NATIONAL STOCK EXCHANGE OF INDIA LIMITED

DEPARTMENT : INVESTIGATION	
Download Ref.No.: NSE/ INVG/23505	Date : May 24, 2013
Circular Ref.No.: 853/2013	

To the trading members in the F&O and CD segments,

Sub : Levy of charges for High Order to Trade Ratio.

In continuation of Exchange circular no NSE/FA/21156 dated June 29, 2012, NSE/ FAOP/23481 and NSE/CD/23482 dated May 22, 2013 regarding levy of charges for High Order to Trade Ratio.

Members are hereby informed that the charges will be revised for high algo order to trade ratio with effect from May 27, 2013. The said charges will be computed at member level on a daily basis and will be collected on a monthly basis, after reckoning all algo orders and trades of the member. The revised charges are as follows:

Daily algo Order to Trade Ratio	Charges (per algo order)
Less than 50	Nil
50 to less than 250 (on incremental basis)	2 paise
250 to less than 500 (on incremental basis)	10 paise
500 or more than 500 (on incremental basis) *	10 paise

* *In case the ratio is 500 or more than 500 during a trading day, the concerned member shall not be permitted to place any orders for the first 15 minutes on the next trading day(in the continuous trading session) as a cooling off action. However, the trading member shall be permitted to enter transactions in risk reducing mode in the respective segments during such a cooling off period.*

Further, in order to discourage repetitive instances of high daily order-to-trade ratio, there will be an additional penalty in form of suspension of proprietary trading right of the stock broker / trading member for the first trading hour on the next trading day in case a stock broker / trading member is penalized for maintaining high daily order-to-trade ratio, provided penalty was imposed on the stock broker / trading member on more than ten occasions in the previous thirty trading days.

The circular is applicable with effect from May 27, 2013.

Members are advised to take note of the above and ensure compliance.

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