

National Stock Exchange Of India Limited
Department : FINANCE & ACCOUNTS

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To all the Trading Members in the Cash Market Segment and Equity Derivatives Segment
Sub: Revision in Transaction Charges

Trading Members may be aware that in the recent past there have been certain market exigencies due to broker member defaults.

In this context, SEBI and Exchanges have interalia reviewed various policies and practices especially from the market regulation standpoint including the review / assessment of the existing Investor Protection Fund corpus.

Trading members may further be aware that NSE has established an Investor Protection Fund Trust (NSE IPFT) interalia with the objective of safeguarding the interest of the investors, promoting investor education, awareness and research. It is administered by way of a registered Trust created for the purpose. NSE IPFT compensates investors in the event of defaulters' assets not being sufficient to meet the admitted claims of investors as determined by the trustees as per defined rules/conditions.

In this direction, SEBI in consultation with NSE assessed the required corpus for NSE IPFT at Rs.1500 crores and advised NSE to transfer requisite amount to bring the corpus to Rs. 1200 crores on an immediate basis and further advised to transfer additional Rs. 300 crores to an escrow account meant as a reserve in case of any short fall in IPF. Accordingly, NSE has undertaken necessary steps to comply with the said SEBI directives. The said letter has also interalia advised NSE to take necessary steps to augment its IPF corpus including by way of additional charges on the TMs as may be deemed fit.

It is noteworthy that since the compensation from IPFT is akin to a kind of an insurance cover and a safeguard for the investors against member defaults, to part augment the overall NSE IPFT corpus, NSE has been collecting contribution to Investor Protection Fund from the Trading Members (TMs) as an ad-valorem charge based on trading volumes of TMs.

In view of the above, it has been decided to marginally increase transaction charges levied to the TMs in various segments as follows:

Cash Market

(Rs per Lakh of Traded Value)

Total Traded Value in a Month	Existing Transaction Charges	Revised Transaction Charges
Upto 1250 Crores	Rs 3.25 each side	Rs 3.45 each side
More than Rs 1250 Crores upto Rs 2500 Crores (on incremental volume)	Rs 3.20 each side	Rs 3.40 each side
More than Rs 2500 Crores upto Rs 5000 Crores (on incremental volume)	Rs 3.15 each side	Rs 3.35 each side
More than Rs 5000 Crores upto Rs 10000 Crores (on incremental volume)	Rs 3.10 each side	Rs 3.30 each side
More than Rs 10000 Crores upto Rs 15000 Crores (on incremental volume)	Rs 3.05 each side	Rs 3.25 each side
Exceeding Rs 15000 Crores (on incremental volume)	Rs 3.00 each side	Rs 3.20 each side

Equity Futures

(Rs per Lakh of Traded Value)

Total Traded Value in a Month	Existing Transaction Charges	Revised Transaction Charges
Upto First 2500 Crores	Rs 1.90 each side	Rs 2.00 each side
More than Rs 2500 Crores upto Rs 7500 Crores (on incremental volume)	Rs 1.85 each side	Rs 1.95 each side
More than Rs 7500 Crores upto Rs 15000 Crores (on incremental volume)	Rs 1.80 each side	Rs 1.90 each side
Exceeding Rs 15000 Crores (on incremental volume)	Rs 1.75 each side	Rs 1.85 each side

Equity Options

(Rs per Lakh of Premium Value)

Billable Monthly Turnover (Premium Value)	Existing Flat Transaction Charges for the month	Revised Flat Transaction Charges for the month
Upto Rs 3 Crores	Rs. 2500/-	Rs. 2500/-

(Rs per Lakh of Premium Value)

Incremental Billable Monthly Turnover (Premium Value)	Existing Transaction Charges Rate	Revised Transaction Charges Rate
More than Rs 3 Crores upto Rs 100 Crores	Rs 50.00	Rs 53.00
More than Rs 100 Crores upto Rs 750 Crores	Rs 47.50	Rs 50.50
More than Rs 750 Crores upto Rs 1500 Crores	Rs 42.50	Rs 45.50
More than Rs 1500 Crores upto Rs 2000 Crores	Rs 37.50	Rs 40.50
Above Rs 2000 Crores	Rs 30.00	Rs 33.00

However, it may be noted that concessional Transaction charges in the CM segment in respect of all the stocks in the normal equity market segment ("EQ" series) other than NIFTY 50 Index constituents, NIFTY Next 50 index constituents, debt-oriented exchanges traded funds and stocks included in Graded Surveillance Measures (GSM) continues to remain the same (Refer Circular No. NSE/FA/46225).

The above revision in transaction charges will be applicable with effect from January 01, 2021.

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

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