

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

Download Ref No: NSE/INVG/2020/43144

Date : January 07, 2020

Circular Ref. No: 04/2020

To All NSE Members,

**Sub: Penalty on Abnormal / Non-Genuine Transactions**

This has reference to NSE Circular No. NSE/INVG/39647 dated December 13, 2018 and NSE/INVG/40175 dated February 07, 2019 with respect to “Abnormal / Non-Genuine transactions” inter alia advising trading members to refrain from entering abnormal / non – genuine transactions executed by the market participants primarily with an objective of transferring profit / loss between the concerned entities or creation of artificial volume in securities / contracts and Guidance note in order to assist trading members in identifying such type of transactions.

The trading members are advised to put in place requisite systems to monitor such Abnormal / Non-Genuine transactions.

The exchange shall levy a penalty of 15% of the 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.

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

In case of any further queries, members are requested to contact the following officials:

Ms. Mehak Varmani (Extn: 25326), Ms. Saba Curtay (Extn: 22526)

Direct No: 022-26598417/18

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

**Binoy Yohannan  
Chief Manager**

Telephone No	Fax No	Email id
+91-22-26598228	+91-22-26598195	<a href="mailto:invg@nse.co.in">invg@nse.co.in</a>