

NATIONAL STOCK EXCHANGE OF INDIA LIMITED**DEPARTMENT : CAPITAL MARKET SEGMENT**

Download Ref No : NSE/CMTR/34597	Date : April 07, 2017
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Capital Market Consolidated Circular

Exchange periodically consolidates circulars issued by the department over the period of time to provide one single document to refer for various policy and operational matters. This circular is in consolidation of all the previous circulars issued by the Capital Market segment.

For the convenience of members, circular is categorized as following:

Part A

Summary of important circulars issued during the period April 1, 2016 – March 31, 2017

Part B

Detailed Consolidated Circular

Part C (Attachment)

Format of various reports and files provided by the Exchange

For and on behalf of
National Stock Exchange of India Limited

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Part A
Summary of Important circulars issued during the period April 1, 2016 – March 31, 2017

Sr. No	Subject	Circular No	Download No	Dated
1	Trading in Sovereign Gold Bonds	34/2016	CMTR32540	09-June-2016
2	Trading in the security of listed stock exchange by trading members or their associates and agents	36/2016	CMTR32604	17-June-2016
3	Prevention of Self-Trade	38/2016	CMTR32648	24-June-2016
4	Introduction of Trade Drop Copy facility	51/2016	CMTR33128	01-September-2016
5	NEAT Corporate Manager Password Reset through ENIT	60/2016	CMTR33498	26-October-2016
6	Consolidated Circular on Market Data	72/2016	CMTR33922	30-December-2016

- Trading in Sovereign Gold Bonds:** Exchange has introduced trading in Sovereign Gold Bonds. [More](#)
- Trading in the security of listed stock exchange by trading members or their associates and agents:** A new 'Market Type' has been introduced on the trading system of the Exchange under the series type 'LS'. [More](#)
- Prevention of Self-Trade:** Exchange has modified the facility for prevention of Self- Trade. [More](#)
- Introduction of Trade Drop Copy facility:** Exchange has introduced "Trade Drop Copy" facility. [More](#)
- NEAT Corporate Manager Password Reset through ENIT:** Exchange has introduced NEAT corporate manager password reset request through ENIT. [More](#)
- Consolidated Circular on Market Data:** Exchange has issued a consolidated circular of circulars issued on Market Data Broadcast. [More](#)

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ITEM 1

MARKET TYPES

1.1 Pre-open session (Regular)

The pre-open session is conducted using call auction mechanism for duration of 15 minutes i.e. from 9:00 am to 9:15 am. The pre-open schedule is as follows:

Session	Time	Remark
Order Entry Period	9:00 am - 9:08 am (*)	- Order entry, Modification and Cancellation (*) System driven Random closure between 7th and 8th minute
Order Matching & trade Confirmation Period	9:08 am(*) – 9:12 am	(*) Order matching period will start immediately after completion of order entry period. - Opening price determination. - Order matching and trade confirmation.
Buffer Period	9:12 am - 9:15 am	Transition from pre-open to continuous trading session

A. Trading Hours

The pre-open session is for duration of 15 minutes i.e. from 9:00 am to 9:15 am. The pre-open session is comprised of Order collection period and order matching period. After completion of order matching there shall be silent period to facilitate the transition from pre-open session to the normal market.

B. Eligible securities

The pre-open session with call auction mechanism is applicable to all securities in equity market w.e.f. 1 April, 2013. List of securities eligible in pre-open is identified in security.txt file available on extranet under common/NTNEAT directory.

C. Market parameters

Market	“N”
Lot Size	Same as Normal Market
Tick Size	Same as Normal Market
Price Band	Same as Normal Market
Book type	PO

D. Trading session

Pre-open session comprises of two sessions viz.

- Order collection period.
- Order matching period.

Order Collection Period

- During this period orders can be entered, modified and cancelled. Order collection period ends by system driven random closure between 7 and 8 minutes.
- Both Limit and market order are allowed.
- The information like Indicative equilibrium / opening price of scrip, total buy and sell quantity of the scrip, Indicative NIFTY 50 Index value & % change of indicative equilibrium price to previous close price shall be computed based on the orders in order book and are disseminated during pre-open session.

Order Matching Period

- Order matching period starts immediately after completion of order collection period.
- Order will be matched at a single (equilibrium) price which will be open price.
- The order matching happens in following sequence
 - Eligible limit orders are matched with eligible limit orders
 - Residual eligible limit orders are matched with market orders
 - Market orders match with market orders
- During order matching period order modification, order cancellation, trade modification and trade cancellation are not allowed.
- The trade details are disseminated to respective members before the start of normal market.

