounts	Non-compliance up to 5 lakhs – Warning In excess of Rs. 5 Lakhs – 0.10% per day of violation with maximum capping of Rs. 2 lakhs	2nd Time & Onwards -50% Escalation	Material
18#	Clients'	a) Funds payout	Up to Rs. 5 lakh- Warning	2nd Time - 50% Escalation	Material

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
	Pay-in, Pay-out	exceeding available peak fund ledger balance/ obligation observed b) Excess payout of securities	Beyond Rs. 5 lakh- Rs. 25,000/-	3rd Time & Onwards - 100% Escalation Matter may be placed before relevant authority of Exchange for any necessary disciplinary action in addition to above-mentioned actions.	
19#	Clients' Pay-in, Pay-out	Delay in release of pay out of funds/ commodities/ securities by the Specified deadline	Up to 30 sample Instances - a) Up to 5 instances observed - Advise b) Up to 10 instances observed - Rs. 20,000/- c) Up to 15 instances observed - Rs. 60,000/- d) Above 15 instances observed- Rs. 1,00,000/- Above 30 sample Instances- a) Up to 10% of number of sample instances - Advise b) Up to 20% of number of sample instances - Rs. 20,000/- c) Up to 30% of number of	2nd Time - 50% Escalation 3rd Time & Onwards - 100% Escalation	Material

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
			sample instances - Rs. 60,000/- d) Above 30% of number of sample instances - Rs. 1,00,000/-		
20	Clients' Pay-in, Pay-out	Non-payment of dividend	15% of the amount of dividend not paid. Direction to pay.	2nd Time - 50 % Escalation 3rd Time & Onwards - 100% Escalation	Material
21	Clients' Pay-in, Pay-out	Delayed payment of dividend	a) Up to Rs. 1 lakh- Warning b) In excess of Rs. 1 lakh and up to Rs. 5 lakhs- 1% of the amount involved c) Above Rs. 5 lakhs- 2% of the amount involved	2nd Time - 50% Escalation 3rd Time & Onwards - 100% Escalation	Material
22* @	Clients' Pay-in, Pay-out	a) Member has not made early pay-in of funds to CC where clients have made an early pay-in of funds. b) Member has not intimated the clients by SMS and Email upon successful early pay-in of funds	Advise	2nd time- Warning 3rd time & onwards- Rs. 5,000/-	Financial Disincentive
23#	Client Margin Collection & Reporting	Incorrect reporting of margin collection from clients to the clearing corporation	Short collection penalty avoided + additional 100% of such penalty with maximum capping of Rs. 15 lakhs	_	Material

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
			+ suspension for one day in the respective segment in case of material instances All Criteria are to be met for consideration of material instances - 1. Number of irregularity instances is more than 5% of the instances verified (minimum 3 instances) during inspection, 2. Percentage of value of margin not collected is more than 5% of total margin required to be collected for the instances verified during inspection, 3. Where applicable penalty is equal to Rs. 15 Lakhs		
24	Client Margin Collection & Reporting	Member has passed on short reporting penalty without intimating clients with relevant supporting	Advise	2nd time – Rs. 5,000/- 3rd Time & Onwards - 100% Escalation	Financial Disincentive
25	Client Margin Collection & Reporting	Daily margin statement issued with material discrepancies	Rs.1000/- per instance, subject to maximum penalty of Rs.50,000/-	2nd Time & onwards - 50% Escalation, subject to maximum cap of Rs. 75,000/-	Financial Disincentive

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
26#	Client Margin Collection & Reporting	Daily Margin statement not sent	Up to 30 sample Instances - a) Up to 5 instances observed - Advise b) Up to 10 instances observed - Rs. 20,000/- c) Up to 15 instances observed - Rs. 60,000/- d) Above 15 instances observed- Rs. 1,00,000/- Above 30 sample Instances- a) Up to 10% of number of sample instances - Advise b) Up to 20% of number of sample instances - Rs. 20,000/- c) Up to 30% of number of sample instances - Rs. 60,000/- d) Above 30% of number of sample instances - Rs. 1,00,000/-	2nd Time & Onwards -50% Escalation If Advice was levied - Warning	Financial Disincentive
27#	Client Margin Collection &	Delay in issue of Daily margin statement	Delay for 1 day (upto 2 Occurrences) - Advise Delay for 1 day (more than 2	2nd Time - 50% Escalation 3rd Time & Onwards - 100%	Financial Disincentive

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
	Reporting		Occurrences) - Rs. 5,000/- per unique trading day with maximum capping of Rs. 1 lakh Delay is more than 1 day- Rs. 5,000/- per unique trading day of delay with maximum capping of Rs. 1 lakh	Escalation In case Advise was levied- 2nd Time- Warning 3rd time & onwards- Rs. 5,000/- per instance (Max up to Rs. 1 lakh)	
28*	Client Margin Collection & Reporting	Member has not maintained verifiable records for margin calls made to clients (wherever required)	Advise + direction to maintain the records within 30 days	2nd Time - Rs. 25,000/- + direction to maintain the records within 30 days 3rd Time & Onwards - 50% Escalation + direction to maintain the records within 30 days	Financial Disincentive
29	Contract Notes, Charges, Email ID & Mobile Number	Excess STT/CTT/ Stamp Duty/ MII Transaction charges recovered from the clients	a) If amount involved is less than 0.1% of the collection (or Rs. 10,000 whichever is higher) - Advice and direction to refund to clients/ remit to relevant authorities. b) If amount involved is more - 100% of amount (max Rs. 1 lakh) with direction to refund to clients/ remit to relevant authorities.	2nd Time - 50% Escalation 3rd Time & Onwards - 100% Escalation	Material
30	Contract	Excess brokerage charges	a) If amount involved is less	2nd Time - 50% Escalation	Material

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
	Notes, Charges, Email ID & Mobile Number		than 0.1% of the collection (or Rs. 10,000 whichever is higher) - Advice and direction to refund to clients/ remit to relevant authorities. b) If amount involved is more - 100% of amount (max Rs. 1 lakh) with direction to refund to clients/ remit to relevant authorities.	3rd Time & Onwards - 100% Escalation	
31#	Contract Notes, Charges, Email ID & Mobile Number	Contract Notes Issued with material discrepancies / Duplicates or copies or proof of dispatch of contract notes not maintained/ Not issued within 24 hours of transaction execution/ Not signed by authorized signatory.	Up to 30 sample Instances - a) Up to 5 instances observed - Adviseb) Up to 10 instances observed - Rs. 20,000/-c) Up to 15 instances observed - Rs. 60,000/-d) Above 15 instances observed- Rs. 1,00,000/- Above 30 sample Instances- a) Up to 10% of number of sample instances - Advise b) Up to 20% of number of sample instances - Rs. 20,000/-c) Up to 30% of number of sample instances - Rs. 60,000/- d) Above 30% of number of sample instances - Rs. 1,00,000/-	2nd Time - 50% Escalation3rd Time & Onwards - 100% Escalation	Financial Disincentive
32	Contract Notes,	Generation of email IDs and/or provision of contact details on	Rs. 15,000/- per client, maximum up to Rs. 1 Lakh,	2nd Time - 50% Escalation 3rd Time & Onwards - 100%	Material

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
	Charges, Email ID & Mobile Number	behalf of the clients by member/ member employees/ Authorised Persons (APs)/ AP employees	Beyond which matter may be referred to relevant committee for necessary disciplinary action in addition to above-mentioned penalty	Escalation	
33	Contract Notes, Charges, Email ID & Mobile Number	a. Trading member has not uploaded mobile number/ email address for active clients in UCC for receiving alerts / Trade details b. Same email id / mobile number is uploaded for multiple clients (where not permitted) who are active/ traded c. Mismatch in Email IDs/ mobile as per Exchange records and Member's back office records for active/ traded clients	Rs. 1,000/- per client, maximum up to Rs. 1 Lakh	2nd Time - 50% Escalation 3rd Time & Onwards - 100% Escalation	Material
34	Contract Notes, Charges, Email ID & Mobile Number	Non-issuance of Contract Notes/ Deemed non-issuance of contract note	Rs. 10,000/- per client, subject to maximum penalty of Rs. 5 lakh.	-	Material

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
35#	Contract Notes, Charges, Email ID & Mobile Number	ECN Log report not maintained in case of bounced back mails, ECNs sent to Email accounts other than those created / provided by clients, authorization for receiving ECN is not signed by the client but by the POA holder, e-mail ID for receiving ECN not created / provided by client/ Consent of client not obtained for sending ECN	Up to 30 sample Instances - a) Up to 5 instances observed - Advise b) Up to 10 instances observed - Rs. 20,000/- c) Up to 15 instances observed - Rs. 60,000/- d) Above 15 instances observed- Rs. 1,00,000/- Above 30 sample Instances- a) Up to 10% of number of sample instances - Advise b) Up to 20% of number of sample instances - Rs. 20,000/- c) Up to 30% of number of sample instances - Rs. 60,000/- d) Above 30% of number of sample instances - Rs. 1,00,000/-	2nd Time - 50% Escalation 3rd Time & Onwards - 100% Escalation	Financial Disincentive
36	Contract Notes, Charges, Email ID &	Non display of ECN on website	Advise	2nd time - Warning 3rd time & Onwards - 5,000/-	Financial Disincentive

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
	Mobile Number				
37	Contract Notes, Charges, Email ID & Mobile Number	Contract note issued otherwise than in format prescribed by the Exchange	Advise	2nd time - Warning 3rd time & Onwards - 5,000/-	Financial Disincentive
38	Contract Notes, Charges, Email ID & Mobile Number	Member has not sent text or link of the following with contract Notes - 1. Regulation 19 & 20 of SECC Regulations, 2018 to clients dealing in scrip of listed Stock Exchanges 2. Schedule II of the SEBI (Intermediaries) regulations, 2008 to clients dealing in scrips of listed depositories	Advise	2nd Time - Warning 3rd Time & Onwards - Rs. 5,000/-	Financial Disincentive
39	Contract Notes, Charges, Email ID & Mobile	Non-adherence to the guidelines regarding issue of ECN through SMS/electronic instant messaging services	Up to 2 clients - AdviseMore than 2 clients-Rs.10,000/-	2nd time - 50% escalation 3rd Time & Onwards- 100% Escalation	Financial Disincentive

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
	Number				
40	Enhanced Supervision Related	Non-Reporting of closure of existing bank accounts to Exchange/s within prescribed timeline & format	Advise + Direction to report such details	2nd Time - Rs. 5,000/- + Direction to report such details 3rd Time & Onwards - 50% Escalation + Direction to report such details	Financial Disincentive
41	Enhanced Supervision Related	Non-reporting of closure of existing demat accounts to Exchange/s within prescribed timeline & format	Advise and direction to report such details to the Exchange.	2nd time - Warning 3rd time & Onwards - 5,000/-	Financial Disincentive
42	Enhanced Supervision Related	Failure to assign appropriate Bank/ demat nomenclature to bank/ demat accounts	Rs. 5,000/- per account, maximum up to Rs. 1 Lakh + Direction to assign proper nomenclature	2nd Time - 50% Escalation 3rd Time & Onwards- 100% Escalation	Financial Disincentive
43	Enhanced Supervision Related	Non-submission/ incorrect submission of PAN of Key Managerial Personnel (KMPs)/ Directors / dealers	Rs. 5,000/- per KMP, maximum up to Rs. 1 Lakh + Direction to report correct details to Exchange	2nd Time - 50% Escalation 3rd Time & Onwards- 100% Escalation	Financial Disincentive
44	Enhanced Supervision Related	Failure to report new bank/demat accounts opened by the member to Exchanges within the time specified for	Rs. 5,000/- per account, maximum up to Rs. 1 Lakh + Direction to report such details to Exchange	2nd Time - 50% Escalation 3rd Time & Onwards- 100% Escalation	Financial Disincentive

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		reporting of such accounts.			
45#	Enhanced Supervision Related	Permitting additional exposure to clients beyond permissible period (S + 5 days)	a) Where non-compliance observed is up to Rs. 1 crore - Advise b) Where non-compliance observed is more than Rs. 1 crore- Rs. 50,000/-	2nd Time - 50% Escalation 3rd Time & Onwards- 100% Escalation	Material
46*	Enhanced Supervision Related	Incorrect reporting of Bank/ Demat details	Advise	2nd time- Rs. 1,000/- 3rd time & onwards- Rs. 5,000/-	Financial Disincentive
47*	Enhanced Supervision Related	Incorrect reporting of financial indicators and ratios as prescribed in "Monitoring of Financial Strength of Stock Brokers"	Advise	2nd time- Warning 3rd time & onwards- Rs. 5,000/-	Financial Disincentive
48*	Enhanced Supervision Related	Incorrect reporting in Annual Returns	Advise	2nd time- Warning 3rd time & onwards- Rs. 5,000/-	Financial Disincentive
49	Maintenance of Books of Accounts & Records	a) Non adoption / Maintenance of applicable policies (e.g. Risk Management Policy, Surveillance Policy, etc.) b) Non display of external	a) Non adoption / Maintenance of applicable policies (e.g. Risk Management Policy, Surveillance Policy, etc.) - Rs. 2,000/- per policy +	2nd Time - For all non-compliances - 50% Escalation + Direction to rectify 3rd Time & Onwards -	Financial Disincentive

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		policies on the website c) Non Updation of policies periodically	Direction to maintain the policy b) Non display of external policies on the website - Rs. 10,000/- + Direction to display the policy c) Non Updation of policies periodically Advice + Direction to update the policy	For all non-compliances - 100% Escalation + Direction to rectify	
50	Maintenance of Books of Accounts & Records	Non-maintenance of – a) Client ledger b) Register of Securities (Client wise scrip wise Register)	Rs. 1 Lakh + Direction to comply	2nd Time - 50% Escalation and Matter may be placed before relevant authority of Exchange for any necessary disciplinary action in addition to above-mentioned actions. 3rd Time & Onwards- 100% Escalation and Matter may be placed before relevant authority of Exchange for any necessary disciplinary action in addition to above-mentioned actions.	Material
51	Maintenance of Books of Accounts	Non segregation / reconciliation of transactions	a) up to 2% of number of instances - Advise	2nd Time - 50% Escalation3rd Time &	Material

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
	& Records	between client and own bank/ demat accounts (Client money/ securities deposited in own bank/demat account or expenses routed through Client Bank Account or own money/ securities deposited in client bank/ demat account) Non segregation / reconciliation of client and own money/securities	b) up to 5% of number of instances –Rs. 30,000/- c) up to 10% of number of instances –Rs. 75,000/-d) In excess of 10% of number of instances – Rs 1,00,000/-	Onwards - 100% Escalation	
52#	Maintenance of Books of Accounts & Records	Electronic transfers from clients not as per specified guidelines / Supporting documents / audit trail for pre-funded instruments not maintained/ non-maintenance of audit trail for funds received from clients/In case where aggregate value of banker's cheque / demand draft / pay order, then the same is not accompanied with name of bank account holder and number of bank account debited, duly certified by issuing bank	a) up to 2% of number of sample instances - Advise b) up to 5% of number of sample instances – Rs. 15,000/- c) up to 10% of number of sample instances – Rs. 45,000/- d) In excess of 10% of number of sample instances – Rs 75,000/-	2nd Time - 50% Escalation 3rd Time & Onwards- 100% Escalation	Material

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
53	Maintenance of Books of Accounts & Records	Books (Except Client ledger) not maintained: General Ledgers , Journals, Cash and Bank Book, Dividend Records, and Brokerage Records Register of complaints Register of transaction Register of commodity	Rs.25,000/- per book + Direction to maintain within 30 days Others than mentioned books- Advise + Direction to maintain within 30 days.	2nd Time & onwards- Increase penalty amount by 50%. Other than mentioned books-Warning + Direction to maintain within 30 days.	Material
54	Maintenance of Books of Accounts & Records	Books (Except Client ledger) not maintained properly: General Ledgers , Journals, Cash and Bank Book, Dividend Records, and Brokerage Records Register of complaints Register of transaction Register of commodity	Rs.10,000/- per book + Direction to maintain within 30 days	2nd Time & onwards- Increase penalty amount by 50% + Direction to maintain within 30 days	Financial Disincentive
55	Maintenance of Books of Accounts & Records	Client ledger/ Client wise scrip wise Register of Securities not in the prescribed format and / or not maintained properly and /or not maintained Exchange/ segment wise (i.e. incomplete/ erroneous/ delay in entries/ non-reconciliation of balances between client related	Rs. 25,000/-	2nd Time- 50% Escalation 3rd Time & Onwards- 100% Escalation	Financial Disincentive

