

<b>Department: Inspection</b>	<b>Segment: All</b>
<b>Circular No: MSE/INSP/15084/2024</b>	<b>Date : March 26, 2024</b>

---

**Subject: Submission of VAPT Compliance Report for the FY 2023-24**

---

To All Members,

Attention of Members is drawn to Exchange circular MSE/INSP/14194/2023 dated September 25, 2023, regarding Submission of VAPT report and/or Action Taken Report (ATR)/Compliance Report.

Para 44 of SEBI Circular No. SEBI/HO/MIRSD/CIR/PB/2018/147 dated December 03, 2018 as amended vide SEBI Circular No. SEBI/HO/MIRSD/TPD/P/CIR/2022/80 dated June 07, 2022, requires that any gaps / vulnerabilities detected shall be remedied on immediate basis and compliance of closure of findings identified during VAPT shall be submitted to the Stock Exchanges within 3 months post the submission of final VAPT report.

Accordingly, members are required to submit VAPT Action Taken Report (ATR)/Compliance Report (Digitally signed by the CERT-In empaneled auditor and authorized official of the Member) in the format attached as **Annexure-A** on Exchange email id [compliancemsx@msei.in](mailto:compliancemsx@msei.in).

**The due date of submission of Action Taken Report (ATR)/Compliance Report is March 31, 2024.**

Further, to ensure strict adherence to the regulatory requirements by members with the prescribed framework applicable for VAPT report and Compliance report for timely closure of vulnerabilities, penalties/disciplinary actions have been prescribed vide circular no MSE/INSP/13959/2023 dated August 11, 2023, which shall be applicable for submissions of FY 2023-24 (Including Half yearly for QSB's) and onwards. The details of penalties/disciplinary actions are enclosed for reference as **Annexure-B**.

All Members are requested to take note of above and ensure timely submission of VAPT Action Taken Report (ATR)/ Compliance Report.

**For and on behalf of**  
**Metropolitan Stock Exchange of India Limited**

**Mahendra Choudhari**  
**AVP – Inspection and Membership Department**

In case of any query kindly contact Inspection Department on (022) 6112 9000 or mail on [compliancemsx@msei.in](mailto:compliancemsx@msei.in).

**Metropolitan Stock Exchange of India Limited**

**Format for VAPT Compliance/ATR**

(On the letter head of the CERT-In empaneled entity)

**Action Taken Report / Compliance Report on the non-conformities / vulnerabilities identified during the VAPT conducted during the FY. \_\_\_\_\_**

Particulars	Critical	High	Medium	Low
No. of Open Vulnerabilities as reported in VAPT reports submitted to the Exchange				
Current Status				

**Explanation / Reason for non-closure**

(To be filled in case of open vulnerabilities mentioned in current status)

Details of such open non-Conformities / Vulnerabilities*	Explanation / Reason for Non-Closure

\* Open vulnerabilities shall attract appropriate disciplinary action by the Exchange depending on the criticality / such other factors

<b>Trading Member (TM) Name &amp; TM Code:</b>	
Auditor Name:	
Name of CERT-In empaneled entity:	
Sign:	

**(To be digitally signed by CERT-In empaneled entity as appointed by the Member)**

**Penalties/Disciplinary action(s) for Non-Submission of Compliance Report and/or non-closure of open vulnerabilities**

**Non-submission of Compliance Report within below specified dates by Members (other than QSB's):**

Details of Violation	Penalty/disciplinary actions	Penalty/disciplinary action in case of repeated violation
Non-submission of Compliance report on or before March 31.	<p>1. Charges Rs. 1,500/- per day till first 7 calendar days or submission of report, whichever is earlier.</p> <p>2. Charges of Rs. 2,500/- per day from 8th calendar day to 21st calendar day or submission of report, whichever is earlier.</p> <p>3. In case of non-submission of report till 21st calendar days, new client registration shall be prohibited and notice of 7 calendar days for disablement of trading facility till submission of report, shall be issued.</p> <p>4. The disablement notice issued to the member will be shared with all the Exchanges for information.</p> <p>5. In case of non-submission of report by 28th calendar day, Member shall be disabled in all segments till submission of report.</p>	<p>In case of a repeat instance by the Member, levy of applicable monetary penalty along with an escalation of 50%.</p> <p>In case of non-submission of report till 21st calendar days, new client registration shall be prohibited and notice of 7 calendar days for disablement of trading facility till submission of report, shall be issued.</p> <p>The disablement notice issued to the member will be shared with all the Exchanges for information.</p> <p>In case of non-submission of report by 28th calendar day, Member shall be disabled in all segments till submission of report.</p>

**Non-submission of Compliance Report within below specified dates by QSB's Members:**

Details of Violation	Penalty/disciplinary actions	Penalty/disciplinary action in case of repeated violation
Non-submission of Compliance report on or before September 30/ March 31.	<p>1. Charges Rs. 3,000/- per day till first 7 calendar days or submission of report, whichever is earlier.</p> <p>2. Charges of Rs. 5,000/- per day from 8th calendar day to 21st calendar day or submission of report, whichever is earlier.</p> <p>3. In case of non-submission of report till 21st calendar days, new client registration shall be prohibited and notice of 7 calendar days for disablement of trading facility till submission of report, shall be issued.</p> <p>4. The disablement notice issued to the member will be shared with all the Exchanges for information.</p>	<p>In case of a repeat instance by the Member, levy of applicable monetary penalty along with an escalation of 50%.</p> <p>In case of non-submission of report till 21st calendar days, new client registration shall be prohibited and notice of 7 calendar days for disablement of trading facility till submission of report, shall be issued.</p> <p>The disablement notice issued to the member will be shared with all the Exchanges for information.</p>



METROPOLITAN STOCK EXCHANGE

	5. In case of non-submission of report by 28th calendar day, Member shall be disabled in all segments till submission of report.	In case of non-submission of report by 28th calendar day, Member shall be disabled in all segments till submission of report.
--	--	---

**Penalty/Disciplinary actions applicable in case of non-closure of per open vulnerabilities as reported in VAPT report within period of 3 months as specified hereunder:-**

Categories of Risks	For All Members (other than QSBs)	For QSB Members
	Non closure of open vulnerabilities by March 31	Non closure of open vulnerabilities by March 31 (for HY September 30) and by September 30 (for HY March 31)
High/critical Risk	Rs.50,000/-	Rs.1,00,000/-
Medium Risk	Rs.25,000/-	Rs.50,000/-
Low Risk	Rs.10,000/-	Rs.20,000/-
<p>Apart from the monetary penalty mentioned above, if <b>High/Critical/Medium</b> vulnerability is not closed by member within 21 days from the due date of submission of compliance report, new client registration shall be prohibited and notice of 7 days for disablement of trading facility shall be issued. If the vulnerability is not closed during this notice period, then member shall be disabled in all segments till closure of the vulnerability. The disablement notice issued to the member will be shared with all the Exchanges for information.</p>		