E. Determination of Equilibrium / Opening price

- The opening price is determined based on the principle of demand supply mechanism.
- The equilibrium price is the price at which the maximum volume is executable.
- In case more than one price meets the said criteria, the equilibrium price is the price at which there is minimum order imbalance quantity (unmatched order quantity). The absolute value of the minimum order imbalance quantity is taken into consideration.
- In case more than one price has same minimum order imbalance quantity, the equilibrium price is the price closest to the previous day's closing price. In case the previous day's closing price is the mid-value of pair of prices which are closest to it, then the previous day's closing price itself is taken as the equilibrium price. In case of corporate action, previous day's closing price is adjustable closing price or the base price.
- Both limit and market orders reckon for computation of equilibrium price.
- The equilibrium price determined in pre-open session is considered as open price for the day.

- In case of only market orders exist both in the buy and sell side, then order is matched at previous day's close price or adjusted close price / base price. Previous day's close or adjusted close price / base price is the opening price.
- In case of no price is discovered in pre-open session, the price of first trade in the normal market is the open price.

F. Unmatched order

- All outstanding orders are moved to the normal market retaining the original time stamp. Limit orders will be at limit price and market orders will be at the discovered equilibrium price.
- In a situation where no equilibrium price is discovered in the pre-open session, all market orders are moved to normal market at previous day's close price or adjusted close price / base price following price time priority

G. Index circuit filter

- In the event NIFTY 50 breaches its prescribed threshold limit upon calculation of the opening value of NIFTY 50 at the closure of pre-open session, a trading halt will be triggered as per SEBI Circular Ref. No. CIR/MRD/DP/ 25 /2013 dated September 03, 2013 on index-based market-wide circuit breaker system.
- The trading halt shall be applicable at the start of the continuous trading session. The index breach will not impact the execution and confirmation of trades during the pre-open matching session.

H. Risk Management

All orders received in pre-open session shall be validated at the applicable margins for sufficiency of available capital prior to acceptance of the orders. If the available capital of the member is insufficient to cover the margin requirement of the order placed, the same shall not be accepted for the pre-open session.

Relevant circulars:

Download no	Date
NSE/CMTR/15256	Jul 20, 2010
NSE/CMTR/15590	Aug 30, 2010
NSE/CMTR/15760	Sept 17, 2010
NSE/CMTR/15981	Oct 12, 2010
NSE/CMTR/16004	Oct 13, 2010
NSE/CMTR/18542	Aug 04, 2011

NSE/CMTR/21768	Sep 25, 2012
NSE/CMTR/22748	Feb 15, 2013
NSE/CMTR/23062	Mar 26, 2013

1.2 Pre-open session for first day trading of IPO and Re-listed securities (Pre-open session 2)

SEBI wide circular no CIR/MRD/DP/01/2012 & CIR/MRD/DP/02/2012 dated January 20, 2012, has provided guidelines for call auction mechanism to be applicable for IPO and Re-listed securities on the first day of trading/ re-commencement of trading. In accordance to the SEBI circular, the exchange has introduced Special pre-open session (herein after refer as pre-open 2 session). It will be of duration 60 minutes i.e. from 9 a.m. to 10 a.m. The details are as follows:

This session shall also be applicable to stocks having derivatives contracts on the Ex-date of trading after undergoing scheme of arrangement/corporate restructuring with effect from October 01, 2015 on the basis of clarification received from SEBI.

A. Eligible securities

The pre-open session is introduced for Initial Public Offerings (IPO) of equity shares and scrips as defined under para 1(C) of SEBI circular no. SEBI/Cir/ISD/1/2010 dated September 2, 2010 (hereinafter referred to as Re-listed Securities) on the first day of trading / recommencement of trading.

The same would also be applicable for all stocks in the following cases with effect from October 01, 2015,:

- i. Corporate Restructuring: Merger, demerger. Amalgamation, capital reduction/consolidation, scheme of arrangement, in terms of the Companies Act and/or as sanctioned by the Courts, in cases of rehabilitation packages approved by the Board of Industrial and Financial Reconstruction under Sick Industrial Companies Act and in cases of Corporate Debt Restructuring (CDR) packages by the CDR Cell of RBI.
- ii Securities that are being admitted to trading from another exchange by way of direct listing/MOU/securities admitted for trading under permitted category,
- iii Where suspension of trading is being revoked after more than one year.