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		accounts and register of securities/Incorrect PAN of the clients in register of securities)			
56	Maintenance of Books of Accounts & Records	Non-maintenance of order and/or trade log	Rs.25,000/- plus direction to comply	2nd Time & Onwards- 50% Escalation	Material
57	Maintenance of Books of Accounts & Records	Member has made payments without maintaining evidence of client requests (where required)	Aggregate payment up to Rs.1 lakh – Warning In excess of Rs.1 lakh 10% of the value involved subject to maximum of Rs.1 Lakh	2nd Time & Onwards- 15% of the value involved subject to minimum of Rs.10,000/- and Maximum of Rs.1,50,000/-	Financial Disincentive
58@	Margin Trading Funding	Not meeting the minimum Net-worth criteria for providing Margin Trading Facility	Direction to square up all open MTF positions within 30 days and not undertake any fresh positions and withdrawal of Margin Trading Facility thereafter	-	Material
59@	Margin Trading Funding	Providing margin trading facility using funds from other than approved sources	a) Where the irregularity is up to 20% of the latest net worth – Rs. 10,000/- b) Where the irregularity exceeds 20% of the latest net worth – Rs. 1,00,000/- or 1% of the amount involved, whichever	2nd time – 50% escalation 3rd Time & Onwards- 100% Escalation	Material

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
			is higher.		
60@	Margin Trading Funding	Non-maintenance of separate client-wise ledgers for funds and records of securities of clients availing margin trading facility	Rs. 25,000/-	2nd time – 50% escalation 3rd Time & Onwards- 100% Escalation	Financial Disincentive
61@	Margin Trading Funding	Non- maintenance of separate record of details of the funds used and sources of funds for the purpose of margin trading.	Rs. 15,000/-	2nd time – 50% escalation 3rd Time & Onwards- 100% Escalation	Financial Disincentive
62@	Margin Trading Funding	Incorrect/ Non reporting of MTF details to Exchange	Rs. 1,000/- per instance, subject to maximum cap of Rs. 1 Lakh in a month.	2nd time – 50% escalation 3rd Time & Onwards- 100% Escalation	Financial Disincentive
63# @	Margin Trading Funding	Adequate margin has not been collected by the Member in the form of cash, cash equivalent or Group I equity shares, with appropriate hair cut in case of Margin Trading Facility	2% of inadequate margin amount with maximum capping of Rs. 15 lakhs + Suspension for one day in case of material instances All Criteria are to be met for consideration of material instances - 1. Number of irregularity instances is more than 5% of the instances verified (minimum 3 instances) during inspection,	2nd Time - 50% Escalation 3rd Time & Onwards- 100% Escalation	Material

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
			2. Percentage of value of margin not collected is more than 5% of total margin required to be collected for the instances verified during inspection, 3. Where applicable penalty is equal to Rs. 15 Lakhs		
64@	Margin Trading Funding	Non-adherence to Leverage and Exposure Limits pertaining to Margin Trading Facility	a) Variation Up to 20% of the latest net worth – Rs. 10,000/- b) Variation exceeding 20% of the latest net worth – Rs. 1,00,000/- with direction to reduce the MTF positions within 30 days to meet the leverage limits Calculation will be based on highest breach observed in exposure limits in a span of 30 days	2nd Time - 50% Escalation 3rd Time & Onwards- 100% Escalation	Material
65@	Margin Trading Funding	Rights and Obligations etc. of Margin Trading Facility not issued to client	Rs. 5,000/- per client subject to maximum penalty of Rs. 1 lakh	2nd Time - 50% Escalation 3rd Time & Onwards- 100% Escalation	Financial Disincentive
66@	Margin Trading Funding	Margin trading facility in other than permitted scrips	Rs. 25,000/- per scrip maximum up to 5 Lakhs	2nd Time - 50% Escalation 3rd Time & Onwards- 100% Escalation	Financial Disincentive

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
67# @	Margin Trading Funding	Member has not maintained segregation of collateral and funded stock pertaining to margin trading facility	Up to 30 sample Instances - a) Up to 5 instances observed - Advise b) Up to 10 instances observed - Rs. 20,000/- c) Up to 15 instances observed - Rs. 60,000/- d) Above 15 instances observed- Rs. 1,00,000/- Above 30 sample Instances- a) Up to 10% of number of sample instances - Advise b) Up to 20% of number of sample instances - Rs. 20,000/- c) Up to 30% of number of sample instances - Rs. 60,000/- d) Above 30% of number of sample instances - Rs. 1,00,000/-	2nd Time - 50% Escalation 3rd Time & Onwards - 100% Escalation	Financial Disincentive
68	Member's Operations & Administrati	Non-disclosure of trading on own account to clients	Warning	2nd time-Rs.10,000/- penalty3rd Time & Onwards-100% Escalation	Financial Disincentive

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
	on				
69	Member's Operations & Administration	Exclusive e-mail id for investors' complaints not created or not displayed	a) If email ID not created - Rs. 10,000/- b) If email ID not displayed - Rs. 5,000/-	2nd Time - 50% Escalation 3rd Time & Onwards- 100% Escalation	Financial Disincentive
Sr. No.	**Contravention Category**	**Details of Contravention**	**Action in case of first instance**	**Action in case of repeat instance**	**Tag**
70	Member's Operations & Administration	Trading member has outsourced activities in violation of SEBI prescribed rules	To be decided on a case to case basis based on nature of non-compliances	To be decided on a case to case basis based on nature of non-compliances	-
71	Member's Operations & Administration	Non-closure of following demat a/c- 1. Client beneficiary accounts 2. Client Margin/ Collateral account 3. Client Margin Trading Securities account 4. Client unpaid securities account	Rs. 5,000/- per account (where Members are unable to provide reasonable explanation) + Direction to close.	-	Financial Disincentive
72	Member's Operations	Incomplete / Non display of details by member viz, Notice	Rs. 10,000/- per location subject to maximum penalty of Rs. 1	2nd time - 50% escalation 3rd Time & Onwards- 100%	Financial

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
	& Administration	Board/ name, its logo, registration no, address with telephone no, compliance officer name, telephone no, email id, SEBI Registration certificate/ AP Registration certificate and other prescribed details.	lakh.	Escalation	Disincentive
73	Member's Operations & Administration	Member has not maintained pre order confirmation of trades	Where client has post facto confirmed the trades - advice In all other cases - Rs. 10,000/- per client (max Rs. 1,00,000/-) Monetary norms of unauthorised trading will be applicable where the clients dispute the trades	2nd time & onwards- 50% escalation	Material
74*	Member's Operations & Administration	Norms relating to access/validation and maintenance of records not followed by member w.r.t. clients request for freezing/blocking of online access to trading account	Rs. 25,000/- + Direction to comply with requirements within 30 days W.r.t. access, If at least one mode of communication is given to client- Advise	2nd Time - 50% Escalation 3rd Time & Onwards- 100% Escalation If Advisory was levied-2nd time- Rs. 25,000/- 3rd time & onwards- 50% escalation	Financial Disincentive
75*	Member's Operations & Administrati	Trading Member has executed the trades in the UCCs which were not	Rs. 1,000/- per client with maximum capping of Rs. 1 lakh	2nd Time - 50% Escalation 3rd Time & Onwards- 100% Escalation	Financial Disincentive

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
	on	permitted to trade/ KRA not validated			
76*	Member's Operations & Administration	Non- adherence to applicable guidelines on monitoring/ establishing system/ taking action on impersonation of member	Advise + direction to comply with requirements within 30 days	2nd Time & Onwards - Rs. 10,000/- + direction to comply with requirements within 30 days	Financial Disincentive
77*	Member's Operations & Administration	Member does not have mechanism to monitor multiple clients logging in from same device, other than permissible relationships (for applicable members)	Rs. 10,000/- per client with maximum capping of Rs. 1 lakh + direction to comply within 30 days	2nd Time - 50% Escalation + direction to comply within 30 days 3rd Time & Onwards - 100% Escalation + direction to comply within 30 days	Financial Disincentive
78* @	Member's Operations & Administration	Members have not made available the mechanism for physical settlement in stock derivatives to all their clients who wish to avail of the said facility	Advise + direction to comply within 30 days	2nd time- Rs. 25,000/- + direction to comply within 30 days 3rd time & onwards- 50% escalation + direction to comply within 30 days	Financial Disincentive
79*	Member's Operations & Administration	Member does not have transactional alerts facility (including repeated breaches)/ monitoring of such alert as specified by	Advise + direction to comply within 30 days	2nd time- Rs. 10,000/- + direction to comply within 30 days 3rd time & onwards- 50% escalation	Financial Disincentive

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		exchanges		+ direction to comply within 30 days	
80*	Member's Operations & Administration	Non- adherence to applicable guidelines on Telecom Service Provider(s) (TSP)	Direction to comply	_	-
81*	Member's Operations & Administration	Non- adherence to applicable guidelines on Financial Sector Organizations regarding Software as a Service (SaaS) based solutions	Advise	2nd time- Warning 3rd time & onwards- Rs. 5,000/-	Financial Disincentive
82*	Member's Operations & Administration	Exchange Market data has been used by the member for other than legitimate purposes	Rs. 1 Lakh + direction to comply within 07 days If not complied within 07 days, Disablement till compliance to the satisfaction of Exchange.	-	Material
83* @	Member's Operations & Administration	Non- adherence to applicable guidelines on execution only platform	Advise	2nd time- Warning 3rd time & onwards- Rs. 5,000/-	Financial Disincentive
84*	Member's Operations & Administrati	No supervision of PRO account trading by Authorised Supervising Person in case Directors / Partners/ Proprietor	Rs. 50,000/- per location	2nd Time - 50% Escalation 3rd Time & Onwards- 100% Escalation	Financial Disincentive

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
	on	is not available at the specified location			
85*	Member's Operations & Administration	Changes in details of Member/ AP (viz. address, contact details, etc.)not informed to exchange	Rs. 10,000/- per instance + direction to update the details within 30 days	2nd time- 50% escalation + direction to update the details within 30 days 3rd time & onwards- 100% escalation + direction to update the details within 30 days	Financial Disincentive
86*	Member's Operations & Administration	Non-adherence to guidelines pertaining to rotation of auditors for the conduct of internal audit/ system audit/cyber audit/VAPT audit	Rs. 50,000/- per instance + direction to re-audit	2nd time- 50% escalation + direction to re-audit 3rd time & onwards- 100% escalation + direction to re-audit	Financial Disincentive
87* @	Member's Operations & Administration	Member has not ensured proper checks and balances are in place with respect to circulation of Unauthenticated news through various modes of communication.	Advise	2nd time- Warning 3rd time & onwards- Rs. 5,000/-	Financial Disincentive
88*	Member's Operations & Administration	Member has not implemented appropriate checks (value/quantity) based on the respective risk profile of their clients as prescribed from time to	Rs. 5,000/-	2nd time- Rs.15,000/- 3rd time & onwards- Rs. 25,000/-	Financial Disincentive

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		time			
89*	Member's Operations & Administration	Trading member does not have system to capture the IP (Internet Protocol) address (from where the orders are originating), for all IBT/ STWT order	Rs. 1,00,000/- + direction to comply within 30 days If not complied with 30 days- Withdrawal of IBT/ STWT	2nd Time & Onwards- matter to be placed before relevant authority for necessary action including withdrawal of IBT/ STWT	Material
90*	Member's Operations & Administration	Trading member has not captured the IP (Internet Protocol) address (from where the orders are originating), for all IBT/ STWT order	1 day in a FY, if not captured- Advise Beyond 1 day upto 5 days- Rs. 20,000/- per day If details are not captured for more than 05 days- matter to be placed before relevant authority including withdrawal of IBT/ STWT	2nd Time & Onwards- matter to be placed before relevant authority for necessary action including withdrawal of IBT/ STWT	Material
91*	Member's Operations & Administration	Trading member has incorrectly captured the IP (Internet Protocol) address (from where the orders are originating), for all IBT/ STWT order	1 day in a FY, if not captured- Advise Beyond 1 day upto 5 days- Rs. 20,000/- per day If details are not captured for more than 05 days- matter to be placed before relevant authority including withdrawal of IBT/ STWT	2nd Time & Onwards- matter to be placed before relevant authority for necessary action including withdrawal of IBT/ STWT	Material
92	Client Registration & KYC	Inclusion of contravening clauses / omission of material details in non KRA part of	a. Advise along with direction to rectify- where the Contravening clause has	2nd time - 50% escalation 3rd Time & Onwards- 100% Escalation	Material

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		Account Opening Form (AOF)	not been acted upon by the broker when not permitted. b. Other cases- Rs. 10,000/- for procedural clauses and 25,000/- for critical clauses.		
93#	Client Registration & KYC	Copies of executed documents not sent to the clients within the specified timeline of account opening/ Necessary documents such as RDD, MITC, applicable policies etc. not sent to the clients.	Up to 30 sample Instances - a) Up to 5 instances observed - Adviseb) Up to 10 instances observed - Rs. 20,000/-c) Up to 15 instances observed - Rs. 60,000/-d) Above 15 instances observed- Rs. 1,00,000/- Above 30 sample Instances- a) Up to 10% of number of sample instances - Advise b) Up to 20% of number of sample instances - Rs. 20,000/-c) Up to 30% of number of sample instances - Rs. 60,000/- d) Above 30% of number of sample instances - Rs. 1,00,000/-	2nd Time - 50% Escalation3rd Time & Onwards - 100% Escalation	Material
94	Client Registration & KYC	Delay in uploading changes in KYC information to KRA / other procedural observations related to KRA process	a) Up to 20% of number of sample instances - Advise b) More than 20% of sample instances- Rs. 3,000/-	2nd Time - 50% Escalation 3rd Time & Onwards- 100% Escalation	Financial Disincentive
95	Client Registratio	Procedural discrepancy in client registration documents	Advise	2nd time - Warning 3rd time & Onwards - Rs.	Financial Disincentive

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
	n & KYC	(non KRA)		1000/- per client, maximum up to Rs. 1 Lakh	
96	Client Registration & KYC	More than one active trading code allotted to the client where not permitted	Rs. 1000/- per client, maximum up to Rs. 1 Lakh	2nd Time- 50% Escalation 3rd Time & Onwards- 100% Escalation	Material
97	Client Registration & KYC	Non-maintenance of client code/ non mapping of trading code.	Rs. 1000/- per client, maximum up to Rs. 1 Lakh	2nd Time- 50% Escalation 3rd Time & Onwards- 100% Escalation	Material
98	Client Registration & KYC	Dealing with the client without registering UCC.	Rs. 15,000/- per client, maximum up to Rs. 5 Lakhs	2nd Time - 50% Escalation 3rd Time & Onwards- 100% Escalation Beyond which Matter may be placed before relevant authority of Exchange for any necessary disciplinary action in addition to above-mentioned actions.	Material
99	Client Registration & KYC	Client registration documents (Non KRA) not provided / not made available to the Exchange	Rs. 15,000/- per client, maximum up to Rs. 5 Lakhs	2nd Time - 50% Escalation 3rd Time & Onwards- 100% Escalation Beyond which Matter may be placed before relevant authority of Exchange for any necessary disciplinary action in addition to above-	Material

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
				mentioned actions.	
100	Client Registration & KYC	Material Discrepancies in non KRA part of account opening form (viz. signature, selection of segment where the client intends to trade, Income proof (where applicable), In-Person verification of clients not carried out, Email, Mobile, Bank account, Demat account and Request for change not collected in Client registration documents.	Rs. 5,000/- per client, subject to maximum penalty of Rs. 1 lakh	2nd time - 50% escalation 3rd Time & Onwards- 100% Escalation	Material
101 #	Client Registration & KYC	Non-Updating of any changes in the KYC details in the back office of the member, UCC Database of the Exchange, and CKYC along with / Beneficial owners of the client (non-individuals) not identified.	a) Up to 20% of number of sample instances - Advise b) More than 20% of sample instances- Rs. 5,000/-	2nd Time - 50% Escalation 3rd Time & Onwards- 100% Escalation	Financial Disincentive
102*	Client Registration & KYC	Norms w.r.t verification, Updation in KRA system, blocking of account, intimation of transmission of assets on demise of an investor not followed.	Rs. 10,000/- per client with maximum capping of Rs. 1 lakh	2nd Time & Onwards - 50% escalation	Financial Disincentive
103*	Client Registratio	Member has not taken acknowledgement on MITC,	Advise	2nd time- Warning	Financial

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
	n & KYC	policy on Handling of Good Till Cancelled Orders of Client from clients (As applicable)		3rd time & onwards- Rs. 1,000/- per client capped to Rs.1 lakh	Disincentive
104* @	Client Registration & KYC	Member has not taken adequate documentary evidences to establish existence of underlying exposure in respect of participants taking positions in CD segment as and where required	Rs. 50,000/- per client with maximum capping of Rs. 5 lakhs	2nd Time - 50% Escalation 3rd Time & Onwards - 100% Escalation	Financial Disincentive
105*	Client Registration & KYC	Any POA taken from clients for broking activities: a) is in favour of person other than member, or b) is for not permitted activities	Rs.10,000/- per client with maximum capping of Rs. 1 lakh + Direction to revoke POA for all such clients within 30 days In case of serious misuse, matter to be referred to relevant authority	2nd Time - 50% Escalation + Direction to revoke POA for all such clients within 30 days In case of serious misuse, matter to be referred to relevant authority 3rd Time & Onwards - 100% Escalation + Direction to revoke POA for all such clients within 30 days In case of serious misuse, matter to be referred to relevant authority	Financial Disincentive
106*	Client Registratio	Member has not taken documentary evidence/	Rs. 1,000/- per client with maximum capping of Rs. 1 lakh	2nd time - 50% escalation 3rd Time & Onwards- 100%	Financial Disincentive

