NATIONAL STOCK EXCHANGE OF INDIA LIMITED

DEPARTMENT : INSPECTION	
Download Ref.No.: NSE/INSP/36784	Date : January 19, 2018
Circular Ref.No.: 316/2018	

To All Members

Sub : Amendment to indicative penalty structure

This is in supersession to Exchange Circular No.328/2017; Download Ref. No: NSE/INSP/36581 dated December 26, 2017.

The penalty provision for unauthorised trading stands modified as below:-

Details of contravention	**Penalty**
Unauthorised trading determined by Investor Grievance Redressal Panel ("IGRP") /Arbitration.	i. Monetary Penalty of Rs. 10,000/- for every unauthorised trading as determined by IGRP/Arbitration, upto a maximum penalty of Rs.10 lacs, and ii. Member will be debarred from taking new clients for a period of one month in case 25% of all the complaints (not less than 10) placed before IGRP/Arbitration in the immediately preceding calendar quarter are determined by it to be unauthorised trades. iii. Where the number of unauthorised trades as per the numbers indicated at (ii) persist for three consecutive quarters, the member concerned will be debarred from taking new clients for a period of three months. iv. Beyond this, the case will be placed before DAC.

The aforesaid measures are applicable from January 1, 2018 onwards.

Members are requested to take note of the same.

For and on behalf of
National Stock Exchange of India Limited

Dr. Dinesh Kumar Soni
Head-Inspection & Exchange Compliance

In case of any clarifications, Members may contact below offices:

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