B. Trading Hours

Pre-open 2 session is of duration of 60 minutes from 09:00 am to 10:00 am. The Pre-open 2 session constitutes of order collection period and order matching period. After completion of order matching there shall be silent period to facilitate the transition from pre-open 2 to the normal market.

Pre-open2 session	Time	Remark
Order Entry Period	9:00 am - 9:45 am (*)	- Order entry, Modification and Cancellation (*) System driven Random closure between 44th and 45th minute
Order Matching & trade Confirmation Period	9:45 am(*) – 9:55 am	(*) Order matching period will start immediately after completion of order collection period. - Opening price determination. - Order matching and trade confirmation.
Buffer Period	9:55 am – 10:00 am	Transition from pre-open to Normal market

C. Call Auction in Pre-open2 session shall comprise of two sessions viz.

- Order Collection period.
- Order matching period.

Order Collection Period

- During this period orders can be entered, modified and cancelled. Order collection period ends by system driven random closure between 44th and 45th minutes.
- Only limit order will be allowed.

Order Matching Period

- Order matching period will start immediately after completion of order collection period.
- Order will be matched at a single (equilibrium) price which will be open price.
- Eligible buy limit orders will be matched with eligible sell limit orders
- During order matching period order modification, order cancellation, trade modification and trade cancellation will not be allowed. The trade details will be disseminated to respective members immediately after matching of trades.

D. Trading in normal market session in other securities and IPO and Re-listed securities in pre-open session shall be available simultaneously.

E. Trading in securities will move in the Normal market only after the prescribed time i.e. 10:00 am subject to certain conditions.

- F. Block Trading session will not be available for the securities participating in Pre-open 2 session on the first day of trading / recommencement of trading; it would be made available in block trading session from the subsequent trading day subject to certain conditions.

G. Market parameters

Series	EQ/BE
Lot size	1 Equity share
Tick size	Rs. 0.05
Price band	No Band
Book Type	CB
Market	“G”

H. Determination of Equilibrium / Opening price

- The opening price shall be determined based on the principle of demand and supply mechanism.
- The equilibrium price will be price at which the maximum volume is executable.
- In case more than one price meets the said criteria, the equilibrium price will be the price at which there is minimum order imbalance quantity (unmatched order quantity). The absolute value of the minimum order imbalance quantity will be taken into consideration.
- In case more than one price has same minimum order imbalance quantity, the equilibrium price will be the price closest to the base price. In case the base price is the mid-value of pair of prices which are closest to it, then the base price itself will be taken as the equilibrium price.
- The equilibrium price determined in call auction of pre-open 2 session is considered as open price for the day.

I. Unmatched orders

In case of IPO securities

All unmatched limit orders within applicable price range (as per SEBI circular CIR/MRD/DP/01/2012 dated January 20, 2012) in the pre-open 2 session will be moved in the normal market session at their limit price on the basis of the price-time priority. This transfer will be done irrespective of equilibrium price discovered or not.

In case of Re-listed Securities

In case of equilibrium price is determined, all unmatched orders within applicable price range (as per SEBI circular CIR/MRD/DP/01/2012 dated January 20, 2012) will be moved to the normal market at their limit price on the basis of the price time priority.

If the equilibrium price is not determined, all the orders shall cancelled by the system at the end of Pre-open 2 session. Security will not be available for trading in normal market if equilibrium price is not determined in any of the Exchange and the pre-open 2 session for the said security will be conducted on subsequent trading day.

In case of stocks having derivatives contracts prior to undergoing scheme of arrangement/corporate restructuring.

All unmatched orders of the 1-hour call auction session that fall within the 10% dynamic price band of discovered price shall be moved to the normal trading session at their limit price. In case equilibrium price is not discovered, all the outstanding orders shall be cancelled and the stock shall continue to trade in call auction session on the first day until the price is determined.

J. Data dissemination

The information like Indicative equilibrium / opening price of scrip, total matchable / tradable quantity, total buy and sell quantity of the scrip shall be computed based on the orders in order book and shall be disseminated during pre-open 2 session.