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
	n & KYC	updated periodically (latest) in support of financial information provided by the client in derivative segment.		Escalation	
107*	Client Registration & KYC	Norms relating to obtaining declaration/ reporting to exchange w.r.t. client categorisation as prescribed for commodity derivatives	Advise	2nd time - Warning 3rd time & onwards- Rs. 1,000 per client (max up to Rs. 1 lakh)	Financial Disincentive
108 #	Client Registration & KYC	Non- adherence to applicable guidelines on execution of DDPI	Rs.10,000 per client with maximum capping of Rs. 1 lakh	2nd Time & Onwards - Rs.15,000 per client subject to maximum cap to Rs.5,00,000/-	Material
109 #	Client Registration & KYC	a) Norms of converting inactive to active not followed b) Sending communication to clients for keeping the account active	Rs. 1,000/- per client capped to Rs.1 lakh plus direction to comply within 1 month from the date of communication	2nd Time & Onwards - 50% escalation plus direction to comply within 1 month from the date of communication	Financial Disincentive
110	Client Registration & KYC	Non-adherence to all other applicable guidelines for clients registered through online KYC process	Rs.50,000/- plus direction to adhere to the applicable guidelines within 1 month from the date of direction	-	Financial Disincentive
111	Client	Mismatch of UCC details as	Rs.1,000 per UCC subject to a	2nd Time -	Financial

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
	Registration & KYC	compared to KYC of client or incorrect details uploaded in UCC database uploaded by the member. (Excluding Email & Mobile no)	maximum of Rs. 50,000/-	2nd time - 50% escalation, 3rd Time & Onwards- The matter shall be placed before the relevant Committee.	Disincentive
112	Terminal related non-compliances	Non-upload of non-trading id's (Id's that cannot be used for trading)	Advise	2nd time - Warning 3rd time & Onwards - Rs. 1000/- per instance	Financial Disincentive
113	Terminal related non-compliances	Execution of trades on own account from locations other than those permitted by the Exchange but Location reported to exchange	Rs. 15,000/-	2nd Time - 50% Escalation 3rd Time & Onwards- 100% Escalation	Financial Disincentive
114	Terminal related non-compliances	Allowing trading terminals to be operated without valid certification, where required and certificate has expired	Rs 1,500/- per terminal. Subject to maximum penalty of Rs. 1 lakh.	2nd Time - 50% Escalation3rd Time & Onwards- 100% Escalation	Financial Disincentive
115	Terminal related non-compliances	Unauthorized extension of NEAT/ Trading terminal / Non-upload of CTCL Trading terminals to the Exchange / Location of terminal at a place other than main / branch office and the location of the offices of registered / authorized	Rs. 1 Lakh per location In cases where non-upload of details of more than five CTCL terminals are observed and such CTCL terminals are also observed to be operated by entities acting as unregistered intermediaries in the CM	2nd Time - 50% Escalation 3rd Time & Onwards- 100% Escalation	Material

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		persons of the member not uploaded to Exchange	segment or as unregistered intermediaries in the F&O segment and / or such terminals are observed to be used for carrying out illegal trading activity, suspension of the trading membership may also be considered depending upon the gravity of the violation.		
116	Terminal related non-compliances	Member does not have appropriate systems in place to monitor, review trading terminals mapped to its branches/ AP	Rs. 1,000/- per instance, subject to maximum cap of Rs. 1 Lakh + Direction to place appropriate system within 30 days	2nd Time - 50% Escalation 3rd Time & Onwards- 100% Escalation	Financial Disincentive
117	Terminal related non-compliances	Information about the trading terminal (CTCL) details reported to Exchange is different from the details available in the trading system of the trading member. (Non-Trading ids to be excluded while levying fine)	Rs. 5,000/- per instance, subject to maximum cap of Rs. 1 Lakh	2nd Time - 50% Escalation 3rd Time & Onwards- 100% Escalation	Financial Disincentive
118	Terminal related non-compliances	Operation of terminals by persons other than the approved user / person as per Exchange records	Rs 1,500/- per terminal	2nd Time - 50% Escalation 3rd Time & Onwards- 100% Escalation	Financial Disincentive

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
119*	Terminal related non-compliances	Trading member has created multiple CTCL against single PAN where not permitted	Rs. 1,000/- per terminal, with maximum capping of Rs. 1 lakh + Direction to rectify within 30 days	2nd Time - 50% Escalation+ Direction to rectify within 30 days 3rd Time & Onwards- 100% Escalation + Direction to rectify within 30 days	Financial Disincentive
120* @	Terminal related non-compliances	Trading member has not/ incorrectly captured Unique device identifiers for order placed through IBT/ STWT	Rs. 1 Lakh + direction to comply within 30 days	2nd Time - 50% Escalation 3rd Time & Onwards- 100% Escalation	Material
121*	Terminal related non-compliances	Trading member has not put in place limits for orders placed/ unexecuted order as per criteria specified by the Exchange	Rs. 1,000/- per terminal, with maximum capping of Rs. 1 lakh + Direction to rectify within 30 days	2nd Time - 50% Escalation+ Direction to rectify within 30 days 3rd Time & Onwards- 100% Escalation + Direction to rectify within 30 days	Financial Disincentive
122 #	Upstreaming of Client funds'	Upstreaming Non-compliances - a) Clients funds have been retained without valid justification. b) Funds shown as retained with TM not available in the relevant bank account. c) Unit of Mutual fund overnight schemes/ FDR	Value of violation up to Rs. 10 lakhs- Advise Above Rs. 10 lakhs- 0.07% of amount involved (with maximum capping of Rs. 25 lakhs, and refer to relevant authority for necessary disciplinary action, including no new clients, suspension / disablement of trading terminals / Expulsion etc. as deemed fit by the relevant	2nd time- Value of violation up to Rs. 10 lakhs-Warning Above Rs. 10 lakhs- 0.1% of amount involved 3rd time & onwards- Value of violation up to Rs. 10 lakhs-0.1% of amount involved	Material

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		made out of the clients' funds are not pledged/ lien marked as case may be to the CC by the permitted deadlines	authority)	Above Rs. 10 lakhs- 0.15% of amount involved	
123	Upstreaming of Client funds'	Client funds retained with TM but with incorrect justification code	1st time in the calendar month - Advise	2nd time and onwards in the calendar month- Rs. 10,000/- per instance	Material
124	Upstreaming of Client funds'	Non-compliance with respect to tenure of FDR made out of the clients' funds	Rs. 25,000/- per FDR, subject to maximum penalty of Rs. 1 lakh + direction to comply within 30 days.	-	Material
125 #	Upstreaming of Client funds'	Transfer of funds to the client from other than DSCNB account	Up to 30 sample Instances - a) Up to 5 instances observed - Advise b) Up to 10 instances observed - Rs. 20,000/- c) Up to 15 instances observed - Rs. 60,000/- d) Above 15 instances observed- Rs. 1,00,000/- Above 30 sample Instances- a) Up to 10% of number of sample instances - Advise b) Up to 20% of number of	2nd Time - 50% Escalation 3rd Time & Onwards - 100% Escalation	Material

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
			sample instances - Rs. 20,000/- c) Up to 30% of number of sample instances - Rs. 60,000/- d) Above 30% of number of sample instances - Rs. 1,00,000/-		
126 #	Upstreaming of Client funds'	Non permissible transfer of funds between USCNB, DSCNB and any other bank account of the SB	Up to 30 sample Instances - a) Up to 5 instances observed - Advise b) Up to 10 instances observed - Rs. 20,000/- c) Up to 15 instances observed - Rs. 60,000/- d) Above 15 instances observed- Rs. 1,00,000/- Above 30 sample Instances- a) Up to 10% of number of sample instances - Advise b) Up to 20% of number of sample instances - Rs. 20,000/-	2nd Time - 50% Escalation 3rd Time & Onwards - 100% Escalation	Material

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
			c) Up to 30% of number of sample instances - Rs. 60,000/- d) Above 30% of number of sample instances - Rs. 1,00,000/-		
127 #	Upstreaming of Client funds'	Non- adherence to provisions with respect to client's Bank Guarantees in line with applicable guidelines	Rs. 25,000/- per BG, with maximum capping of Rs. 1 lakh + direction to comply within 30 days.	_	Material
128*	Upstreaming of Client funds'	Member has not maintained a demat account as "Client Nodal MFOS Account" in line with upstreaming guidelines, where applicable	Advise	2nd time- Warning 3rd time & onwards- Rs. 5,000/-	Financial Disincentive
129* @	CUSPA Related	Non- adherence to guidelines on CUSPA account opening	Advise	2nd time- Warning 3rd time & onwards- Rs. 5,000/-	Financial Disincentive
130* @	CUSPA Related	Intimation has not been sent to the clients by SMS and Email as per applicable guidelines on CUSPA pledged securities	In case either SMS or email has been sent to client - Advise In case neither SMS nor Email has been sent - Rs. 10,000/-	In case either of SMS or email has been sent to client - 2nd Time - Rs. 10,000/- 3rd Time & Onwards- 100%	Financial Disincentive

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
				Escalation In case neither of SMS nor Email has been sent - 2nd Time & Onwards - 100% Escalation	
131* @	CUSPA Related	For CUSPA Securities, member has:a) Pledged securities other than unpaid securities(i.e. the securities that have not been paid for in full by the clients) b) Not released securities for those clients who have fulfilled fund obligation within specified timeline.	Rs. 1,000/- per client with maximum capping of Rs. 1 lakh	2nd time - 50% escalation 3rd Time & Onwards- 100% Escalation	Material
132*	Monitoring of AP's Operations	Authorised Person has dealt with another trading member as client in the same segment, on same exchange	Advise + direction to close the account within 15 days	_	-
133*	Monitoring of AP's Operations	Non- adherence to applicable guidelines w.r.t. monitoring of adequacy of resources to undertake activities on behalf of member/ non availability of AP at the location/ non-	Rs.10,000/- + direction to comply	2nd Time & Onwards -50% escalation + Matter may be placed before relevant authority for necessary disciplinary action in addition to monetary penalty.	Financial Disincentive

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		intimation of location change by AP/ supervision of AP not in line with guidelines issued by exchanges from time to time/ non-placement of MIS before board, partner, proprietor for adverse observation observed during AP/Branch inspection			
134*	Monitoring of AP's Operations	Member has not terminated AP registration on the basis of disciplinary grounds, wherever applicable	Rs.1,00,000/- per AP In case more than 5 such instances in a F.Y.-Matter may be placed before relevant authority for necessary disciplinary action in addition to monetary penalty.	_	Material
135*	Monitoring of AP's Operations	Monitoring of Advertisement issued by AP	a) When advertisement issued was confirming to code - Rs.5,000/- per advertisement with maximum capping of Rs. 1 lakh + direction to take approval b) When advertisement issued does not confirm to code - Rs.50,000/- per advertisement with direction to withdraw such	2nd time &n onwards- 50% escalation + directions as specified	Material

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
			advertisement. c) When advertisement issued is related to offering of assured return - in addition to action in pt. b, matter will be referred to Relevant Authority for further action		
136*	Monitoring of AP's Operations	Member does not have monitoring mechanism on Trading Activities / Turnover of AP or branch / Clients mapped with the AP or branch	Rs. 25,000/- + Direction to comply with requirements within 30 days	2nd time - 50% escalation + Direction to comply with requirements within 30 days 3rd Time & Onwards- 100% Escalation + Direction to comply with requirements within 30 days	Financial Disincentive
137	Monitoring of AP's Operations	Advance notice (where applicable) not given to clients in case of closure of branch/AP	Rs.10,000/- per branch / AP, subject to maximum penalty of Rs. 1 lakh	2nd Time & Onwards- 50% Escalation	Financial Disincentive
138* @	OBPP	Non- adherence to applicable guidelines w.r.t. establishing policies & frameworks (including safeguard exigencies, breaches and restrictions)/ user registration and access/order execution/ liability framework/ agreements with third party	Rs. 25,000/- + Direction to comply with requirements within 30 days	2nd Time - 50% Escalation + Direction to comply with requirements within 30 days 3rd Time & Onwards- 100% Escalation + Direction to comply with requirements within 30 days	Financial Disincentive

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		sellers/ appointment of CS & KMP/ disclosure requirements on Online Bond Platform Provider (OBPP)			
139* @	OBPP	Member has not ensured that orders for listed/ proposed to be listed debt securities placed on OBPP are routed and settled through the stock exchange mechanism.	Rs. 25,000/- per scrip with maximum capping of Rs. 5 lakhs	2nd Time - 50% Escalation 3rd Time & Onwards- 100% Escalation	Financial Disincentive
140* @	OBPP	Trading member has not issued order receipt, deal sheet and quote receipt with all the prescribed details	Up to 30 sample Instances - a) Up to 5 instances observed – Advise b) Up to 10 instances observed - Rs. 20,000/- c) Up to 15 instances observed - Rs. 60,000/- d) Above 15 instances observed- Rs. 1,00,000/- Above 30 sample Instances- a) Up to 10% of number of sample instances - Advise b) Up to 20% of number of	2nd Time - 50% Escalation3rd Time & Onwards- 100% Escalation	Financial Disincentive

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
			sample instances - Rs. 20,000/- c) Up to 30% of number of sample instances - Rs. 60,000/- d) Above 30% of number of sample instances - Rs. 1,00,000/-		
141* @	OBPP	Member has not Intimated applicable details to the clients w.r.t. statues of OBPP transactions	In case either of SMS or email has been sent to client - Advise In case neither of SMS nor Email has been sent - Rs. 10,000/-	In case either of SMS or email has been sent to client - 2nd Time - Rs. 10,000/- 3rd Time & Onwards- 100% Escalation In case neither of SMS nor Email has been sent - 2nd Time & Onwards - 100% Escalation	Financial Disincentive
Sr. No.	**Contravention Category**	**Details of Contravention**	**Action in case of first instance**	**Action in case of repeat instance**	**Tag**
142* @	OBPP	Members has not undertaken prescribed value of trades in Corporate Bonds for their proprietary trades on the RFQ platform	Rs. 10,000/- + 0.01% of the trade value not undertaken in Corporate Bonds with maximum capping of Rs. 1 lakh	2nd time- 50% escalation 3rd time & onwards- 100% escalation	Financial Disincentive
143*	QSB	QSBs has not submitted or	1. Rs.10,000 / - per committee	2nd time – 50 % escalation	Financial

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		delayed in submitting applicable details w.r.t. Enhance Reporting Requirement for QSB of their BOD/ Committees- 1. Details of BoD/ Committees of BoD as prescribed. 2. Details of Directors/ Committee members as prescribed. 3. Details of appointment/ cessation/ change in designation of other Senior management employees as prescribed. 4. Details of change in Composition of Committees of BoD as prescribed.	2. Rs.10,000 / - per director 3. Rs.10,000 /- per employee appointment/cessation 4. Rs.10,000 / - per change	3rd time & onwards – 100% escalation	Disincentive
144*	QSB	QSBs has not submitted or delayed in submitting extract of relevant signed and dated minutes w.r.t. Enhance Obligation for QSB of their BOD/ Committees- 1. Details of	Rs.10,000 /- per relevant extract of minutes + direction to submit	2nd time – 50 % escalation + direction to submit 3rd time & onwards – 100% escalation + direction to submit	Financial Disincentive

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		incidents/vulnerabilities to be placed before the BoD/ Committee as prescribed 2. Updates/ Disclosures/ Declarations provided by CFO or analogous person to the BoD/ Committee as prescribed 3. Details of approvals/ evaluation from NRC as prescribed 4. Details of approval/adoption/updated Risk Management Policy and Risk assessment placed with RMC as prescribed. 5. Details of implementation of BCP - DR policy to be placed before the BOD as prescribed. 6. Details of approval/adoption/update of Cybersecurity framework and information technology policy placed with			

