

National Stock Exchange Of India Limited**Department: INVESTIGATION**

Download Ref No: NSE/INVG/2020/43435

Date: February 04, 2020

Circular Ref. No: 23/2020

To All NSE Members,

Sub: Penalty on Abnormal / Non-Genuine Transactions

This is in continuation to NSE Circular No. NSE/INVG/39647 dated December 13, 2018, NSE Circular No. NSE/INVG/40175 dated February 07, 2019 and NSE Circular No. NSE/INVG/43144 dated January 07, 2020.

It is to be noted that the Exchange shall levy a penalty of a minimum of 15% upto a maximum of 100% of profit earned / loss incurred on the trading members for both profit and loss making abnormal / non-genuine transactions after following the due process & providing necessary opportunity to the trading member for clarification in the matter.

Additionally, the Exchange may also consider taking appropriate disciplinary actions against the member concerned for such Abnormal/ Non-Genuine trades as per the Rules, Bye-laws and Regulations of the Exchange.

Further it is clarified that as per NSE circular no NSE/INVG/5911 dated March 10, 2005, members are advised to put in place appropriate internal systems and procedures at their end for checking such orders / transactions before transmitting to the trading system of the Exchange.

The trading members are advised to put in place requisite systems to monitor such Abnormal / Non-Genuine transactions. Guidance note for the same has already been issued vide NSE Circular No. NSE/INVG/40175 dated February 07, 2019.

The provisions of this circular shall be made applicable across all segments i.e. Equity, Currency Derivatives, Equity Derivatives and Commodity Derivatives.

In case of any further queries, members are requested to contact the following officials:
Ms. Mehak Varmani (Extn: 25326), Ms. Saba Curtay (Extn: 22526)
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**For and on behalf of
National Stock Exchange of India Limited**

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