K. Index circuit filter

In case of IPO & Relisting securities:

If the normal market is closed due to Index based market-wide circuit filter breach anytime during the order collection period for a new listing of a security (IPO) and relisting of a security, the respective sessions shall be closed immediately and all outstanding orders of these sessions shall be cancelled. A fresh session on the same day shall be conducted for new security (IPO) and relisting of a security. The fresh session shall be for duration of 1 hour out of which 45 minutes is for order collection/modification/cancellation, 10 minutes is for order matching and 5 minutes is buffer period. This session shall close randomly anytime between the 44th and 45th of the order collection period.

If the normal market is closed due to Index based market-wide circuit filter breach anytime during the order matching period for a new listing of a security (IPO), relisting of a security, the matching process shall be completed.

L. Reports

- The book type and market type is same as existing pre-open session (9:00 AM– 9:15 AM) in order and trade report provided to members.
- For all other reports, the trades executed in Preopen 2 session will be the part of the normal market.

M. Risk Management

- In respect of Call Auction orders for IPO scrips, re-listed scrips and stocks having derivatives contracts prior to undergoing scheme of arrangement/corporate restructuring margin is checked and blocked at the order level itself.

- For IPO scrips with issue size up to Rs 250 crs and re-listed scrips, orders received during Call Auction shall be validated for sufficiency of available capital at 100% of order value prior to acceptance of such orders.
- For IPO scrips with issue size greater than Rs 250 crs, orders received during Call Auction shall be validated at the applicable margin rate for sufficiency of available capital prior to acceptance of such orders.
- The existing risk management framework is applicable for trades resulting from Call Auction session.

Relevant Circulars:

Download no	Date
NSE/CMTR/19860	Jan 24, 2012
NSE/CMTR/19864	Jan 24, 2012

1.3 Rolling Settlement

SEBI vide their press release ref. No. 220/2001 dated December 19, 2001 & SEBI circular no. IES/42365/2001 dated January 2, 2002 has indicated that there shall be no account period settlement from December 31, 2001. Hence, securities are available in rolling settlement. In the rolling settlement, the securities shall be made available in series “EQ” for equity shares.

1.4 Trade for Trade Segment

As a measure of risk containment, the relevant authority shift securities to Trade for Trade Segment. Trading in such securities will take place in “BE” series. Transactions shall be cleared and settled on a trade for trade basis and there shall be no netting of transactions.

1.5 Limited Physical Market (LPM)

In pursuance of the SEBI Guidelines and Regulation 2.6 of Part A of the Capital Market Trading Regulations and without prejudice to the applicable provisions of the Securities Contract (Regulation) Act, 1956 and other relevant statutes, the Exchange notified that a new market type is being introduced for trading in the Capital Market segment of the National Stock Exchange to provide a facility to small investors to trade and settle physical shares not exceeding 500 shares of each security held in the name of the investor, in those securities where compulsory dematerialised trading and settlement is enforced as per SEBI notifications intimated to all members from time to time. The facility is referred as “Limited Physical Market”.

The Trading Members are requested to note the following points in this regard

- The trading shall be conducted only in the Odd Lot Market with market type ‘O’ with Book Type ‘OL’, and series ‘BT’ only.
- The Trading Member should ensure that all the orders in the ‘Limited Physical Market’

- are of quantity not exceeding 500 shares.
- Limited Physical Market held on daily basis as in the Normal Market segment.
- This facility is available during the normal market trading hours and order entry during the Pre-Open and Post-Close session is not allowed.
- The trading in the Limited Physical Market is subject to the normal price bands applicable to that security.
- Trading Members are required to ensure that shares are duly registered in the name of the Investor(s) before entering orders on their behalf on a trade date.
- The orders get matched when both the price and the quantity match in the buy and sell order. Orders with the same price and quantity will match on time priority i.e. orders which have come into the system before will get matched first.

Relevant Circulars:

Download No.	Date
NSE/CMTR/1010	Jun 02, 1999
NSE/CMTR/1229	Oct 07, 1999

1.6 Block Trading Session

The SEBI vide letter MRD/DoP/SE/Cir- 19/05 dated September 02, 2005 guidelines outlining a facility of allowing Stock Exchanges to provide separate trading window to facilitate execution of large trades. The exchange has introduced a separate trading session for the block trades from November 14, 2005.

Following are the features of Block Trades:

A. Market Type & Series

Trading will be conducted in the Odd Lot market (market type 'O') with Book Type 'OL' and series 'BL'.

B. Trading hours

35 minutes from the beginning of normal market trading hours i.e. the trading window shall normally remain open from 09:15 hours to 09:50 hours. There shall be no pre-open and post close in the block trade session.