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		IT/Cybersecurity committee as prescribed. 7. Details of Cybersecurity drills and training programs w.r.t cybersecurity conducted during half year and placed before IT/Cybersecurity 8. committee as prescribed.			
145*	QSB	QSBs has submitted incorrect details w.r.t. BOD/ Committees/ Minutes as prescribed	Rs. 10,000/- per instance	2nd time – 50 % escalation3rd time & onwards – 100% escalation	Financial Disincentive
146*	QSB	QSB has not constituted committees of Board of Directors (BoD) and / or not convened meetings of Board / Committees.	Rs. 50,000/- plus direction to comply within 1 month or the time prescribed by the exchange. If QSB fails to comply within the prescribed timeline from the date of direction, matter to be placed before relevant authority, for suitable action including no new clients till compliance.	_	Financial Disincentive
147*	QSB	QSB has not maintained/ submitted/ delayed in submission of following	1. Non - submission / Non-maintenance -	1. Non - submission / Non-maintenance -	Financial Disincentive

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		Policies and SOPs as prescribed: 1. Risk Management Policy Framework 2. Information Technology Policy Framework 3. Winding Down Policy and SOP 4. Access Control Policy including list of critical departments to which such policy is applicable. 5. BCP Policy and SOP as prescribed by SEBI/Exchange. 6. Cybersecurity policy, procedures and guidelines are as per the requirements of QSB circular 7. Any other policy/ framework as prescribed from time to time	Rs. 50,000/- per policy, plus direction to comply within 1 month or the time prescribed by the exchange. If QSB fails to comply within the prescribed timeline from the date of direction, matter to be placed before relevant authority, for suitable action including no new clients till compliance. 2. Delay - Rs.10,000/- per policy	2nd time & onwards – 50 % escalation 2. Delay - 2nd time – 50 % escalation 3rd time – 100% escalation	
148*	QSB	QSB has not submitted or delayed in submitting following information as prescribed :	Rs.10,000 / - per submission	2nd time – 50 % escalation 3rd time – 100% escalation	Financial Disincentive

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		1. Details and observations of Cybersecurity drills and awareness trainings conducted for its employees. 2. Organization Structure defined, designation-wise and department-wise. 3. Department-wise count of employees (including full time and contractual employees) 4. Training Calendar along with count of attendees. 5. Name, designation, qualification, past experience and expertise of person appointed as CISO and count of security analysts deployed. 6. Details and observations of BCP drills			
149*	QSB	QSB has not submitted or delayed in submitting CTO/CIO declaration / certification to the Exchange	Rs.10,000/ -	2nd time – 50 % escalation 3rd time – 100% escalation	Financial Disincentive

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		for technical capacity.			
150*	QSB	QSB has not performed vulnerability assessment and penetration testing prior to the commissioning of a new system and on half yearly basis as per VAPT report.	Rs.1,00,000/-	2nd time – 50 % escalation 3rd time – 100% escalation	Financial Disincentive
151*	QSB	QSB has not submitted or delayed in submitting: 1. General Trial Balance with Balance Sheet wise grouping and notes to accounts schedule wise sub-grouping. 2. Details of contingent liabilities 3. Client ledgers of Top 20 clientele debtors and creditors in prescribed format 4. Client ledgers of Top 20 clientele with highest (peak/EOD) margins in prescribed format	Non- submission-Up to 7 days - Rs.2,000/- per day, Post 7 days - Rs. 10,000/- per day with maximum capping of Rs. 2 lakhs, thereafter matter maybe referred to member committee. Delay in submission-Rs. 1,000 per day starting from final due date for submission of data / records /documents sought for inspection, with maximum capping of Rs. 1 lakh.	1. Non - submission- 2nd time & onwards – 50 % escalation2. Delay - 2nd time – 50 % escalation3rd time – 100% escalation	Financial Disincentive

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		5. List of associates/related entities 6. Ledgers of all associates/related entities having client codes in the prescribed format. 7. Details of borrowings/loans taken from banks/financial institutions. 8. Details of loans & advances taken/given to/from all parties including between group / Associate companies 9. Details of total investment 10. Details of all direct complaints (including status) on monthly basis 11. and details of investor service centres			
152*	QSB	QSB has not submitted or delayed in submitting declarations as prescribed- 1. Display of Brokerage, Statutory & Regulatory	Rs.10,000/- per declaration + direction to comply within 30 days	2nd time – 50 % escalation + direction to comply within 30 days 3rd time – 100% escalation + direction to comply within 30	Financial Disincentive

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		Levies 2. Code of Advertisement 3. Supervision of Authorised Persons (APs) & Branches by Members Compliance with Exchange guidelines requiring members to refrain from unauthorized market practices 5. Penalty for short 4. collection/ non-collection of client margins		days	
153*	QSB	QSB has not maintained online facilities for filing complaints by investors with escalation matrix for engaging with clients in Investor service centres.	Rs. 50,000/- + direction to comply within 30 days from the date of communication.	2nd instance – 50 % escalation + direction to comply within 30 days from the date of communication. 3rd instance – 100% escalation + direction to comply within 30 days from the date of communication.	Financial Disincentive
154*	QSB	QSBs has incorrectly submitted other applicable details (viz. policies, declarations, disclosures..)	Rs.10,000/- per instance	2nd time – 50 % escalation 3rd time – 100% escalation	Financial Disincentive

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
155* @	QSB	a) Trading facility supported by UPI block mechanism or the 3-in-1 Trading Account facility not provided as prescribed, where applicable b) Member has not provided option to clients for opting the above facilities or continue transferring funds to members.	Advise + Direction to comply within 30 days in all instances above.	2nd time- Warning + Direction to comply within 30 days in all instances above. 3rd time & onwards- Rs. 5,000/- + Direction to comply within 30 days in all instances above.	Financial Disincentive
156*	System/ Cyber Audit	Action each High/Medium/Low risk non-compliance, which has been identified by exchange during inspection (onsite/ offsite) w.r.t. System controls	For QSB Members- High Risk - Rs.30,000 Medium Risk - Rs. 15,000 Low Risk - Rs. 5,000For Non- QSB Members- High Risk - Rs.15,000 Medium Risk - Rs. 7,500, Low Risk - Rs. 2,500	_	Material
157*	System/ Cyber Audit	Action for each Critical/High/Medium/Low risk non-compliance, which has been identified by exchange during inspection (onsite/ offsite) w.r.t. Cyber Security, Cyber	a) For Self Certification/Exempted Regulated Entity - Low Risk - Rs. 1,000 Medium Risk - Rs. 3,000 Critical/High Risk - Rs. 5,000 b) For Small- Sized Regulated Entity - Low Risk - Rs. 2,000	_	Material

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		Resiliency	Medium Risk - Rs. 6,000 Critical/High Risk - Rs. 10,000 c) For Mid- sized Regulated Entity - Low Risk - Rs. 5,000 Medium Risk - Rs. 15,000 Critical/High Risk - Rs. 25,000 d) For Qualified Regulated Entity (QRE)-Low Risk - Rs. 10,000 Medium Risk - Rs. 30,000 Critical/High Risk - Rs. 50,000 e) For other members- Low Risk - Rs. 5,000 Medium Risk - Rs.25,000 Critical/High Risk - Rs. 50,000		
158	Others	Non adherence to Rule 8(1)(f) and 8(3)(f) of Securities Contract (Regulation) Rules, 1957, relating to fund based activities of brokers and in connection with / incidental to /consequential upon the securities business	a) Amount involved <= Rs. 5 Crores : 1% of the amount involved + Direction to recover/settle the funds within the time allotted b) Amount involved > Rs. 5 Crores : Penalty of Rs. 5 Lakhs + No new clients if funds are not	2nd Time & Onwards - Amount involved <= Rs. 5 Crores : 50% escalation + No new clients till CA certificate certifying that funds are recovered/settled is submitted Amount involved > Rs. 5 Crores : 50% escalation +	Material

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
			recovered/settled within the time allotted ++ Disciplinary action such as suspension / disablement of trading terminals / Expulsion etc. depending upon the gravity of the case may also be considered	appropriate disciplinary action such as suspension / disablement of trading terminals / Expulsion etc. as deemed fit by the relevant authority	
159	Others	Discrepancy in net worth computation (not resulting in shortfall)	1. If actual net worth more than reported net worth- Advise 2. If actual net worth less than reported net worth, up to 5% variation- Advise. More than 5%- 5% amount of incorrect reporting or Rs. 1,00,000/-, whichever is lower	2nd Time & onwards-50% Escalation	Financial Disincentive
160	Others	Member has allowed trading in the account of minor in a manner not permitted by law	a. Up to 1 client- Advise. b. More than 1 client- Rs. 25,000/- per client subject to maximum penalty of Rs. 1 lakh.	2nd time - 50% escalation 3rd Time & Onwards - 100% Escalation	Material
161	Others	Norms related to Suspense account (SUSPE1234N) not	Where balance has been upstreamed - Advice Other cases - 1% of amount (max cap	-	Material

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		followed	Rs. 1,00,000) + direction to comply		
162	Others	Incorrect submission of RBS	Advise	2nd Time - Warning 3rd Time & Onwards - Rs. 5,000/-	Financial Disincentive
163	Others	Non-issuance/Delay in issuance of annual global statement to clients	Advise	2nd Time - Rs. 10,000/- 3rd Time & Onwards- 100% Escalation	Financial Disincentive
164	Others	Change in Statutory Auditor not intimated to the Exchange	Advise	2nd Time & Onwards- Warning	-
165 #	Others	Penalty for short collection of upfront (Peak/EOD) margins passed on to the clients where not permitted	a) Penalty passed on is less than or up to Rs.1,00,000/- : Actual Penalty passed on + Direction to refund any penalty collected from the clients b) Penalty passed is more than Rs.1,00,000/-: Penalty of Rs.1,00,000/- + direction to refund the penalty to client.	2nd Time & Onwards - 50% Escalation + Direction to refund the penalty to client.	Material
166 #	Others	Norms relating to access/validation/ Sending acknowledgement including no further trades/ return funds & securities within stipulated	Rs. 25,000/- + Direction to comply with requirements within 30 days	_	Financial Disincentive

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		time/ maintenance of records and update the closure status to client and exchange not followed by member w.r.t. clients request for online closure of trading account			
167	Others	One bank account is mapped to more than one PAN where the holders are not joint holders	Monetary penalty of Rs.1000/- per instance subject to maximum penalty of Rs.1,00,000/-and direction to rectify the UCC details and confirm to exchange in 15 days	2nd Time & Onwards - Monetary penalty of Rs.2,000/- per instance subject to maximum penalty of Rs. 2,50,000/- and direction to rectify the UCC details and confirm to exchange in 15 days	Material
168	Others	Non-adherence to guidelines on incentives/referral schemes	Rs.10,000/- plus direction to comply	2nd Time & Onwards - 50% escalation + Matter may be placed before relevant authority for necessary disciplinary action in addition to monetary penalty.	Financial Disincentive
169	Others	Non-adherence to Guidelines on Compliance Officers issued vide Exchange circular no. MCX/MEM/681/2022 dated November 29,	Rs. 25,000/-	2nd Time & Onwards - 100% Escalation	Financial Disincentive

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		2022.			
170 #	Others	1. Incorrect reporting of Client Level Holding Statement/Shortages file reporting. 2. Incorrect reporting of client level segregation reporting.	1. For incorrect Holding Statement/ Shortages file reporting- Advise 2. For incorrect reporting in client level segregation reporting - Advise	2nd Time & Onwards -1. For incorrect Holding Statement/ Shortages file reporting- a) up to Rs. 50 lakhs- Advise b) Beyond Rs. 50 Lakhs - Rs. 1,000 per day of reporting (maximum capped to Rs. 1 Lakh) (Exception- In case the holding incorrectly reported pertaining to prop and legacy frozen accounts like CUSA, client beneficiary and client collateral, etc., Advisory will be issued) 2. For incorrect reporting in client level segregation reporting - 2nd time & Onwards - Monetary penalty of Rs. 25,000/- (Exception - In case the value of incorrect reporting is up to Rs. 1 crore or securities related incorrect reporting, Advisory will be	Financial Disincentive

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
				issued)	
171*	Others	Non- adherence to applicable guidelines on PMLA/AML guidelines	Direction to comply within 30 days	_	-
172	Others	Non- Appointment of Principal officer / Designated director / their details not intimated to FIU	Direction to intimate to FIU	-	-
173	Others	Changes in the Appointment of Principal officer / Designated director / their details not intimated to FIU	Direction to intimate to FIU	-	-
174	Others	Non-display of Mandatory documents/ details on website of the member	Advise plus direction to display within 1 month from the date of direction	2nd time- Rs.25,000/- plus direction to display within 1 month3rd time & Onwards- 50% escalation	Financial Disincentive
175	Others	Associated persons does not have valid NISM series VII certification – (Securities Operations and Risk Management Certification Examination).	Advisory and direction to comply within 30 days.	2nd Time- Rs. 1,500 per person 3rd Time & Onwards - Rs. 5,000 per person	Financial Disincentive
176	Others	Inactive client accounts not identified/ marked/ flagged as inactive in UCC database	For traded clients - Monetary Penalty of Rs.1,000/- per client (maximum Rs.1,00,000)	-	Financial Disincentive

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
			For Non-traded Clients - Advise		
177	Others	Cash dealings with clients excluding DP charges where permitted by depository.	More than Rs. 50,000 in a FY - 10% of the amount of cash dealing or Rs. 1,000/-whichever is higher.	2nd time - 50% escalation 3rd Time & Onwards- 100% Escalation	Material
178	Others	Dealing with unregistered intermediaries	Rs. 1,00,000/- per unregistered intermediary; Also Member to be directed to stop all dealings with such unregistered intermediaries and to withdraw the terminal(s), if any, allotted to such entities immediately. In addition to monetary penalty, suspension of the trading membership may also be considered, depending upon the gravity of the violation, in case where dealings with more than 5 unregistered intermediaries (in cash segment) and/ or intermediaries (in Derivative segment) are observed.	2nd Time & Onwards - 100% Escalation + Expulsion of the trading membership, depending upon the gravity of the violation	Material
179	Others	Facilitating financing to clients through NBFC / Financer / Institutions either directly or indirectly in a	3% of the Outstanding value, subject to minimum penalty of Rs.1 Lakh and maximum penalty of Rs.5 Lakhs and Direction to not to be conduit of	2nd Time & Onwards - 5% of the Outstanding Value, Subject to minimum penalty of Rs.2 Lac and maximum penalty of Rs.10 Lac and	Material

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		manner not permitted	facilitating financing to clients	Disciplinary action including disablement of trading terminals.	
180 #	Others	Monthly/ Weekly (as applicable) Statement of accounts for funds, securities and commodities not sent/ delay in issuance of weekly Statement of accounts for funds, securities and commodities, non-issue of weekly statement displaying all receipt and payment of funds / inward and outward movement of securities and pending obligations	Up to 30 sample Instances - a) Up to 5 instances observed - Advise b) Up to 10 instances observed - Rs. 20,000/- c) Up to 15 instances observed - Rs. 60,000/- d) Above 15 instances observed-Rs. 1,00,000/- Above 30 sample Instances- a) Up to 10% of number of sample instances - Advise b) Up to 20% of number of sample instances - Rs. 20,000/- c) Up to 30% of number of sample instances - Rs. 60,000/- d) Above 30% of number of sample instances - Rs.	2nd Time - 50% Escalation 3rd Time & Onwards - 100% Escalation	Material

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
			1,00,000/-		
181	Others	Late/Non submission of data towards undertaking to freeze the bank account	Rs. 5,000/- per bank account + Subject to maximum penalty of Rs. 1 lakh + Direction to submit the undertaking	2nd time - 50% escalation 3rd Time & Onwards- 100% Escalation	Financial Disincentive
182 #	Others	a) Dealing with suspended/ defaulter/expelled members and entities/ prohibited from accessing market b) Dealing with SEBI Debarred Entities from accessing market c) Member has shared commission/ brokerage with entities with another trading member / employee in the employment of another trading member / person doing Intermediary activities without registration.	Matter to be placed before the relevant authority of the exchange	-	-
183	Others	Maintaining client bank accounts in excess of prescribed limit of 30 bank accounts across all segments	Rs.10,000/- per bank account subject to maximum penalty of Rs. 1,00,000/- plus direction to close the account	2nd Time & Onwards - 50% Escalation + Direction to close the account	Financial Disincentive

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		and Exchanges at a time and/ or maintaining client bank account with other than approved banks			
184	Others	Member has incorrectly levied delayed payment charges on clients	Direction to refund the excess charges plus monetary penalty as under- a) Non-compliance up to Rs.1 lakh – Rs.10,000/- b) In excess of Rs.1 lakh– Rs.25,000/-	-	Financial Disincentive
185	Others	Invocation of client pledged securities more than client obligation to the broker.	1% of the incorrect invocation value, subject to maximum capping of Rs. 1 Lakh	2nd Time & Onwards- 2% of the incorrect invocation value, subject to maximum capping of Rs. 2 Lakhs	Financial Disincentive
186	Others	Late/Partial/Non-submission of undertaking / authorization to Exchange to access the information / statements pertaining to all bank accounts (maintained by members) from Banks	Rs. 5,000/-	2nd Time & Onwards-50% Escalation	Financial Disincentive
187 @	Others	Member has not displayed "Risk disclosure with respect to	Rs. 10,000/- + Direction to comply within 30 days.	2nd Time & Onwards-50% Escalation	Financial Disincentive

