

Financial Disincentives and Penalty Structure

Sr. No.	Instances of technical glitches	Financial disincentives	
		Specified Members	All other Members
1.	Technical Glitch continuing for <u>more than 15 minutes</u>:		
	First instance	Observation Letter	Observation Letter
	Second instance	Administrative warning	Administrative warning
	Third instance onwards	<p>For every instance Rs. 50,000/-</p> <p>It will progressively increase by Rs.25,000/- for subsequent instances.</p> <p>Additionally, the relevant authority of the Exchange on a case-to-case basis and based on the gravity of non-compliance shall decide on additional disciplinary actions.</p>	<p>For every instance Rs. 20,000/-</p> <p>It will progressively increase by Rs.5,000/- for subsequent instances.</p> <p>Additionally, the relevant authority of the Exchange on a case-to-case basis and based on the gravity of non-compliance shall decide on additional disciplinary actions.</p>
2.	<p>More than 5 Technical Glitch Incidents during the financial year.</p> <p>(Incidents lasting more than 15 minutes)</p>	<p>In addition to the penalty already levied as per the above provisions, no on-boarding of new clients till stock exchange analyses RCA and satisfies itself about corrective measures taken or, 15 days from glitch whichever is higher.</p> <p>Additionally, the relevant authority of the Exchange on a case-to-case basis and based on the gravity of non-compliance shall decide on additional disciplinary actions.</p>	<p>The relevant authority of the Exchange on a case-to-case basis and based on the gravity of non-compliance shall decide on the disciplinary actions.</p>
3.	Failure to restore operations by moving to DR site within Recovery Time Objective.	Rs.2 lac	Rs. 20,000/-

4.	Failure to inform Exchange about the incident/glitch within 1 hour	Rs.50,000/-, plus Rs. 25,000/- per day till failure continues.	Rs. 20,000/-, plus Rs. 5,000/- per day till failure continues.
5.	Failure to submit the preliminary incident report to the Exchange by T+1 day	Additionally, the relevant authority of the Exchange on a case-to-case basis and based on the gravity of non-compliance shall decide on additional disciplinary actions.	Additionally, the relevant authority of the Exchange on a case-to-case basis and based on the gravity of non-compliance shall decide on additional disciplinary actions.
6.	Failure to timely submit RCA within 14 days	Additionally, the relevant authority of the Exchange on a case-to-case basis and based on the gravity of non-compliance shall decide on additional disciplinary actions.	Additionally, the relevant authority of the Exchange on a case-to-case basis and based on the gravity of non-compliance shall decide on additional disciplinary actions.
7.	Failure to conduct DR drill/live trading from DR site as per the provisions	Rs. 2 lac, plus Rs. 1 lac for every month during which failure continues. Additionally, the relevant authority of the Exchange on a case-to-case basis and based on the gravity of non-compliance shall decide on additional disciplinary actions.	NA