National Stock Exchange Of India Limited

Department : Inspection

Download Ref No: NSE/INSP/47277	Date : February 08,2021
Circular Ref. No: 06/2021	

To All Trading Members,

Sub: Penalty structure for Non closure of bank account named as "Stock Broker - Client Account" in excess of 30 by December 31,2020

This has reference to Exchange circulars NSE/INSP/46280, NSE/INSP/46469 and NSE/INSP/46729 dated November 06, 2020, November 27, 2020 and December 18, 2020 on Guidelines for maintaining client bank accounts by the Trading Members wherein trading members were advised to close the excess bank accounts named as "Name of Stock Broker - Client Account" by December 31, 2020.

Exchange has formulated an indicative penalty structure for any non-compliance of the provisions of the aforementioned circulars. The penalty structure is enclosed at **Annexure A.**

The structure is indicative in nature and the Relevant Authority of the Exchange may, on case to case basis and based on the gravity of the violation, deal with such non-compliances.

All Members are advised to take note of the above and comply.

For and on behalf of

National Stock Exchange of India Limited

Subhankar Chowdhury
Senior Manager-Inspection

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

Regional Office	E MAIL ID
Ahmedabad (ARO)	inspectionahm@nse.co.in
Chennai (CRO)	inspection_cro@nse.co.in
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Annexure A

Penalty structure for Non closure of bank account named as "Stock Broker - Client Account" in excess of 30 by December 31 ,2020

Details of contravention	Disciplinary Action/Charges
Non-closure of bank account named as "Stock Broker - Client Account" in excess of 30 by December 31,2020.	Rs. 20,000/- per account and Total maximum penalty capped to Rs. 100,000/- if the excess client bank accounts are not closed by February 28, 2021. Non closure of client bank account till March 08, 2021- Member will not be allowed to register any new clients in Exchange UCC database. Registration of new clients will be allowed only after closure of excess client bank accounts. Non closure of client bank account till March 15, 2021-Letter for disablement giving 15 days' notice will be sent. Member to be disabled in all Exchanges in case account is not closed by March 31, 2021.