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		trading by individual traders in Equity Futures & Options Segment" on their website and Mobile App.			
188	Others	Non reporting/ Incorrect / incomplete details of the material direct complaints received by Member (through any channel) to the Exchange	Monetary penalty of Rs.1000/- per client subject to maximum penalty of Rs.1,00,000/-	2nd Time & Onwards - 50% Escalation	Financial Disincentive
189 #	Others	Delayed reporting of trading done from terminal which were not marked active/ not reported	Rs. 1,000/- per terminal, per trading day till the date reporting is done (with maximum capping of Rs. 1 lakh per terminal)	_	Financial Disincentive
190	Others	Specific approval not obtained from the Exchange for providing internet trading facility to its clients	Rs.1,00,000/- + direction to stop providing IBT facility within 15 days or till compliance whichever is earlier	-	Financial Disincentive
191* @	Others	Observation pertaining to the off-market sale/purchase of listed securities	Rs. 25,000/- + 0.1% of the total turnover of such instances with maximum capping of Rs. 5 lakhs	2nd Time - 50% Escalation 3rd Time & Onwards- 100% Escalation	Financial Disincentive
192* @	Others	Non- adherence to norms and regulatory obligations pertaining to NDS-OM including ring fencing from the securities market	Advise + Direction to comply within 30 days	2nd time- Warning + Direction to comply within 30 days 3rd time & onwards- Rs. 25,000/- + Direction to	Financial Disincentive

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
				comply within 30 days	
193*	Others	Trading Member has not complied with Regulatory framework prescribed for Distribution of third-party products either on their own platform or through their group companies/associates' platforms (i.e. third-party app/parent app)	Rs. 1,00,000 + direction to comply within 30 days	2nd time- 50% escalation + Direction to comply within 30 days 3rd time & onwards- 100% escalation + Direction to comply within 30 days	Material
194*	Others	Trading Member has not reported cases admitted in NCLT against member or its promoters to the Exchange within one week of the admission of such case	Non- intimation observed- Rs. 1,00,000/-Delayed intimation- Rs. 1,000/- per day with maximum capping of Rs. 1 lakh	2nd time- 50% escalation 3rd time & onwards- 100% escalation	Material
195*	Others	MIS of Transactional Alerts (generated, disposed, pending) along with action taken/exceptions has not been placed before board/partner/ proprietor on quarterly basis.	Advise	2nd time- Warning3rd time & onwards- Rs. 5,000/-	Material
196*	Others	Non- adherence to guidelines on recommended best practices, common types of market abuse, accountability matrix for effective trade	Advise + Direction to comply within 30 days	2nd time- Warning + Direction to comply within 30 days 3rd time- matter to placed	Material

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		surveillance operations		before relevant authority	
197*	Others	Non-adherence to Guidelines for dealing with Conflicts of Interest of Intermediaries	Matter to be placed before the relevant authority	_	Material
198*	Others	Non adherence to Fit and Proper Persons criteria as prescribed	Matter to be placed before the relevant authority for necessary disciplinary action including no new clients, suspension / disablement of trading terminals / Expulsion etc. as deemed fit by the relevant authority	_	Material
199* @	Others	Trading Members has not provided all trading products across segments across exchanges (based on their membership) on their trading platforms including Web & Mobile.	Advise + direction to comply within 30 days	2nd time- Rs. 25,000/- + direction to comply within 30 days 3rd time & onwards- 50% escalation + direction to comply within 30 days	Financial Disincentive
200* @	Others	At the time of an order entry, the Member's trading platform including Web & Mobile has not displayed the prices of selected scrip/contract from all the exchanges (where the member is active) to facilitate execution of orders at best	Advise + direction to comply within 30 days	2nd time- Rs. 25,000/- + direction to comply within 30 days 3rd time & onwards- 50% escalation + direction to comply within 30 days	Financial Disincentive

Sr. No.	Contravention Category	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		price.			
201 @	Others	Failure to ensure that the money /securities deposited/ committed by the client / nominated investors is not used by the Market Maker for any purpose other than market making.	Rs. 1,00,000/-	2nd Time & Onwards - Suspension as Market Maker + Market maker will not be allowed to take any new assignment for six months.	Material

Annexure 1.2 - Actions for non-compliances observed in periodic submissions made by Trading Members

Sr. No.	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
1#	Delay/Non-submission of Holding Statement within the due date	1. Charges Rs. 1,500/- per day till first 7 calendar days or submission of report, whichever is earlier 2. Charges of Rs. 2,500/- per day from 8th calendar day to 21st calendar day or submission of report, whichever is earlier 3. In case of non-submission of report till 21st calendar days, new client registration shall be prohibited and notice of 7 calendar days for disablement of trading facility till submission of report, shall be issued. 4. The disablement notice issued to the member will be shared with all the Exchanges for information. 5. In case of non-submission of report by 28th calendar day, Member shall be disabled in all segments till submission of report.	-	Financial Disincentive
2#	Delay/Non-submission of Internal Audit report within the due date	1. Charges Rs. 1,500/- per day for Non QSB & Rs. 3,000/- per day for QSB from the due date till first 7 calendar days or submission of report, whichever is earlier. 2. Charges of Rs. 2,500/- per day for Non QSB & Rs. 5,000/- per day for QSB from 8th calendar day after the due date to 21st calendar day or submission of report, whichever is earlier. 3. In case of non-submission of report till 21st calendar days, new client registration shall be prohibited and notice of 7 calendar days for disablement of trading facility till	2nd Time & Onwards - Levy of applicable monetary penalty along with an escalation of 50%. In case of non-submission of report till 21st calendar days, new client registration shall be prohibited and notice	Financial Disincentive

Sr. No.	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		submission of report, shall be issued. 4. The disablement notice issued to the member will be shared with all the Exchanges for information. 5. In case of non-submission of report by 28th calendar day, Member shall be disabled in all segments till submission of report.	of 7 calendar days for disablement of trading facility till submission of report, shall be issued. The disablement notice issued to the member will be shared with all the Exchanges for information. In case of non-submission of report by 28th calendar day, Member shall be disabled in all segments till submission of report.	
3#	Delay/Non-submission of information towards FATF public statement within the due date	1. Charges Rs. 1,500/- per day till first 7 calendar days or submission of report, whichever is earlier 2. Charges of Rs. 2,500/- per day from 8th calendar day to 21st calendar day or submission of report, whichever is earlier 3. In case of non-submission of report till 21st calendar days, new client registration shall be prohibited and notice of 7 calendar days for disablement of trading facility till submission of report, shall be issued. 4. The disablement notice issued to the member will be shared with all the Exchanges for information. 5. In case of non-submission of report by 28th calendar day, Member shall be disabled in all segments till submission of report.	-	Financial Disincentive

Sr. No.	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
4#	Delay / Non-submission of Risk Based Supervision within the due date	1. Charges Rs. 1,500/- per day for Non QSB & Rs. 3,000/- per day for QSB from the due date till first 7 calendar days or submission of report, whichever is earlier. 2. Charges of Rs. 2,500/- per day for Non QSB & Rs. 5,000/- per day for QSB from 8th calendar day after the due date to 21st calendar day or submission of report, whichever is earlier. 3. In case of non-submission of report till 21st calendar days, new client registration shall be prohibited and notice of 7 calendar days for disablement of trading facility till submission of report, shall be issued. 4. The disablement notice issued to the member will be shared with all the Exchanges for information. 5. In case of non-submission of report by 28th calendar day, Member shall be disabled in all segments till submission of report.	2nd Time & Onwards - Levy of applicable monetary penalty along with an escalation of 50%. In case of non-submission of report till 21st calendar days, new client registration shall be prohibited and notice of 7 calendar days for disablement of trading facility till submission of report, shall be issued. The disablement notice issued to the member will be shared with all the Exchanges for information. In case of non-submission of report by 28th calendar day, Member shall be disabled in all segments till submission of report.	Financial Disincentive
5#	Delayed/Non-submission of UCC wise settlement details	1. Charges Rs. 1,500/- per day till first 7 calendar days or submission of report, whichever is earlier 2. Charges of Rs. 2,500/- per day from 8th calendar day to 21st calendar day or	2nd Time & Onwards - 50% Escalation + The relevant authority on a	Financial Disincentive

Sr. No.	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
	as per the prescribed format	submission of report, whichever is earlier 3. In case of non-submission of report till 21st calendar days, new client registration shall be prohibited and notice of 7 calendar days for disablement of trading facility till submission of report, shall be issued. 4. The disablement notice issued to the member will be shared with all the Exchanges for information. 5. In case of non-submission of report by 28th calendar day, Member shall be disabled in all segments till submission of report.	case-to-case basis and based on the gravity of non-compliance shall decide on additional disciplinary actions.	
6#	Delay/Non-submission of Cyber security and cyber resilience audit report within the due date	1. Charges Rs. 1,500/- per day for Non QRE & Rs. 3,000/- per day for QRE from the due date till first 7 calendar days or submission of report, whichever is earlier. 2. Charges of Rs. 2,500/- per day for Non QRE & Rs. 5,000/- per day for QRE from 8th calendar day after the due date to 21st calendar day or submission of report, whichever is earlier. 3. In case of non-submission of report till 21st calendar days, new client registration shall be prohibited and notice of 7 calendar days for disablement of trading facility till submission of report, shall be issued. 4. The disablement notice issued to the member will be shared with all the Exchanges for information. 5. In case of non-submission of report by 28th calendar day, Member shall be disabled in all segments till submission of report.	2nd Time & Onwards - Levy of applicable monetary penalty along with an escalation of 50%. In case of non-submission of report till 21st calendar days, new client registration shall be prohibited and notice of 7 calendar days for disablement of trading facility till submission of report, shall be issued. The disablement notice issued to the member will be shared with all the Exchanges for	Financial Disincentive

Sr. No.	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
			information. In case of non-submission of report by 28th calendar day, Member shall be disabled in all segments till submission of report.	
7#	Delay/Non-submission of system audit within the due date	1. Charges Rs. 1,500/- per day for Non QSB & Rs. 3,000/- per day for QSB from the due date till first 7 calendar days or submission of report, whichever is earlier. 2.Charges of Rs. 2,500/- per day for Non QSB & Rs. 5,000/- per day for QSB from 8th calendar day after the due date to 21st calendar day or submission of report, whichever is earlier. 3.In case of non-submission of report till 21st calendar days, new client registration shall be prohibited and notice of 7 calendar days for disablement of trading facility till submission of report, shall be issued. 4.The disablement notice issued to the member will be shared with all the Exchanges for information. 5.In case of non-submission of report by 28th calendar day, Member shall be disabled in all segments till submission of report.	2nd Time & Onwards - Levy of applicable monetary penalty along with an escalation of 50%. In case of non- submission of report till 21st calendar days, new client registration shall be prohibited and notice of 7 calendar days for disablement of trading facility till submission of report, shall be issued. The disablement notice issued to the member will be shared with all the Exchanges for information. In case of non-submission of report by 28th calendar day, Member shall be	Financial Disincentive

Sr. No.	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
			disabled in all segments till submission of report.	
8#	Delay / Non submission of ATR in case of system audit report	1. Charges Rs. 1,500/- per day for Non QSB & Rs. 3,000/- per day for QSB from the due date till first 7 calendar days or submission of report, whichever is earlier. 2. Charges of Rs. 2,500/- per day for Non QSB & Rs. 5,000/- per day for QSB from 8th calendar day after the due date to 21st calendar day or submission of report, whichever is earlier. 3. In case of non-submission of report till 21st calendar days, new client registration shall be prohibited and notice of 7 calendar days for disablement of trading facility till submission of report, shall be issued. 4. The disablement notice issued to the member will be shared with all the Exchanges for information. 5. In case of non-submission of report by 28th calendar day, Member shall be disabled in all segments till submission of report.	2nd Time & Onwards - Levy of applicable monetary penalty along with an escalation of 50%. In case of non-submission of report till 21st calendar days, new client registration shall be prohibited and notice of 7 calendar days for disablement of trading facility till submission of report, shall be issued. The disablement notice issued to the member will be shared with all the Exchanges for information. In case of non-submission of report by 28th calendar day, Member shall be disabled in all segments till submission of report.	Financial Disincentive

Sr. No.	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
9#	Delay / Non submission of ATR in case of cyber security and cyber resilience audit report.	1.Charges Rs. 1,500/- per day for Non QRE & Rs. 3,000/- per day for QRE from the due date till first 7 calendar days or submission of report, whichever is earlier. 2.Charges of Rs. 2,500/- per day for Non QRE & Rs. 5,000/- per day for QRE from 8th calendar day after the due date to 21st calendar day or submission of report, whichever is earlier. 3.In case of non-submission of report till 21st calendar days, new client registration shall be prohibited and notice of 7 calendar days for disablement of trading facility till submission of report, shall be issued. 4.The disablement notice issued to the member will be shared with all the Exchanges for information. 5. In case of non-submission of report by 28th calendar day, Member shall be disabled in all segments till submission of report.	2nd Time & Onwards - Levy of applicable monetary penalty along with an escalation of 50%. In case of non-submission of report till 21st calendar days, new client registration shall be prohibited and notice of 7 calendar days for disablement of trading facility till submission of report, shall be issued. The disablement notice issued to the member will be shared with all the Exchanges for information. In case of non-submission of report by 28th calendar day, Member shall be disabled in all segments till submission of report.	Financial Disincentive
10#	Delay/Non-submission of VAPT report and/or Compliance report (ATR) within the due date	1. Charges Rs. 1,500/- per day for Non QRE & Rs. 3,000/- per day for QRE from the due date till first 7 calendar days or submission of report, whichever is earlier. 2. Charges of Rs. 2,500/- per day for Non QRE & Rs. 5,000/- per day for QRE from 8th calendar day after the due date	2nd Time & Onwards - Levy of applicable monetary penalty along with an escalation of 50%.	Financial Disincentive

Sr. No.	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		to 21st calendar day or submission of report, whichever is earlier. 3. In case of non-submission of report till 21st calendar days, new client registration shall be prohibited and notice of 7 calendar days for disablement of trading facility till submission of report, shall be issued. 4. The disablement notice issued to the member will be shared with all the Exchanges for information. 5. In case of non-submission of report by 28th calendar day, Member shall be disabled in all segments till submission of report.	In case of non-submission of report till 21st calendar days, new client registration shall be prohibited and notice of 7 calendar days for disablement of trading facility till submission of report, shall be issued. The disablement notice issued to the member will be shared with all the Exchanges for information. In case of non-submission of report by 28th calendar day, Member shall be disabled in all segments till submission of report.	
11#	Delay/Non-submission of Cyber Incident reporting (Quarterly Submission) within the due date	1. Charges Rs. 1,500/- per day for Non QRE & Rs. 3,000/- per day for QRE from the due date till first 7 calendar days or submission of report, whichever is earlier. 2.Charges of Rs. 2,500/- per day for Non QRE & Rs. 5,000/- per day for QRE from 8th calendar day after the due date to 21st calendar day or submission of report, whichever is earlier. 3.In case of non-submission of report till 21st calendar days, new client registration shall be prohibited and notice of 7 calendar days	2nd Time & Onwards - Levy of applicable monetary penalty along with an escalation of 50%. In case of non- submission of report till 21st calendar days, new client registration shall	Financial Disincentive

Sr. No.	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		for disablement of trading facility till submission of report, shall be issued. 4.The disablement notice issued to the member will be shared with all the Exchanges for information. 5.In case of non-submission of report by 28th calendar day, Member shall be disabled in all segments till submission of report.	be prohibited and notice of 7 calendar days for disablement of trading facility till submission of report, shall be issued. The disablement notice issued to the member will be shared with all the Exchanges for information. In case of non-submission of report by 28th calendar day, Member shall be disabled in all segments till submission of report.	
12#	Non- closure of each Critical/High/Medium/Low vulnerabilities, as reported in Compliance Report/ ATR of VAPT by closure due date	a) For Self Certification Regulated Entity - Low Risk - Rs. 1,000/- Medium Risk - Rs. 3,000/- Critical/High Risk - Rs. 5,000/- b) For Small- Sized Regulated Entity - Low Risk - Rs. 2,000/- Medium Risk - Rs. 6,000/- Critical/High Risk - Rs. 10,000/- c) For Mid- sized Regulated Entity - Low Risk - Rs. 5,000/- Medium Risk - Rs. 15,000/- Critical/High Risk- Rs. 25,000/- d) For Qualified Regulated Entity (QREs) -	-	Material

