

National Stock Exchange Of India Limited**Department: INVESTOR SERVICES CELL**

Download Ref No: NSE/ISC/54332

Date: November 09, 2022

Circular Ref. No: 26/2022

To All Members

Sub: Penalty structure for Non-compliance w.r.t publishing of Investor Grievance Escalation Matrix on website

This has reference to the Exchange Circular No. NSE/ISC/52517 dated June 03, 2022, on “Investor Grievance Redressal Mechanism”, wherein the trading members were directed as below:

“Investor Grievances escalation matrix to be explicitly displayed on the website and mobile application under the ‘Contact Us’ page. The ‘Contact Us’ link should be placed on the index/homepage of the website. Upon clicking the same, it should display the detail as shared in the Annexure A. This provision shall come into effect from July 01, 2022.”

While verifying the compliance status, it was observed that majority of the trading members have not appropriately published the Investor Grievance Escalation Matrix on their websites. With the view to facilitate uniformity across all members, a list of guidelines for publishing of Investor Grievances escalation matrix is enclosed as **Annexure A**.

Exchange has also formulated a penalty structure for non-compliance of the aforementioned requirement, which is enclosed as **Annexure B**. The circular shall come into effect from November 20, 2022 and shall be applicable for trading members who have their own website and they deal with retail clients.

It may be noted that the penalties/ disciplinary action(s)/charges are indicative in nature. The relevant authority of the Exchange, on case-to-case basis and based on the gravity of the violation, may decide on additional disciplinary action after following the due process.

All members are advised to take note of the above and ensure strict adherence to the compliance requirements.

**For and on behalf of
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Annexure A**Format for Escalation Matrix:**

Details of	Contact Person	Address	Contact No.	Email Id
Customer care				
Head of Customer care				
Compliance Officer				
CEO				

In absence of a response/complaint not addressed to your satisfaction, you may lodge a complaint with:

- SEBI at <https://scores.gov.in/scores/Welcome.html>
- Exchange at <https://investorhelpline.nseindia.com/NICEPLUS/>

Please quote your Service Ticket/Complaint Ref No. while raising your complaint at SEBI SCORES/Exchange portal.

General guidelines to ensure uniform display of escalation matrix:

- The escalation matrix should be prominently displayed on the “Contact us” page
- “Contact us” link should be placed on the index/homepage of the website.
- The email addresses and contact numbers of ‘Compliance officer’ and ‘CEO’ must be distinct, with a view to differentiate regular emails and escalations.
- Under the ‘Contact number’ column, the working hours should be mentioned for each escalation level e.g., Mon-Sat; 9:00 AM to 6:00 PM
- In case the contact number is a toll free / centralised number handled through IVR, there should be different IVR options made available to reach ‘Customer care / Head of customer care’ and for escalations to ‘Compliance officer’ and ‘CEO’ (e.g. Press 1 for ‘Customer care’, Press 2 for ‘Compliance / CEO Desk’ etc.).
- In case the contact number is a general / centralised number manned by any Individual/Receptionist, there should be different extension numbers assigned to reach to the ‘Customer care / Head of customer care’ and ‘Compliance officer / CEO’ desks. Member must ensure that the desk is manned by during the working hours published on the website.

Annexure B**Penalty Structure for non-compliance w.r.t to publishing of Investor Grievance Escalation Matrix on website**

Details of contravention	Disciplinary Action/Charges
Non-compliance of circular No. NSE/ISC/52517 w.r.t publishing of Investor Grievance Escalation Matrix on website by the Trading Members	<p>Letter of observation shall be issued to the trading member, providing a period of 15 days from the date of issue of letter of observation to comply with the said requirement.</p> <p>In case the trading member fails to confirm the compliance of the same within the afore mentioned period of 15 days, a penalty of Rs.1,000/- per day shall be levied till the member complies with the circular to the satisfaction of the Exchange.</p> <p>If the trading member fails to abide by the above direction for two months, the matter shall be placed before the relevant committee for further directions.</p>