

# National Stock Exchange of India Limited

## Circular

Department: CAPITAL MARKET SEGMENT	
Download Ref No: NSE/CMTR/62174	Date: May 24, 2024
Circular Ref. No: 66/2024	

All Members,

Revision in tick size of securities in CM segment

Exchange is pleased to introduce price linked tick size in the Capital Market Segment (CM Segment). All securities (excluding Exchange Traded Funds) available in “EQ”, “BE”, “BZ”, “BO”, “RL”, “AF” series (and their corresponding “BL” series as applicable) with security price below Rs 250 will have tick size of Rs 0.01 as against the current tick size Rs 0.05. The tick size determined for securities in T+1 settlement will also be applicable for T+0 settlement (series T0).

The Exchange shall review the tick size of a security on monthly basis. The closing price on the last trading day of the month in CM Segment shall be used to determine the tick size, which shall be made applicable for the next month. An illustration for the tick size applicability is mentioned below.

Sr. No.	Tick Size Applicable for the Month	Tick Size Determined Based on Closing Price of Last Trading Day of the Previous Month
1	Jul-24	28-Jun-24
2	Aug-24	31-Jul-24

The applicable tick size in case of new security will be as follows.

Sr	Scenario	Tick Size
1	Initial Public Offering	Issue price determined at allocation will be considered for reference price.

## National Stock Exchange of India Limited

		If the reference price is less than Rs 250 the tick size will be Rs 0.01 else regular tick size of Rs 0.05 will be applicable
2	New Listing of security already listed on any other exchange	Last available closing price, three trading days prior to listing date will be considered for reference price. If the reference price is less than Rs 250 the tick size will be Rs 0.01 else regular tick size of Rs 0.05 will be applicable

The applicable tick size in case of corporate action will be as follows.

Sr	Scenario	Tick Size
1	New Security listing and parent security on account of corporate action	Tick size of parent security will continue irrespective of security price till the time of next monthly review.
2	Tick size in case of split, bonus, dividend, and right issue	Existing tick size of security will continue till the time of next monthly review.

All price related computations such as closing price, base price, common equilibrium price, settlement price, etc. will be aligned as per applicable tick size of the security.

The price band mechanism for the security will continue to be applicable as per current method and the price determined as per the band will be aligned as per tick size of the security.

Trading members may note that the applicable tick size for trading for a security will be available in the security files. Members are advised to load the updated security.gz/nnf\_security.gz/NSE\_CM\_security\_ddmmyyyy.csv.gz file in the trading application before trading on the effective date. These files can be obtained from the directory common/NTNEAT on the Extranet server. The security file (CM-MII-Security File (.gz)) is also downloaded on daily basis on NSE website on the below path: <https://www.nseindia.com/all-reports>

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## National Stock Exchange of India Limited

The circular will be effective from the trade date of June 10, 2024. The tick size for the same will be determined based on latest closing price available for securities on May 31, 2024. Going ahead, the tick size determination in CM segment and applicability of the same in CM and its corresponding stock futures will be on the same dates i.e. revised tick size (if any) will be applicable from first trading day of the month which will be determined by the latest available closing price on the last trading day of the previous trading month.

For and on behalf of

National Stock Exchange of India Limited

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