

Details of contraventions	Penalty structure
<b>I - Dealings with clients</b>	
<b>Client registration documents</b>	
(a) Not provided / Not executed	Rs. 5,000/- per client
(b) Inclusion of contravening clauses / omission of material details	Rs. 5,000/-
(c) other discrepancy / not in the prescribed format	Advice
(a) Record of in person verification of clients at the time of client registration not maintained	Rs 500 per client
(b) Other discrepancies in carrying out in person verification of clients	Advice
Copy of client registration documents not delivered / Trading Code, UCC and mail id not communicated in writing	Advice
<b>Bank and demat account operations</b>	
(a) Separate clients bank or demat account not maintained	Rs. 5,000/-
(b) Pay in / payout not received from / delivered to respective clients	In excess of 2% of number of instances, fine of Rs 5,000/- else advice
(c) Non-segregation of own and clients' funds or securities	In excess of 2% of number of instances, fine of Rs 5,000/- else advice
(d) Delay in release of payout of funds / securities	In excess of 2% of number of instances, fine of Rs 5,000/- else advice
Use of multiple codes for a client or own trades	Advice
Quarterly statement of accounts for funds or securities not sent	In excess of 2% of number of clients, fine of Rs 5,000/-. Other discrepancies – Advice
Cash dealings with clients	0.1% of the value
Exclusive e-mail id for investors' complaints not created or not displayed	Advice
Transfer of trades / Errors at the time of order entry	In excess of 2% of number of orders executed, fine of 0.1% of value of trades
Evasion of margin	0.1% of the value of trades subject to minimum of Rs 10,000/-
Mis-utilisation of clients' funds and/or securities	Rs. 1,00,000/- or 0.1% of the value of misuse whichever is higher
Excess brokerage charged	<b>First Instance</b> - TM to be advised to refund the excess brokerage  <b>Subsequent</b> - TM to be advised to refund the excess brokerage and fine equal to the excess brokerage charged or Rs 5,000/- whichever is higher
If brokerage not charged at all	Advice

Sharing of brokerage/commission, except as permitted	Advice
Funding to clients (includes activity whereby member is charging interest and allowing further exposure to clients in spite of debit balances)	Rs.10,000/-
Informing the investors / general public about cancellation of registration of its sub-broker(s)	Rs. 5,000/- per instance
Pending Investor complaint	Advice
<b>II - Contract Notes</b>	
Non issue of Contract Notes	Rs. 10,000/-
Issued with material discrepancies / Duplicates or copies or proof of dispatch of contract notes not maintained/ Consent of client not obtained for sending ECN/ Not issued within 24 hours of trade execution/ Not signed by authorized signatory	Rs.5,000/-
ECN Log report not maintained in case of bounced back mails, ECN not displayed on website, ECN's sent to Email accounts other than those created / provided by clients	Rs. 5,000/-
Contract Note issued otherwise than in format prescribed by the Exchange	Advice
Contract note issued without pre-printed serial no.	Advice
Issuance of False Contract Notes	Penalty of 2% of the value of the false contract note subject to a minimum cap of Rs.10,000/- to be levied for issuance of False Contract Note
<b>III - Margin Trading</b>	
Margin trading facility in scrip's other than permitted	Rs. 10,000/-
Short collection of margin in excess of 20%	Rs. 10,000/-
Other procedural contraventions	Rs. 10,000/-
Agreement not executed with clients	Rs. 5,000/- per client
<b>IV - Trading System &amp; Office Management</b>	
Unauthorised extension of terminal	Rs. 10,000/- per terminal
Non-display of notice board or SEBI registration certificate	Rs. 5,000/-
Non-appointment of compliance officer	Rs. 5,000/-
Execution of trades on own account from locations other than those permitted by the Exchange	Rs. 5,000/-
<b>Non-compliance with PMLA requirements</b>	
(a) Non maintenance of Written procedures relating to PMLA	Rs. 5,000/-
(b) Non Appointment of Principal Officer/ Non Intimation of change of Principal officer to FIU Delhi	
(c) Non-Implementation of systems in place to monitor, identify suspicious transaction and procedures for reporting the same to FIU Delhi	

(d) Non Adoption of customer due diligence	Advice
(e) Non Maintenance of records of transactions and on going training to staff members	Advice
Submitting wrong of Compliance Certificate	Rs. 10,000/-
TM involved in business other than securities business	Rs.25,000/- and /or suspension
<b>V - Books of Accounts</b>	
Non-maintenance of client ledger	Rs. 10,000/-
Segregation of Exchange wise client ledgers not maintained	Rs. 10,000/-
Client ledger not maintained properly	Rs. 5,000/-
Client-wise Scrip wise Register of securities not maintained	Rs. 10,000/-
Register of Securities not in the prescribed format	Advice
Discrepancies / Incorrect details in Register of Securities	Rs. 5,000/-
Books (Except Client ledger) not maintained	Rs 5,000/- per book subject to maximum of Rs.10,000/-
Books (Except Client ledger) not maintained properly	Rs 5,000/- per book subject to maximum of Rs.15,000/-