Sr. No.	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		Low Risk - Rs. 10,000/- Medium Risk - Rs. 30,000/- Critical/High Risk - Rs. 50,000/- (For Low Risk - If certification is provided on efficacy of compensatory controls no penalty, else penalty per vulnerability as mentioned above shall be applicable. Subject to closure of the same before start of period of next VAPT.) Apart from the monetary penalty mentioned above, if High/ Critical/Medium vulnerability is not closed by member within 21 days from the due date of submission of compliance report, new client registration shall be prohibited and notice of 7 days for disablement of trading facility shall be issued. If the vulnerability is not closed during this notice period, then member shall be disabled in all segments till closure of the vulnerability. The disablement notice issued to the member will be shared with all the Exchanges for information.		
13#	Non- closure of each Critical/High/Medium/Low observations, as reported in Compliance Report/ ATR in cyber security and cyber resilience audit report	For QRE Members - Critical/High Risk - Rs. 1,00,000/- ; Medium Risk - Rs. 50,000/- ; Low Risk - Rs. 10,000/- For Non-QRE Members - Critical/High Risk - Rs. 50,000/- ; Medium Risk - Rs. 25,000/-; Low Risk - Rs. 5,000/-a) In case the observations are not closed by members within 3 weeks from the due date of submission of ATR, new client registration to be prohibited and notice of 7 days for disablement of trading facility till the closure of observation(s).b) The disablement notice issued to the member shall be shared with all the Exchanges for information, In case of non-closure of observation(s) within 4 weeks from the due date of submission of ATR, Member shall be disabled in all segments until closure	-	Material

Sr. No.	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		of observation(s).		
14#	Non- closure of each High/Medium/Low observations, as reported in Compliance Report/ ATR for system audit	For QSB Members : High Risk - Rs.30,000/- Medium Risk - Rs. 15,000/- Low Risk - Rs. 5,000/- For Non- QSB Members : High Risk - Rs.15,000/- Medium Risk - Rs. 7,500/- Low Risk - Rs. 2,500/- a) In case the observations are not closed by members within 3 weeks from the due date of submission of ATR, new client registration to be prohibited and notice of 7 days for disablement of trading facility till the closure of observation(s). b) b) The disablement notice issued to the member shall be shared with all the Exchanges for information, In case of non-closure of observation(s) within 4 weeks from the due date of submission of ATR, Member shall be disabled in all segments until closure of observation(s).	-	Material
15*	Algo IDs that were used prior to submitting the audited/ rectified Corrective Action Taken Report (ATR), despite significant deficiencies or issues being identified and reported in the System Audit Report submitted to the Exchange.	Rs. 5,000/- per day (for each Registered/Active Algo ID)	2nd Time and onwards (for same Algo IDs)-50% escalation	Material
16#	System/Cyber Audit - SOP Cyber IncidentDelay/Non-submission of Cyber Incident	For Qualified Regulated Entity (QREs) -Rs. 20,000/- per day with maximum capping of Rs. 10,00,000/-For Mid- sized Regulated Entity -Rs. 5,000/- per day with maximum capping	-	Material

Sr. No.	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
	reporting (Immediate Submission)within the time (within 6 hours)specified by the Exchange.	of Rs. 2,00,000/-For Small- Sized Regulated Entity -Rs. 2,000/- per day with maximum capping of Rs. 1,00,000/-For All other Entities- Rs. 1,000/- per day with maximum capping of Rs. 50,000/-		
17*	System/Cyber Audit - SOP Cyber Incident Delay/Non-submission of Mitigation Report, RCA, Forensic Audit Report & VAPT Report whichever is earlier.	1. For QRE - Rs. 3,000/- per day & For All Members (other than QREs) - Rs. 1,500/- per day till First 7 calendar days or submission of report which ever is earlier. 2. For QRE - Rs. 5,000/- per day & For All Members (other than QREs) - Rs. 2,500/- per day from 8th calendar day after the due date to 21st calendar day or submission of report, whichever is earlier. 3. In case of non-submission of report till 21st calendar days, new client registration shall be prohibited and notice of 7 calendar days for disablement of trading facility till submission of report, shall be issued. 4. The disablement notice issued to the member will be shared with all the Exchanges for information. 5. In case of non-submission of report by 28th calendar day, Member shall be disabled in all segments till submission of report.	-	Financial Disincentive
18*	System/Cyber Audit - SOP Cyber IncidentPress release is not issued within a one working day from the intimation of normalcy of operation to Exchange(s)	Rs. 50,000In case press release is issued post one working day and thereafter penalty of Rs 10,000/- per working day for any additional delay with maximum capping of Rs. 1,00,000/-	-	Material

Sr. No.	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
	(forQRE)			
19*	System/Cyber Audit - SOP Cyber Incident Reports (post incident reporting/ submission as specified) are found to be deficient or incomplete / missing component in any manner as prescribed by the Joint / Relevant Committee of Exchange(s)	For Qualified Regulated Entity (QREs) - Rs 1,00,000/- per incomplete/missing component with maximum capping of Rs. 5,00,000/- For Mid- sized Regulated Entity - Rs 50,000/- per incomplete/missing component with maximum capping of Rs. 2,50,000/- For Small- Sized Regulated Entity - Rs 20,000/- per incomplete/missing component with maximum capping of Rs. 1,00,000/- For All other Entities- Rs 10,000/- per incomplete/missing component with maximum capping of Rs. 50,000/-	-	Material
20*	System/Cyber Audit - SOP Cyber Incident Reports(post incident reporting/ submission as specified) are found to be misleading/ inaccurate component in any manner as prescribed by the Joint / Relevant Committee of Exchange(s)	For Qualified Regulated Entity (QREs) - Rs 2,00,000/- per misleading or inaccurate component with maximum capping of Rs. 10,00,000/- For Mid- sized Regulated Entity - Rs 1,00,000/- per misleading or inaccurate component with maximum capping of Rs. 5,00,000/- For Small- Sized Regulated Entity - Rs 50,000/- per misleading or inaccurate component with maximum capping of Rs. 2,50,000/-	-	Material

Sr. No.	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		For All other Entities- Rs 20,000/- per misleading or inaccurate component with maximum capping of Rs. 1,00,000/-		
21*	System/Cyber Audit - SOP Cyber IncidentREs is not submitting accurate and complete reports (post incident reporting/ submission as specified) after being provided additional time (if provided by the Joint / Relevant Committee of Exchange(s)	For Qualified Regulated Entity (QREs) - Rs. 2,00,000/- For Mid- sized Regulated Entity - Rs. 1,00,000/- For Small- Sized Regulated Entity - Rs. 50,000/- For All other Entities- Rs. 20,000/-	-	Material
22*	System/Cyber Audit - SOP Cyber Incident If the Joint / Relevant Committee of Exchange(s) determines that the incident occurred on account of non-compliance of SEBI cyber	For Qualified Regulated Entity (QREs) - Rs 2,00,000/- per misleading or inaccurate component with maximum capping of Rs. 10,00,000/- For Mid- sized Regulated Entity - Rs 1,00,000/- per misleading or inaccurate component with maximum capping of Rs. 5,00,000/-	-	Material
	security policies and guidelines such as incident happened due to a vulnerability existing in the system and the vulnerability was not identified during VAPT prior to incident and/or	For Small- Sized Regulated Entity - Rs 50,000/- per misleading or inaccurate component with maximum capping of Rs. 2,50,000/- For All other Entities- Rs 20,000/- per misleading or inaccurate component with		

Sr. No.	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
	incident happened due to a vulnerability was not closed and incident happened outside the VAPT closure timelines.	maximum capping of Rs. 1,00,000/-		
23*	System/Cyber Audit - SOP Cyber Incident Dealy/Non-Submission of report as specified by Joint / Relevant Committee of Exchange(s) under cyber incident SOP of exchange	1. For QRE - Rs. 3,000/- per day & For All Members (other than QREs) - Rs. 1,500/- per day till First 7 calendar days or submission of report which ever is earlier. 2. For QRE - Rs. 5,000/- per day & For All Members (other than QREs) - Rs. 2,500/- per day from 8th calendar day after the due date to 21st calendar day or submission of report, whichever is earlier. 3. In case of non-submission of report till 21st calendar days, new client registration shall be prohibited and notice of 7 calendar days for disablement of trading facility till submission of report, shall be issued. 4. The disablement notice issued to the member will be shared with all the Exchanges for information. 5. In case of non-submission of report by 28th calendar day, Member shall be disabled in all segments till submission of report.	-	Material

Annexure 1.3 - Actions for non-adherence to membership/ compliance requirements

Sr No	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
1	Change in Control without Exchange approval	Rs. 2,00,000/- + Restriction on onboarding of new clients till approval of the Exchange	2nd Time & Onwards (in Same FY) - 50% escalation	Material
2	Change in designated directors without Exchange approval	a) Post facto intimation - Rs. 10,000/- per Director with a maximum of Rs. 1,00,000/- b) In case of changes beyond the control of the member: i. In case of any changes in Designated Directors due to death/resignation etc., member's are required to intimate Exchange within 30 working days of such change. ii. If not intimated within 30 working days: Rs. 5,000/- for each Director. iii. TM to appoint the requisite number of DDs within three months of the resignation/death etc. of the outgoing DD and confirm the same to the Exchange. In case of failure to appoint the DD within three months, member shall be levied	2nd Time & Onwards (in Same FY) - 50% Escalation	Material

Sr No	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		Rs. 10,000/- per Director.		
3	Transfer of membership /business/ Merger without prior approval of the Exchange (with no change in control)	Rs. 1,00,000 per instance	-	Material
4	Change in shareholding (with no change in control) without Exchange approval	Rs. 10,000/-	2nd Time & onwards (in Same FY) - 50% Escalation	Financial Disincentive
5	Change in non-designated directors without Exchange approval	a) Post facto intimation - In case of any planned changes Rs. 2,000/- per Director with a maximum of Rs 50,000/- b) In case of changes beyond the control of the member: i. In case of any changes in NDD due to death/resignation etc., members are required to intimate Exchange within 30 working days of such change. ii. If not intimated within 30 working days: Rs. 2,000/- per Director	2nd Time & onwards (in Same FY) - 50% Escalation	Financial Disincentive
6	Non-appointment of Compliance officer	Rs. 50,000/-	2nd time (in Same FY) - 50% escalation 3rd Time & Onwards (in	Material

Sr No	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
			Same FY) - 100% Escalation	
7	Non-intimation of Compliance officer	Intimation for appointment of Compliance Officer - Rs 5,000/- per instance, if not intimated within 7 working days (excluding date of appointment) of such an appointment If any appointment of new compliance officer is observed during inspection and details of which are not reported to Exchange: Rs. 1,00,000/-.	2nd Time & onwards (in Same FY) - 50% Escalation	Financial Disincentive
8	Non updating/ delayed updating of KMP Details	Rs. 2,000/- per instance with a maximum of Rs 50,000/- , if not intimated within 7 working days (excluding date of declaration) of the declaration of KMP Exception - In case of changes beyond the control of the member a) In case of any changes in KMP due to death/resignation etc., Member's are required to intimate Exchange within 30 working days of such change. b) If not intimated within 30 working days: Rs. 2,000/- per instance except in case of death of KMP	2nd Time & onwards (in Same FY) - 50% Escalation	Financial Disincentive
9	Change in status & constitution without prior	Rs. 20,000/- per instance.	2nd Time & onwards (in Same FY) - 50%	Financial Disincentive

Sr No	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
	approval of the Exchange without change in control		Escalation	
10@	Providing Margin Trading facility to clients without obtaining prior permission of the Exchange	Rs. 1,00,000/- + direction to adhere to the MTF requirement within 30 days.	2nd Time & onwards - 50% Escalation Additionally, the trading rights shall be withdrawn for one day.	Material
11	Change in Member category	First 30 days – 0.07% per day of the difference in BMC amount Above 30 days – 0.10% per day of difference in BMC amount + disciplinary action including No new clients up to 3 months for cases where penalty is levied to member	-	Financial Disincentive
12#	Issue of Advertisement without Exchange approval	a) When advertisement issued was confirming to code - Rs. 5,000/- per advertisement with maximum capping of Rs. 1 lakh + direction to apply for approval for such advertisement within 15 days. b) When advertisement issued does not confirm to code - Rs. 50,000/- per advertisement + direction to withdraw such advertisement + details of such advertisements and penalty levied to be disclosed on member's website for	2nd Time & Onwards (in Same FY) - 50% Escalation + Directions as specifiedIf advertisement issued does not confirm to code is observed for more than 3 occasions actions as prescribed in pt. (c) will be applicable along with the escalated monetary action.	Material

Sr No	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		the period 1 year. c) When advertisement issued despite Exchange rejection - In addition to action in point (b) above, matter will be referred to Relevant Authority for further action including prominently display on the broker's website & trading app, in the manner and duration (up to 7 days) as deem fit by the relevant authority.		
13	Non-Submission of mandatory indemnity/insurance policy	Rs. 1,000/- per day after due date till the date of submission. (post 1 month grace period)	2nd Time & Onwards - 50% Escalation	Financial Disincentive
14	Failure to furnish "Annual Returns" within the due date	a) Charges Rs. 1,500/- per day for Non QSB & Rs. 3,000/- per day for QSB from the due date till first 7 calendar days or submission of report, whichever is earlier. b) Charges of Rs. 2,500/- per day for Non QSB & Rs. 5,000/- per day for QSB from 8th calendar day after the due date to 21st calendar day or submission of report, whichever is earlier. c) In case of non-submission of report till 21st calendar days, new client registration shall be prohibited and	2nd Time & Onwards - 50% Escalation In case of non-submission of report till 21st calendar days, new client registration shall be prohibited and notice of 7 calendar days for disablement of trading facility till submission of report, shall be issued. The disablement notice issued to the member will be shared with all the	Financial Disincentive

Sr No	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		notice of 7 calendar days for disablement of trading facility till submission of report, shall be issued. d) The disablement notice issued to the member will be shared with all the Exchanges for information. e) In case of non-submission of report by 28th calendar day, Member shall be disabled in all segments till submission of report.	Exchanges for information. In case of non-submission of report by 28th calendar day, Member shall be disabled in all segments till submission of report.	
Sr No	**Details of Contravention**	**Action in case of first instance**	**Action in case of repeat instance**	**Tag**
15#	Non-conduct of AP/Branch Inspections as per defined framework	Rs. 20,000/- per AP/Branch, with maximum capping of Rs. 5,00,000/-	2nd Time & Onwards - 50% Escalation + The relevant authority on a case-to-case basis and based on the gravity of non-compliance shall decide on additional disciplinary actions.	Material
16#	Delay in reporting of AP inspection to the Exchange	Warning	2nd Time & Onwards (in same FY) - Rs. 1,000/-per day per AP, maximum up to Rs. 1,00,000/-	Financial Disincentive
17#	Trade through other Members	Rs. 30,000/- per member applies for opening an account in a segment where	2nd Time & Onwards - (In	Financial Disincentive

Sr No	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		the member already holds membership on the same exchange, along with instructions to seek approval from the Exchange. Rs.5000/- in case the member open account through brokers of other Exchanges without intimation to parent Exchange	Same FY) - 50% Escalation	
18	a) Incorrect submission of information to the Exchange about the AP inspection b) Non reporting/ partial reporting of UCC details mapped to the APs	a) Incorrect submission of information to the Exchange about the AP inspection-Rs. 20,000/- per AP, Maximum cap of Rs. 5,00,000/- b) Non reporting/ partial reporting of UCC details mapped to the APs-Advise	a) Incorrect s8ubmission of information to the Exchange about the AP inspection- 2nd Time & Onwards (in same FY) - 50% Escalation b) Non reporting/ partial reporting of UCC details mapped to the APs- 2nd Time & onwards (in same FY) - 5,000/- per AP	Financial Disincentive
19	Disciplinary action in case of Net worth shortfall and non-submission of Net worth	<u>For TMs providing MTF facility @–</u> a) Rs. 5,000/- per day till the date of submission of net worth certificate or	-	Material

Sr No	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		till withdrawal of MTF whichever is earlier. b) withdrawal of Margin Trading facility within 2 working days posts the due date. <u>For TMs other than providing MTF facility</u> = a) Rs. 5,000/- per day till the date of submission of net worth certificate or till disablement of trading rights whichever is earlier. b) Disablement of trading rights in all segments within two working days post due date		
20@	Failure to meet the minimum net worth requirement for SME market making	a) No new market making assignments on SME platform will be allowed.b) The Lead Manager to the Issue and Market Maker should ensure that the required net worth is reported on a periodic basis to the Exchange.c) The Lead Manager and Listed Company shall take necessary steps to appoint another Market Maker within 15 days of the notice from the Exchanged) If The Lead Manager and Listed Company fail to take necessary steps within the stipulated timeframe, the matter shall be reported to SEBI.e) Till	-	Material

Sr No	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		such time new Market Maker is appointed, the present Market Maker shall continue to do market making w.r.t. the listed companies in the interest of investors to ensure adequate liquidity is made available on the SME platform.f) If name of the defaulting Market Maker is appearing in the RHP, the Lead Manager will be required to replace its name with another Market Maker who is fulfilling the criteria		
21*	Non- rectification of deficiency observed in Annual Return/Half yearly net worth certificate submitted to exchange, within 15 calendar days from the date of intimation by Exchange	Post 15 days- Rs. 1,000/- per day till submission of correct details with maximum capping of Rs. 2,00,000/-	2nd Time and onwards- 50% escalation	Material
22*	Maintenance of website: a) Member has not maintained website. b) Any modification in the URL which member failed to report to the Exchange. c) The URL provided by the Members is not working.	Advise + direction to comply within 30 days	2nd time (in same FY) - Rs.25,000/- + direction to comply within 30 days 3rd time & Onwards (in same FY) - 50% escalation + direction to comply within 30 days	Financial Disincentive

Sr No	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
23*	Not obtaining prior approval for setting up Wholly Owned Subsidiaries, Joint Ventures abroad, where required	Warning + direction to apply for approval within 30 days	2nd Time & onwards (in same FY) - Rs 10,000/-per instance	Material
24*	Non adherence to provisions related to term of appointment of Statutory Auditor	Warning + Direction to comply within 90 days If direction is not complied within 90 days- Rs. 1,00,000/-	-	Material
25*	Non participation in mock trading / Simulated environment for all algo IDs as prescribed from time to time	For unsatisfactory response to exchange- Suspension of proprietary trading right of the stock broker / trading member for a minimum period of one trading day.	-	Material
26	Non-Submission of periodic AI/ ML details	For Non-QSB Members - Rs. 5000/- per instance For QSB Member - Rs. 10,000/- per instance	-	Financial Disincentive
27@	Non submission/delayed submission of Daily MTR file to Exchange	1. Charges Rs. 1,500/- per day till first 7 calendar days or submission of report, whichever is earlier 2. Charges of Rs. 2,500/- per day from 8th calendar day to 21st calendar day or submission of report, whichever is earlier 3. In case of non-submission of report till	-	Financial Disincentive

Sr No	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		21st calendar days, new client registration shall be prohibited and notice of 7 calendar days for disablement of trading facility till submission of report, shall be issued. 4. The disablement notice issued to the member will be shared with all the Exchanges for information. 5. In case of non-submission of report by 28th calendar day, Member shall be disabled in all segments till submission of report.		

