

National Stock Exchange Of India Limited**Department: FINANCE & ACCOUNTS**

Download Ref No: NSE/FATAX/43604

Date: February 19, 2020

Circular Ref. No: 1 /2020

To,

All the Members of the Exchange

Sub: Applicability of Securities Transaction Tax ('STT') on Trading in Rights Entitlements (REs)

This is with reference to the trading of dematerialized Rights Entitlements (REs) on the stock exchange platform pursuant to SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020.

In this regard the trading members may kindly note that the trading in dematerialised REs on the Exchange shall be chargeable to STT at the rate specified in the entry at serial no. 4(a) of the STT Table below Section 98 of the Finance (No.2) Act, 2004 in respect of "Sale of an option in securities".

Accordingly, STT shall be payable by the seller at the rate of 0.05% of the value at which such REs are traded.

This is for the information and due compliance of the Members and also for onward transmission to the constituents.

In case of any clarifications you may write / contact the undersigned or Ms. Swati Murkya on taxation@nse.co.in or 022-26598100 Ext.23082.

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

**Premal Shah
Associate Vice President**