C. Order

Order should be of a minimum quantity of 5,00,000 shares or minimum value of Rs 5 crore whichever is lower.

D. Trading module

Orders will get matched when both the price and the quantity match for the buy and sell order.

Orders with the same price and quantity will match on time priority i.e. orders which have come into the system before will get matched first.

E. Price

The securities, base price, alert quantity applicable in the block trade session shall be same as those applicable for the corresponding Normal Market on that day. But as per SEBI requirement, member is required to put orders at a price not exceeding +/-1% from the previous close price/adjusted base price/ruling market price, as applicable, of normal market. Accordingly, every order price will be validated for +/-1% on the ruling LTP in normal market, if not available then adjusted base price and any order away from this will be rejected by the system.

F. Market Order

Market orders are not allowed for BL series.

G. Special Terms

Order with special terms such as 'Stop Loss', 'Disclosed Quantity' shall not be available in this session.

H. Bhav Copy

Security statistics pertaining to this session trades shall be shown separately in the Market Statistics Report. Last trade price would be the close price for BL series since BL series is not available for trading in the last half hour of odd lot market.

I. Setting up Securities in Market Watch

For setting up securities in the Market Watch screen, the user has to press the function key [F4], enter the required details in Symbol, Series and Market Type fields and press [Enter]. The default option displayed in the market type field is 'N'. This can be changed to 'O' using the Up/Down arrow keys. The series has to be specified as 'BL'.

J. Order entry

Buy/Sell order can be entered in Block trades session using the function keys (F1/F2), selecting 'OL' in the Book Type field and series as 'BL'.

K. Order Cancellation/Modification

Order cancellation and modification is allowed for orders entered in the Block trades session. Both Single and Quick Order Cancellation functions are available. In case the quantity or price of a security is modified the order is re-time stamped.

L. MBO

MBO for Block trades session shall be available on inquiry basis. Hence, members have to re-invoke the screen in order to view the latest update. Members can query order information for the Block trades session in MBO by selecting 'ODD LOT' as book type and series 'BL' in the selection screen. Orders are stacked as per price-time priority in MBO. The high, low, last trade price, percentage change and average trade price figures are calculated with respect to trades in Block trades session. MBP functionality is not available for Block trades session.

M. Market Inquiry

Security statistics for Block trades session can be viewed by selecting 'ODD LOT' as market type and series as 'BL'.

N. Outstanding Orders/Activity log/ Previous Trade

Outstanding order/ Activity log/ Previous Trade information in a particular security can be viewed for Block trades session by selecting the book type 'ODD LOT' and series 'BL' in outstanding orders screen and market type 'ODD LOT' and series 'BL' in the Activity Log and Previous Trade screens.

O. Order and Trade Confirmation Slips

The order confirmation slip for orders entered in Block trades session displays 'O' as Market Type field and series 'BL'. Similarly, trade confirmation slip generated for Block trades session trades show 'O' in the Market Type field and series 'BL'.

P. Net Position

The Net Position screen displays consolidated statistics for all markets as well as separately for each market.

Q. Market Movement

Market Movement statistics for a security can be viewed by selecting market type as 'Odd Lot' and series 'BL'.

R. Most Active Securities

In Most active securities screen data is displayed symbol-series wise. This screen would display price statistics of BL series also if it figures in the most active list.

S. On-line Backup

In the On-line Backup function a facility is provided to select order/trades based on Market Type and series. Alternately, members can take a backup for all markets by selecting 'All' in the market type field.

T. Full Message Display

In Full Message Display, messages can be filtered on Symbol and Series. The option to filter messages for a market type is presently not available. Hence, messages for a Symbol-Series shall be displayed for all markets.

U. Branch/User Order Value Limit

Branch/User Order Limit is applicable for a particular Branch/User across all Markets.

V. Order Limit

Order limits set by a user are applicable for a single order across all Markets.

W. Ticker Selection

A facility is provided for filtering securities in the ticker for Odd Lot market.

X. Reports

Trades reports generated for members i.e. Trades Done, Order Log, displays records in ascending order of security name. Within a security records are displayed by Market Type.

Y. Advanced offline order entry

Facility to enter order in Block session through advance offline order entry.

Relevant circulars:

Download no	Date
NSE/CMTR/6845	Nov 08, 2005
NSE/CMTR/16004	Oct 13, 2010

1.7 Retail Debt Market (RDM)

Pursuant to circular no.NSE/CMTR/28041 dated November 12, 2014, in endeavor to centralize trading in all debt instruments into a single platform, trading in Central Government securities in Retail Debt Market of Capital Market segment is discontinued w.e.f. January 01, 2015.