Note - For non-compliances with respect to Technical Glitches to prevent Business disruptions, actions as prescribed under Exchange circular MCX/TECH/015/2026 dated January 09, 2026 shall continue.

Annexure 1.4 - Actions for non-compliances observed during handling of Investor grievances.

Sr. No	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
1	Member has not displayed the following information: a) SCORES/SMARTODR (Website and welcome kit given to investors at the time of registration) i) Process and registration of SCORES portal / complaint on SMART ODR ii) Mandatory details (Name, PAN, Address, Mobile No., Email ID) for filing complaints on SCORES / SMARTODR iii) Benefit of SCORES / SMARTODR b) Information about the grievance redressal mechanism as specified by SEBI circulars (Website and display at all the TM and APs offices) c) Investor Grievances "escalation matrix" on the	Advise + direction to comply within 30 days.	2nd time- Rs. 10,000/- + direction to comply within 30 days. 3rd time & onwards- 50% escalation on previous + direction to comply within 30 days.	Financial Disincentive

Sr. No	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
	website and mobile application under the 'Contact Us' page. (Website) d) Complete data on complaints received against them or against issues dealt by them and redressal thereof submitted to the Exchange within prescribed timelines and format (Website) e) Investor charter with relevant details on a separate page, with link on TM's website homepage (Website, prominent places in the office and part of account opening kit to the clients, through e-mails/ letters etc) f) Dissemination of the provisions of the SEBI circular SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/135 dated July 31, 2023 (and its update from time to time on the Website)			
2	Member has not complied with the mechanism of Online dispute resolution	Advise + direction to comply within 30 days.	2nd time- Rs. 10,000/- + direction to comply within 30 days.	Financial Disincentive

Sr. No	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
			3rd time & onwards- 50% escalation on previous + direction to comply within 30 days.	
3	Member has not taken adequate steps for redressal of grievances of the clients in specified timeline.	Rs. 1,000 per case, per day	-	Material
4	Unauthorized trading by the broker as established per arbitration award.	Rs. 50,000/- per case or 3% of admissible claim value, whichever is higher. (Subject to Maximum cap of Rs. 5,00,000/-)In addition to the above penalty,a) Member shall be referred to Inspection.b) The Member shall be debarred from taking new clients for a period of one month, in case 10 complaints are determined to be unauthorized trading cases by Arbitration in the preceding quarter.c) If the number of unauthorized cases persist as stated in (II b) above for three consecutive quarters such Member shall be debarred from taking new client / Authorized Person (APs) for a period of three months and the case shall be placed before the relevant Committee for action.	-	Material

Annexure 1.5 - Actions for non-compliances observed during Surveillance activities

Sr. No	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
1#	Surveillance Obligation Quarterly Reporting	1. From 16th day till 20th day- Advise 2. From the 21st calendar day to 25th day or submission of report, whichever is earlier- Rs. 500/-per day for Non QSB & Rs. 1,000/- per day for QSB . 3. In case of non-submission of report till 25th calendar days, new client registration shall be prohibited and notice of 5 calendar days for disablement of trading facility till submission of report, shall be issued. The disablement notice issued to the member will be shared with all the Exchanges for information. 4. In case of non-submission of report by 30th calendar day, Member shall be disabled in all segments till submission of report. (As per MCX Circular MCX/S&I/796/2020 dated October 26, 2020, MCX Circular MCX/S&I/212/2025 dated April 29, 2025)	2nd Time & Onwards- Levy of applicable monetary penalty along with an escalation of 50%. 1. In case of non-submission of report till 25th calendar days, new client registration shall be prohibited and notice of 5 calendar days for disablement of trading facility till submission of report, shall be issued. The disablement notice issued to the member will be shared with all the Exchanges for information. 2. In case of non-submission of report by 30th calendar day, Member shall be disabled in all segments till submission of report.	Material
2@	Unique Identifier for Algorithms	Penalty of Rs. 20,000/- per instance After 3 instances Rs 50,000/- per instance	-	Material

Sr. No	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		After 10 instances Rs 1,00,000/- per instance (for incremental instances) (Instance is defined as an event of violation for a NNF id for a day. The penalty would be computed at NNF id level and number of day basis wherein such untagged/incorrect NNF id has been used by the trading member. Instance violation count shall be computed based on rolling 3 months. Surrendered algo id shall also be considered as an unregistered id.)		
3@	Quote Stuffing	Trading Members having excessive order messages with nil or low trade count will attract penalty as per the below criteria. Also note that the computation of order messages and trade count will be done separately for equity, equity derivatives and currency derivatives segment at unique algo and dealer level (Algo id + Dealer user id level). 1. Where Order messages count of 10 lakhs or above with '0' trade count for a particular trade date. 2. Where Order messages count of 20 lakhs or above with '10' trade or less for a particular trade date. For computation of penalty the above instances should be quality and accordingly the following penalty will be levied. 1. Rs. 20,000/- per instance, in case 3 instances of violation observed in rolling 1 month. 2. Post levy of point No 1, penalty of Rs. 25,000/- shall be levied for every incremental instance of violation.	-	Material

Sr. No	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
4@	Order modifications without change in price and quantity	Penalty will be levied in case of excessive order modifications without change in price and quantity based on the number of modifications observed as per the below structure 1. Between 10,000 to 50,000 modifications: Penalty of Rs. 20,000/- per day 2. More than 50,000 modifications: Stopping the algo strategy and Penalty of Rs. 50,000/- per day	-	Material
5@	High algo order messages in stock/contract with Nil or low trade count	Computation of symbol/contract ratio: Count of order messages(Algo)/Count of Trades (Algo) Order Messages = Order Entry + Order Modification + Order Cancellation Penalty of Rs. 20,000/- will be levied in case the above ratio for any symbol/contract is more than 500 for 3 consecutive months in a particular segment.	-	Material
6@	Market Orders emanating from Algo	Penalty of Rs. 1000/- per order up to a maximum of Rs 1,00,000/- per day at member level	-	Material
7@	Non-algo id pumping excessive order messages	Penalty of Rs. 20,000/- per instance After 3 instances Rs. 50,000/- per instance After 10 instances Rs. 1,00,000/- per instance (for incremental instances) Instance is defined as an event of violation for a NNF id for a day. Post establishment that the NNF id is	-	Material

Sr. No	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		algo, penalty shall be levied. Penalty shall be levied (for each NNF id) starting from the first date of alert raised by the Exchange until the unregistered algo has been used by the trading member. The penalty would be computed at NNF id level and number of day basis wherein such NNF id has been used by the trading member. Instance violation count shall be computed based on rolling 3 months.		
8*@	The participant wise position limit monitoring for End of the day breaches (other than passive breaches during the month as prescribed from time to time through exchange/ SEBI circular) at Trading Member level for Index Futures and Index Options contracts shall be higher of Rs.7500 crores or 15% of the total open interest in the market in equity index futures and index options	Instances of Position Limit violations Monetary Penalty to be levied 1st instance - NIL 2nd to 5th instance - Rs. 5,000/- per instance 6th to 10th instance Rs. 20,000/-(for 2nd to 5th instance) + Rs. 10000/- per instance from 6th to 10th instance 11th instance onwards Rs. 70,000/- (From 2nd -10th instance) + Rs. 1,000 * Cumulative no. of instances from 11th instance onwards (i.e. Rs 11,000 for 11th instance, Rs 12,000/- for 12th instance and so on). Additionally, the members will be referred to the relevant authority for suitable action	-	Material

Sr. No	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
	contracts			
9@	Violation for Non-participation in a scrip in a month	For Across Scrip in a month - Up to 1 day - Warning Letter to be issued For 2 days - Rs. 2,500/-More than 2 days and up to 5 days - Rs. 5,000/-More than 5 days and up to 7 days - Rs. 15,000/-More than 7 days and up to 15 days - Rs. 25,000/-More than 15 days in a month - Rs. 50,000/- and intimation to merchant banker to consider appointing new market maker	For Across Scrip in a month - 2nd Time & Onwards - Up to 1 day- Rs. 1,000/- for every single day. For 2 to 15 days - 50% escalation. More than 15 days in a month - Rs. 50,000 + 50% Escalation + intimation to merchant banker to consider appointing new market maker and the non-compliant market maker will not be allowed to take any new assignment for up to 36 months.	Financial Disincentive
10@	Monitoring of Foreign Investment limits in listed Indian companies	Below penalty to be levied when Trading Member buying on behalf of their FPI/NRI clients in scripts where aggregate FPI/NRI/sector cap has been breached Penalty shall be at 0.10% of the total value or Rs.50,000/- whichever is higher per security.	-	Material
11@	Failure to act as a Market Maker for a period as mutually decided between the Merchant Banker and the market maker	Rs. 25,000/-	2nd Time & Onwards - Rs. 50,000/- + non-entitlement to apply for allotting any scrip for a period of 6 months	Financial Disincentive

Sr. No	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
12#@	OTR (Equity)	Daily Algo Order to Trade Ratio- Revised Charges Less than 50- NIL, 50 to less than 250 (on incremental basis)- 2 Paise250 to less than 500 (on incremental basis)- 10 Paise500 to less than 1000 (on incremental basis)- 15 Paise1000 to less than 2000 (incremental Basis)- 20 Paise2000 or more than 2000 incremental Basis)- 25 Paise In addition to the above, in case, if the ratio is 2000 or more on three occasions in the previous thirty trading days (on rolling basis), the concerned member shall not be permitted to place any orders for the first 15 minutes on the next trading day as a cooling off action. In Equity Derivatives and Currency Derivatives segment, the current mechanism of permitting to enter orders in risk reduction mode shall continue. However, in Equity segment member shall be able to place orders only after 15 minutes of the normal market open. In order to discourage repetitive instances of high daily order-to-trade ratio, there will be an additional penalty in form of suspension of proprietary trading right of the trading member for the first trading hour on the next trading day in case a trading member is penalized for maintaining high daily order to trade ratio, provided penalty was imposed on the trading member on more than ten occasions in the previous thirty trading days (on rolling basis).	-	Material
13#	OTR (Commodities)	Daily Algo Order to Trade Ratio- Revised Charges Less than 50- NIL50 to less than 250 (on incremental basis)- 1 Paise250 to less than 500 (on incremental	Additional measures for repeat offenders is as under, prescribed by the Exchange.	Material

Sr. No	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		basis)- 5 Paise500 or more than 500 (on incremental basis)- 5 Paisa In case of order to trade ratio exceeding 500, concerned member is not allowed to put orders for 15 minutes (except square off orders) on the next trading day.(Exchange Circular No: MCX/CTCL/223/2025 dated April 30, 2025)	>3 days during the month 100% additional charges>7 days during the month 300% additional charges>30 days during the Quarter 100% additional charges. It may further be noted that: The algorithmic orders entered and/ or modified within 1% of the last traded price(LTP) of the respective contract shall not be included in the calculation of the aforesaid order-to-trade ratio, viz. ((Absolute (Limit price – LTP)/LTP) <= 1%).The above penalty structure is applicable for only those members who have placed 10,000 algorithmic orders or more in a day.	

Annexure 1.6 - Actions for non-compliances observed during Investigation activities

Sr. No	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
1	Non-Liquidation from Error account within 3 trading days (except for reasons beyond the control of the member)	Advise + direction to comply within 07 days	-	Financial Disincentive
2	Client Code modification to/ from a Non-Institutional code except where original client and modified client are same	The following penalty structure will be applicable: a) ("a" as % of "b") is <= 5 - 1% of "a" as penalty b) ("a" as % of "b") is > 5 - 2% of "a" as penalty Where: “a” = Value (turnover) of institutional/non-institutional trades where client codes have been modified by a trading member in a segment during a calendar month. “b” = Value (turnover) of institutional/non-institutional trades of the trading member in the segment during the calendar month. (As per MCX Circular MCX/S&I/644/2024 dated September 27, 2024, Circular MCX/S&I/212/2025 dated April 29, 2025)	-	Material
3	Non maintenance of Single Designated Error account.	Advise + direction to comply	2nd Time & Onwards - 10,000/- per month Further, after 3 months disciplinary action shall be initiated.	Financial Disincentive

Sr. No	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
			(MCX Circular MCX/S&I/644/2024 dated September 27, 2024, MCX Circular MCX/S&I/212/2025 dated April 29, 2025)	
4	Modification between two unrelated institutional entities.	The following penalty structure will be applicable: a) ("a" as % of "b") is <= 5 - 1% of "a" as penalty b) ("a" as % of "b") is > 5 - 2% of "a" as penalty Where: “a” = Value (turnover) of institutional/non-institutional trades where client codes have been modified by a trading member in a segment during a calendar month. “b” = Value (turnover) of institutional/non-institutional trades of the trading member in the segment during the calendar month. (MCX Circular MCX/S&I/644/2024 dated September 27, 2024, MCX Circular MCX/S&I/212/2025 dated April 29, 2025)	-	Financial Disincentive
5@	Frequent Client Code Modification including Offline trades transferred to Error Account through DVP Mechanism	The following penalty structure will be applicable: a) ("a" as % of "b") is <= 5 - 1% of "a" as penalty b) ("a" as % of "b") is > 5 - 2% of "a" as penalty Where: “a” = Value (turnover) of institutional/non-institutional trades where client codes have been	-	Financial Disincentive

Sr. No	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		modified by a trading member in a segment during a calendar month. “b” = Value (turnover) of institutional/non-institutional trades of the trading member in the segment during the calendar month.		
6#	The abnormal / non-genuine trades are executed by the market participants primarily with an objective of transferring profit / loss between the concerned entities.	Penalty of 100% of profit earned / loss incurred in abnormal / non-genuine transactions.	-	Material
7	Modification from ERROR account to other Client account.	Penalty at the rate of 2% of traded value will be levied.	2nd Time & Onwards - In addition to the penalty levied further disciplinary action as deemed fit would be initiated.	Financial Disincentive
8@	Modification/Transfer of trades otherwise than on the Exchange trading platform or for purposes other than permitted, including DVP trades	a. Up to 5% of value (Turnover) - penalty of 1% of value (turnover) modified b. In excess of 5% of value (turnover)- Penalty of 2% of value (turnover) modified	2nd time - 50% escalation 3rd Time & Onwards- 100% Escalation	Material
9	Code modification (transfer of trades) for non-genuine purpose like profit loss transfer	a. Up to 5% of value (Turnover) - penalty of 1% of value (turnover) modified b. In excess of 5% of value (turnover)- Penalty of 2% of value (turnover)	2nd time - 50% escalation 3rd Time & Onwards- 100% Escalation	Material

