



# Central Depository Services (India) Limited

Convenient + Dependable + Secure

## COMMUNIQUÉ TO DEPOSITORY PARTICIPANTS

CDSL/AUDIT/DP/POLCY/2026/241

April 08, 2026

### AMENDMENTS TO DP OPERATING INSTRUCTIONS ANNEXURE 11.1

Depository Participants (DPs) are advised to take note of the amendments mentioned below, which have been incorporated in CDSL's DP Operating Instructions Annexure 11.1 – Penalty Structure for DPs by addition of new penalty heads for non-compliance related to System Audit, Cyber Security Audit, Incident Reporting and VAPT.

Operating Instructions - Annexure 11.1											
PENALTY STRUCTURE FOR DPs											
Sr. No.	Nature of Non-compliance		Penal Action (in ₹)								
<b>(IV) Penalties / Disciplinary Actions for Non-submission of VAPT report and/or compliance report on or before due date:</b>											
A	i)	Non-submission of <del>annual</del> VAPT report on or before stipulated timeline	1. Rs. 1,500/- per day from the due date till the first 7 calendar days or submission of report, whichever is earlier. In case of a repeated delay found in the second consecutive year, Rs. 2,250/- per day.								
	ii)	Non submission of compliance report on or before stipulated timeline.	2. Rs. 2,500/- per day from the 8th calendar day after the due date to 21 <sup>st</sup> calendar day or submission of report, whichever is earlier. In case of a repeated delay found in the second consecutive year, Rs. 3,750/- per day. 3. In case of non-submission of report by 21 <sup>st</sup> calendar days, new demat accounts opening of Participant shall be restrained till submission of report and action taken shall be shared with all MIIIs for information. 4. If delay in submission is observed for three consecutive years, the matter would be referred to Member Committee.								
B	Non-closure of open vulnerability observed in the <del>annual</del> VAPT report within stipulated timelines in the compliance report.		<table border="1"><thead><tr><th>Risk categorization of observations</th><th>Penalty (per open vulnerability which has not been closed)</th></tr></thead><tbody><tr><td>High/Critical Risk</td><td>Rs. 50,000/-</td></tr><tr><td>Medium Risk</td><td>Rs. 25,000/-</td></tr><tr><td>Low Risk</td><td>Rs. 10,000/-</td></tr></tbody></table> <p>Apart from the monetary penalty mentioned above, if High/Medium vulnerability is not closed by Participant within 21 days from the due date of submission of compliance report, new demat account opening of Participant shall be restrained till closure of the open vulnerabilities and action taken shall be shared with all MIIIs for information.</p>	Risk categorization of observations	Penalty (per open vulnerability which has not been closed)	High/Critical Risk	Rs. 50,000/-	Medium Risk	Rs. 25,000/-	Low Risk	Rs. 10,000/-
Risk categorization of observations	Penalty (per open vulnerability which has not been closed)										
High/Critical Risk	Rs. 50,000/-										
Medium Risk	Rs. 25,000/-										
Low Risk	Rs. 10,000/-										



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DPs are advised to take note of the afore-mentioned amendments to the Operating Instructions. Annexure 11.1.

Queries regarding this communiqué may be addressed to CDSL – Audit, Inspection & Compliance Department on telephone nos. (022) 6234-3078, 6234-3075, 6234-3102, 6234-3095.

**For and on behalf of  
Central Depository Services (India) Limited**

**Sd/-**

**Urmila Chougule  
Senior Manager - Audit, Inspection & Compliance**