

Annexure 4

Penalties /disciplinary action(s) for violations with financial implications and procedural violations

Sr. No.	Details of Violation/contravention	Penalty/disciplinary actions	Penalty/disciplinary action in case of Repeat violation/contravention
1	Penalty/disciplinary action in case of misuse of client funds and/or securities - as stated in Part A(I) of Circular NSE/INSP/47457 dated Feb 25, 2021	As stated in Part A(I) of Circular NSE/INSP/47457 dated Feb 25, 2021	As stated in Part A(I) of Circular NSE/INSP/47457 dated Feb 25, 2021
2	Penalty/disciplinary action in case of non-settlement of client accounts - as stated in Part A(II) of Circular NSE/INSP/47457 dated Feb 25, 2021	In addition to the penalty as stated in Part A(II) of Circular NSE/INSP/47457 dated Feb 25, 2021, disablement of trading terminals; provided that the disablement shall be considered where the amount not settled is more than Rs. 1 Crore and the clients not settled are more than 10 and till all the clients have been settled to the satisfaction of the Exchange.	In addition to the penalty as stated in Part A(II) of Circular NSE/INSP/47457 dated Feb 25, 2021, disablement of trading terminals; provided that the disablement shall be considered where the amount not settled is more than Rs. 1 Crore and the clients not settled are more than 10 and till all the clients have been settled to the satisfaction of the Exchange.
3	Penalty/disciplinary action in case of other violations with financial implications - as stated in Part A(III) of Circular NSE/INSP/47457 dated Feb 25, 2021 and not being a violation covered specifically in this table	In addition to the penalty as stated in Part A(II) of Circular NSE/INSP/47457 dated Feb 25, 2021, disablement / Suspension of all trading terminals of the member may be directed depending on the frequency and gravity of the observation	In addition to the penalty as stated in Part A(II) of Circular NSE/INSP/47457 dated Feb 25, 2021, disablement / Suspension of all trading terminals of the member may be directed depending on the frequency and gravity of the observation.
4	Penalty/disciplinary action in case of procedural violations - as stated in Part B of Circular NSE/INSP/47457 dated Feb 25, 2021 and not being a violation covered specifically in this table	In addition to the penalty as stated in Part A(II) of Circular NSE/INSP/47457 dated Feb 25, 2021, disablement / Suspension of all trading terminals of the member may be directed depending on the frequency and gravity of the observation	In addition to the penalty as stated in Part A(II) of Circular NSE/INSP/47457 dated Feb 25, 2021, disablement / Suspension of all trading terminals of the member may be directed depending on the frequency and gravity of the observation