

Circular No.: NSDL/POLICY/2026/0024

February 18, 2026

Subject: Amendment to Business Rule of NSDL - Penalty Structure

All Participants are hereby informed that the amendments have been made to rule **18.1.1** of NSDL Business Rules with respect to insertion of new nature of non-compliances with respect to Cyber Security Cyber Resilience Framework compliance requirements. The same is enclosed in track change mode as **Annexure**.

Participants are requested to take note of the above and ensure compliance.

**For and on behalf of
National Securities Depository Limited**

**Rakesh Mehta
Vice President**

Enclosure: One

FORTHCOMING COMPLIANCE			
Particulars	Deadline	Manner of sending	Reference
Investor Grievance Report (Monthly)	By 10th of the following month	Through e-PASS	Para 22 of 'Grievance Redressal' chapter and Para 27 of 'Internal Controls/Reporting to NSDL/SEBI' chapter of NSDL Master Circular for Participants
Compliance report w.r.t Same Mobile number and/ or email address captured for multiple accounts. (Monthly)	Before 27th of following month	Through Email.	Para 23 of 'Miscellaneous' chapter of NSDL Master Circular for Participants.


National Securities Depository Limited

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 Corporate Identity Number: L74120MH2012PLC230380

Annexure - Penalty for failure relating to cybersecurity concerns

18.1.1- The Depository may impose a penalty on the Participant to the extent indicated for non-compliance as described below:

VIII	Penalties / Disciplinary Actions arising out of deficiency in reporting of cyber incidents and related non compliances:			
	Note: 1. The Penalties mentioned in the table below shall be levied by any one Exchange/ Depository to whom the said incident has been assigned for handling as per the SOP framed jointly by all MIIs. 2. The non-monetary penal action, such as restriction on new client registration will be taken by all MIIs.			
	Failure	Timeline (from incident date and time)	Amount of Penalty (₹)	
New penalty head	Submission of Cyber Incident Report	After 06 Hours	For other than QRE Depository Participants	For QRE Depository Participants
			20000 per day, subject to a maximum of 200000.	20000 per day, subject to a maximum of 1000000
New penalty head	Submission of: Mitigation Report / Root Cause Analysis Report / Forensic Audit Report / Vulnerability Assessment and Penetration Testing Report	Within 07 calendar Days of the Due Date	1500 per day until the submission of the report	3000 per day until the submission of the report.
		Between the 08th and 21st Calendar Day of the Due Date	10500 + 2500 per day beyond 07 days until the submission of the report	21000 + 5000 per day beyond 07 days until the submission of the report.
		After 21st Calendar Days of the due date	45500 + No New Client Registration until the submission of the report + Sharing of Information with all other MIIs	91000 + No New Client Registration until the submission of the report + Sharing of Information with all other MIIs
New penalty head	Issue of Press Release on the intimation of normalcy of	After 01 Working Day	50000 + 10000 per Working Day from the 2nd day, subject to a maximum of Rs. 100000	

	operation to the Depository			
New penalty head	Deficiency in: Mitigation Report / Root Cause Analysis Report / Forensic Audit Report / Vulnerability Assessment and Penetration Testing Report	Incomplete / Missing component	50000 per incomplete/ missing component	100000 per incomplete/ missing component
		Misleading / Inaccurate components	100000 per misleading/inaccurate component	200000 per misleading/inaccurate component
New penalty head	Non-Submission of Revised Report: Mitigation Report / Root Cause Analysis Report / Forensic Audit Report / Vulnerability Assessment and Penetration Testing Report, even after the deficiency was pointed out		200000	400000
New penalty head	Cyber incident is attributable to failure to implement the SEBI cyber framework		200000 per noncompliance	400000 per noncompliance
New penalty head	Implementation of the Depository's Recommendation and Confirmation of the same	Within 07 Calendar Days of the Due Date	10000 per day until the submission confirmation.	20000 per day until the Confirmation.
		Between the 08th calendar day and the 21st Calendar Day of the Due Date.	70000 + 20000 per day beyond 07 days until the confirmation	140000 + 40000 per day beyond 07 days until Confirmation.
		After 21 Calendar Days of the due date	350000 + No New Client Registration until Confirmation + Sharing of information with all other MIIs	700000 + No New Client Registration until Confirmation + Sharing of information with all other MIIs