

National Stock Exchange Of India Limited

Department: FINANCE & ACCOUNTS

Download Ref No: NSE/FATAX/45523

Date: August 31, 2020

Circular Ref. No: 3/2020

To,

All the Members of the Exchange

Sub: Applicability of Commodities Transaction Tax ('CTT') on Option in goods contracts on underlying Silver in Commodity Derivatives Segment

This is with reference to the Exchange Circular download reference No. NSE/COM/45445 dated August 21, 2020 regarding the trading of Options in Goods contracts on underlying Silver with effect from September 1, 2020.

In this regard, the trading members may kindly note that the trading of Option in goods contracts on underlying Silver on the Exchange shall be chargeable to CTT at the rates specified in Sl. no. 4, 6 and 7 of the CTT table provided under Section 117 of Chapter VII of Finance Act, 2013.

The rates are provided hereunder:-

Sl. No.	Taxable commodities transaction	Rate	Payable by	Value of taxable commodities transaction
(1)	(2)	(3)	(4)	(5)
1.	Sale of option in goods	0.05 per cent	Seller	Option Premium
2.	Sale of option in goods, where option is exercised resulting in actual delivery of goods	0.0001 per cent	Purchaser	Settlement Price
3.	Sale of option in goods, where option is exercised resulting in a settlement otherwise than by the actual delivery of goods	0.125 per cent	Purchaser	Difference between Settlement Price and Strike Price

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/ Mr. Yogesh Mohite on taxation@nse.co.in or 022-26598100 Ext.23082/23083.

For and on behalf of
National Stock Exchange of India Limited

Premal Shah
Associate Vice President