Sr. No	Details of Contravention	Action in case of first instance	Action in case of repeat instance	Tag
		modified		
10@	Buying of scrips from the promoters or any persons belonging to the promoter group or any person who has acquired securities from such promoters or promoter group during the compulsory market-making period	Rs. 1,00,000/-	2nd Time & Onwards - Suspension as Market Maker+ Market maker will not be allowed to take any new assignment for six months.	Material
11*	a) Liquidation of trade in "Error" account before transfer of trade in "Error" account b) Transfer of both legs of trades to "Error" account, instead of transferring original trade to error account, followed by liquidation from error account	Rs. 10,000/- per instance	-	Financial Disincentive
12*	Fresh trades are executed in "Error" account other than liquidation purpose	Advice	2nd time - Warning 3rd time onwards - Rs. 5,000/-	Financial Disincentive

Public

ANNEXURE 26

LIST OF RESCINDED AND MODIFIED CIRCULARS

Sr. No	Ciruclar No	Date	Topic
1	SEBI/MIRSD/Cir.No. 02/2010	18-01-2010	Mandatory Requirement of "In-Person" Verification of clients
2	CIR/MIRSD/22/2011	25-10-2011	In-person verification (IPV) of clients by subsidiaries of Stock Exchanges, acting as Stock Brokers
3	MIRSD/Cir-23/2011	02-12-2011	The Securities And Exchange Board of India (KYC Registration Agency) Regulations, 2011
4	MIRSD/Cir-26 /2011	23-12-2011	Uploading KYC information with KYC Registration Agency KRA
5	MIRSD/CIR-5/2012	13-04-2012	Uploading of The Existing Clients' KYC Details In The KYC Registration Agency (KRA) System by The Intermediaries
6	CIR/MIRSD/09/2012	13-08-2012	Aadhaar Letter As Proof of Address For Know Your Client (KYC) Norms
7	CIR/MIRSD/12/2012	21-09-2012	Processing of investor complaints against KRA {KYC (Know Your Client) Registration Agency} in SEBI Complaints Redress System (SCORES)
8	CIR/MIRSD/01 /2013	04-Jan-13	Rationalization process for obtaining PAN by Investors
9	CIR/MIRSD/01/2013	04-01-2013	Rationalisation Process For Obtaining PAN by Investors
10	CIR/MIRSD/2/2013	24-01-2013	Guidelines on Identification of Beneficial Ownership
11	CIR/MIRSD/2/2013	24-01-2013	Guidelines On Identification of Beneficial Ownership
12	CIR/MIRSD/ 4 /2013	28-03-2013	Amendment to SEBI {(Know Your Client) Registration Agency} Regulations, 2011 and relevant circulars
13	CIR/MIRSD/09/2013	08-10-2013	For Know Your Client Requirements
14	CIR/MIRSD/13/2013	26-12-2013	For Know Your Client Requirements
15	CIR/MIRSD/1/2015	04-03-2015	Saral Account Opening Form For Resident Individuals
16	CIR/MIRSD/29/2016	22-01-2016	Know Your Client Requirements - Clarification On Voluntary Adaptation of Aadhaar Based E-KYC Process
17	CIR/MIRSD/64/2016	12-Jul-16	Simplification of Account Opening Kit
18	CIR/MIRSD/66/2016	21-07-2016	Operationalisation of Central KYC Records Registry (CKYCR)
19	SEBI/HO/CDMRD/DRMP/CIR/P/2016/80	07-09-2016	Mechanism for regular monitoring of and penalty for short collection/ non collection of margins

20	SEBI/HO/CDMRD/DRMP/CIR/P/2016/93	26-09-2016	Commodity Derivatives- Miscellaneous norms
21	MCX/INSP/325/2016	29-09-2016	Penalties for other violations
22	CIR/MIRSD/120/2016	10-11-2016	Uploading of The Existing Clients' KYC Details With Central KYC Records Registry (CKYCR) System by The Registered Intermediaries
23	MCX/INSP/174/2017	09-06-2017	Format of revised Contract Note
24	MCX/INSP/248/2017	25-07-2017	Submissions for Enhanced Supervision of Stock Brokers
25	CIR/HO/MIRSD/MIRSD2/CIR/P/2017/108	26-09-2017	Prevention of Unauthorised Trading by Stock Brokers
26	MCX/INSP/400/2017	30-10-2017	Revised Penalty Structure
27	CIR/HO/MIRSD/MIRSD2/CIR/P/2017/124	30-11-2017	Prevention of Unauthorised Trading by Stock Brokers
28	CIR/HO/MIRSD/MIRSD/CIR/P/2018/09	11-03-2018	Prevention of Unauthorised Trading by Stock Brokers
29	MCX/INSP/127/2018	02-04-2018	Weekly submission of Clients' Funds lying with the members
30	MCX/INSP/127/2018	02-04-2018	Weekly submission of Clients' Funds lying with the members
31	SEBI/HO/CDMRD/DMP/CIR/P/2018/134	09-10-2018	Participation of Eligible Foreign Entities (EFEs) in the commodity derivatives market
32	MCX/INSP/468/2018	13-11-2018	Revised penalty for dealings in cash with clients/other entities
33	SEBI/HO/IMD/DF1/CIR/P/2019/066	22-05-2019	Participation of Portfolio Managers in Commodity Derivatives Market in India
34	MCX/TRD/267/2019	22-05-2019	Participation of Portfolio Managers in Commodity Derivatives Market in India
35	SEBI/HO/MIRSD/DOP/CIR/P /2019/111	15-10-2019	Cyber Security &Cyber Resilience framework for KYC Registration Agencies
36	MCX/INSP/602/2019	23-10-2019	Penalties for the non-compliances / violations reported in the Internal Audit Report (IAR)
37	SEBI/HO/MIRSD/DOP/CIR/P/2 019/123	05-11-2019	E-KYC Authentication Facility Under Section 11A of The Prevention of Money Laundering Act, 2002 by Entities In The Securities Market For Residents Investor
38	MCX/INSP/712/2019	18-12-2019	Revised penalty structure for false / incorrect reporting of Margin collected (from clients) to the Exchange (Penalty for the instances of false / incorrect reporting of margin occurred from September 01, 2019).
39	SEBI/HO/MIRSD/DOP/CIR/P/2 020/73	24-04-2020	Clarification On Know Your Client (KYC) Process And Use of Technology For KYC

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40	SEBI/HO/MIRSD/DOP/CIR/P/2 020/80	12-05-2020	Entities Permitted To Undertake E-KYC Aadhaar Authentication Service of UIDAI In Securities Market
41	MCX/INSP/397/2020	05-06-2020	Penalty Structure for Non-compliance in Handling of Clients' Securities by Members
42	SEBI/HO/MIRSD/DOP/CIR/P /2020/167	08-09-2020	Entities Permitted To Undertake E-KYC Aadhaar Authentication Service of UIDAI In Securities Market – Addition of NSE To The List
43	MCX/INSP/659/2020	09-09-2020	Short reporting of margin shall not to be passed on to the clients
44	MCX/ISD/955/2020	18-12-2020	Penalty structure for Late / Non submission of undertaking to freeze the bank account pursuant to SOP in the cases of Trading Member leading to default
45	MCX/INSP/962/2020	22-12-2020	Penalty structure for Non closure of Client Collateral / Client Margin Trading Securities demat accounts
46	MCX/INSP/124/2021	26-02-2021	Penalty structure for Late/Partial/Non submission of undertaking/authorization to Exchange to access the information/statements pertaining to all bank accounts (maintained by members) from Banks
47	MCX/INSP/125/2021	26-02-2021	Penalty structure for Non-closure of bank account maintained in excess of 30 (nos.) named as "Stock Broker - Client Account" by December 31, 2020
48	SEBI/HO/MIRSD/DOP/CIR/P/2 021/31	10-03-2021	Rollout of Legal Entity Template
49	MCX/INSP/590/2021	14-09-2021	Penal / Disciplinary Actions for Incorrect submission of data towards Holding Statement
50	MCX/INSP/590/2021	14-09-2021	Penal / Disciplinary Actions for Non / Late submission of data towards Cash and Cash Equivalents
51	MCX/INSP/676/2021	22-10-2021	Submission of data towards monitoring of client funds under Enhanced Supervision Guidelines
52	MCX/INSP/005/2022	05-01-2022	Submission of data towards monitoring of client funds under Enhanced Supervision Guidelines
53	MCX/INSP/152/2022	14-03-2022	Penalty structure for Non-issuance of 'Statement of Accounts' for funds, securities and commodities on weekly basis to clients
54	MCX/INSP/153/2022	14-03-2022	Material wrong submission or incorrect submission of Cash & Cash Equivalent Balances and

55	SEBI/HO/MIRSD/DoP/P/CIR/ 2022/74	30-05-2022	Modification in Cyber Security and Cyber resilience framework of KYC Registration Agencies (KRAs)
56	SEBI/HO/MIRSD/DoP/P/Cir/2 022/89	24-06-2022	Implementation of Circular on 'Guidelines in pursuance of amendment to SEBI KYC (Know Your Client) Registration Agency (KRA) Regulations 2011
57	SEBI/HO/MIRSD/DoP/P/CIR/2022/91	30-06-2022	Implementation of Circular on 'Execution of 'Demat Debit and Pledge Instruction' (DDPI) for transfer of securities towards deliveries / settlement obligations and pledging / re-pledging of securities' - Extension
58	SEBI/HO/MIRSD/TPD/P/CIR/ 2022/95	05-07-2022	Modification in Cyber Security and Cyber resilience framework of KYC Registration Agencies (KRAs)
59	SEBI/HO/MIRSD/DoP/P/Cir/2 022/89	20-07-2022	Entities allowed to use e-KYC Aadhaar Authentication Services of UIDAI in Securities Market as Sub KUA
60	SEBI/HO/MIRSD/SEC5/0/CIR/2022/100	27-07-2022	Implementation of Circular on 'Guidelines in pursuance of amendment to SEBI KYC (Know Your Client) Registration Agency (KRA) Regulations 2011'
61	MCX/ISD/638/2022	10-11-2022	Investor Charter – Escalation Matrix
62	MCX/ISD/671/2022	25-11-2022	Addendum to Investor Charter – Escalation Matrix
63	SEBI/HO/MIRSD/DoP/P/CIR/2022/162	25-11-2022	Extensionof timelines for implementation of SEBI circulars SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2022/137and SEBI/HO/MIRSD/DoP/P/CIR/2022/119
64	SEBI/HO/MIRSD/MIRSD-SEC-5/P/CIR/2023/022	03-02-2023	Guidelines on Anti-Money Laundering (AML) Standards and Combating the Financing of Terrorism (CFT) /Obligations of Securities Market Intermediaries under the Prevention of Money Laundering Act, 2002 and Rules framed there under
65	MCX/INSP/079/2023	07-02-2023	Guidelines on Anti-Money Laundering (AML) Standards and Combating the Financing of Terrorism (CFT) /Obligations of Securities Market Intermediaries under the Prevention of Money Laundering Act, 2002 and Rules framed there under
66	SEBI/HO/MIRSD/SEC5/P/CIR/2023/0026	08-02-2023	Entities allowed to use e-KYC Aadhaar Authentication Services of UIDAI in Securities Market as Sub KUA
67	MCX/INSP/233/2023	05-04-2023	Penalty Structure for Late/Non-submission of Reporting requirement on Settlement of Running Account of Clients' Funds

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68	MCX/INSP/233/2023	05-04-2023	Penalty Structure for Late/Non-submission of Reporting requirement on Settlement of Running Account of Clients' Funds
69	MCX/INSP/367/2023	09-06-2023	Upstreaming of clients' funds by Stock Brokers (SBs) / Clearing Members (CMs) to Clearing Corporations (CCs)
70	MCX/INSP/441/2023	30-06-2023	Implementation of circular on upstreaming of clients' funds by Stock Brokers (SBs) /Clearing Members (CMs) to Clearing Corporations (CCs)
71	MCX/INSP/585/2023	01-09-2023	Penalty Structure related to provisions of Upstreaming of clients' funds by Stock Brokers (SBs) / Clearing Members (CMs) to Clearing Corporations (CCs) and Bank Guarantees (BGs) created out of clients' funds.
72	MCX/INSP/585/2023	01-09-2023	Penalty Structure related to provisions of Upstreaming of clients' funds by Stock Brokers (SBs) / Clearing Members (CMs) to Clearing Corporations (CCs) and Bank Guarantees (BGs) created out of clients' funds.
73	SEBI/HO/MIRSD/POD-1/P/CIR/2023/193	27-12-2023	Extension of timelines for providing 'choice of nomination' in eligible demat accounts and mutual fund folios
74	MCX/INSP/935/2023	28-12-2023	Extension of timelines for providing 'choice of nomination' in eligible demat accounts and mutual fund folios
75	MCX/INSP/180/2024	26-03-2024	Submission of Internal Audit Report for the half year ended on March 31, 2024
76	MCX/INSP/231/2024	16-04-2024	Risk Based Supervision
77	MCX/INSP/438/2023	30-06-2024	Risk Based Supervision
78	MCX/INSP/531/2024	12-08-2024	SEBI - Master Circular for Stock Brokers
79	MCX/INSP/531/2024	12-08-2024	SEBI - Master Circular for Stock Brokers
80	SEBI/HO/MIRSD/MIRSD-PoD 1/P/CIR/2024/110	09-09-2024	SEBI - Master Circular for Stock Brokers
81	MCX/INSP/820/2024	16-12-2024	Penalty Structure for failure to implement the Framework to provide the Facility of Voluntary Freezing / Blocking of Trading Accounts
82	MCX/INSP/151/2025	26-03-2025	Annual Calendar for Settlement of Running Account of clients' funds lying with the Trading Members
83	MCX/INSP/204/2025	25-04-2025	Penalty structure for non-compliance with oversight of Authorised Persons by the trading members

84	MCX/INSP/270/2025	28-05-2025	Penalty structure on Members where Members / their Employees / Authorised Persons (APs) use their contact details for clients account opening or for existing clients
85	MIRSD/Cir-26/2011	23-Dec-11	Guidelines In Pursuance of The SEBI KYC Registration Agency (KRA) Regulations, 2011 And For In-Person Verification (IPV)
86	SEBI/HO/MIRSD/FATF/P/CI R/2023/0144	11-Aug202	Simplification of KYC process and rationalisation of Risk Management Framework at KYC (Know Your Client) Registration Agencies (KRAs)

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ANNEXURE 27 LIST OF CIRCULARS MODIFIED

Sr No	Circular No. and date		Subject
1	CIR/MIRSD/16/2011	22-08-2011	Simplification and Rationalization of Trading Account Opening Process.
2	MIRSD/SE/CIR-21/2011	05-Oct-11	Uniform Know Your Client (KYC) Requirements For The Securities Markets

ANNEXURE 28

FORMAT OF THE STATEMENT OF ACCOUNTS FOR FUNDS.

Statement of Accounts of Securities/Commodities for the period from _____ to _____ (Monday to Saturday)

Statement of Account reflecting Clear Balance as on the last date of statement:

Transaction Date	Execution Date	Clearing Corporation/Clearing Member	Segment Type	Unique Client Code (UCC)	Back Office Client Code	Client Name	Client PAN	Member Demat Account No.		Counterparty Demat Account No.		Settlement No.	ISIN Code	Scrip / Commodity Name	Quantity Delivered (Qty.)	Quantity Received (Qty.)	Balance (Qty.)	Trf. Ref. No.	Transaction Type	Purpose
								To	From	To	From									

Pending Obligations as on _____ (as on Saturday):

Transaction Date	Execution Date	Clearing Corporation/Clearing Member	Segment Type	Unique Client Code (UCC)	Back Office Client Code	Client Name	Client PAN	Member Demat Account No.		Counterparty Demat Account No.		Settlement No.	ISIN Code	Scrip / Commodity Name	Quantity Delivered (Qty.)	Quantity Received (Qty.)	Balance (Qty.)	Trf. Ref. No.	Transaction Type	Purpose
								To	From	To	From									

Statement of Accounts of Funds for the period from _____ to _____ (Monday to Saturday)

Statement of Account reflecting Clear Balance as on the last date of statement:

Unique Client Code (UCC)	Back Office Client Code	Client Name	Client PAN	Transaction Date	Settlement Date	Clearing Corporation/Clearing Member	Segment Type	Settlement No.	Bill/Chq No.	Transaction Type	Particulars / Narration	Voucher No.	Debit (Rs.)	Credit (Rs.)	Balance (Rs.)

Pending Obligations/Uncleared cheques as on _____ (as on Saturday):

Unique Client Code (UCC)	Back Office Client Code	Client Name	Client PAN	Transaction Date	Settlement Date	Clearing Corporation/Clearing Member	Segment Type	Settlement No.	Bill/Chq No.	Transaction Type	Particulars / Narration	Voucher No.	Debit (Rs.)	Credit (Rs.)	Balance (Rs.)