Central Government securities are now available for trading in Retail segment of debt platform. (Circular no. NSE/DS/28040 dated November 12, 2014).

Members of Retail Debt Market of Capital Market segment, (who do not have membership in Debt segment) desirous of trading in Central Government securities in Retail platform of Debt

segment are advised to refer circular 'Requirements for members of Debt segment' dated December 27, 2013 (download ref no- NSE/MEM/25401) for obtaining membership.

Relevant Circulars:

Download No.	Date
NSE/CMTR/28041	Nov 12, 2014

1.8 Post Close Market

In accordance with SEBI letter SMD/Policy/9916/2003 dated May 20, 2003 notifying scheme / guidelines outlining a facility of providing Trading Session after normal market hours in Capital Market Segment, 'Closing Session' has been introduced by the Exchange from June 16, 2003. Closing Session is available only in Normal Market Segment.

Salient features of Closing Session are as follows:

- Timings will be 3.40 PM to 4.00 PM
- Only market price orders are allowed.
- Special Terms, Stop Loss and DQ orders are not allowed.
- Orders entered in the Closing Session cannot be modified.
- Trades will be considered as Normal Market trades.
- Index Orders are not allowed.
- The post close session facility is available to all the securities eligible for trading in Normal market in CM segment. However, if securities not traded in the normal market session will not be allowed to participate in the Closing Session.
- Outstanding orders in the Normal Market will continue to be displayed in the Outstanding Order screen. These orders can be cancelled in the Closing session. However, modification of these orders is not allowed. The orders will not be displayed in the MBP.
- There shall not be any fresh price discovery in closing session. All orders are matched at the Close price of the security for the day.

Relevant Circulars:

Download No.	Date
NSE/CMTR/4196	Jun 13, 2003
NSE/CMTR/4614	Dec 05, 2003
NSE/CMTR/10162	Jan 30, 2008
NSE/CMTR/18232	Sep 29, 2011

1.9 Auction Market

Auctions are initiated by the Exchange on behalf of trading members for settlement related reasons. The main reasons are Shortages, Bad Deliveries and Objections. The trading members can participate in the Exchange initiated auctions by entering orders as a solicitor. The auction market opens at 14:00 hours. The solicitor period is 30 minutes. The price band applicable in auction market is 20%.

1.10 Trade by of FIIs (IL Series)

As per Circular No. NSE/CMO/0029/99 dated December 22, 1999 the Exchange, has introduced trading under the series IL. The series IL would be used by trading members for executing trades on behalf of Foreign Institutional Investors (FII) in companies where the cut off limit of FII investment has been reached. Norms and procedures of the market are given below:

- A.** The FII trades would be allowed in a separate series type 'IL' under market type 'N' in companies where the cut off limit of FII investment has been reached. The settlement of transactions shall be on demat mode only.
- B.** Trading in this market segment shall be available for institutional investors only. In order to ensure that the overall FII ceiling limits are not violated, trading members shall be allowed to enter sell orders in this market segment only for their FII clients. However, members can enter buy orders on behalf of FII/FI clients.
- C.** The members entering invalid trades shall further be liable for suitable disciplinary action, which may include penalties, penal action, withdrawal of trading facilities, suspension etc.
- D.** Minimum tradable lot: The minimum tradable quantity in this market type shall be 1.
- E.** Trading Cycle: The trading in eligible securities shall be done on a rolling settlement basis only.
- F.** Eligible securities: The securities where FII investors and FII holding has reached the cut-off limit as specified by RBI (2% lower than the ceiling specified by RBI) from time to time would be available for trading in this market type for exclusive selling by FII clients. The list of securities eligible / become ineligible for trading in this market type shall be notified to members from time to time.
- G.** Base Price and Price Band: The base price and the price bands applicable for the securities trading in the IL series shall be the same as those applicable for the corresponding normal markets (series – EQ) on that day.
- H.** Other provisions: All other provisions applicable to different market segment (or type) shall also be applicable mutatis-mutandis to this market also.

Warning Message for Non CP orders in IL Series

A warning message shall be displayed in case user enters an order without participant code in IL series. This is to alert the user if an order is entered without participant code in IL series. If such an order is placed, the system shall give an alert message which will read as “Only Institutional Clients are permitted to trade in IL series. Do you wish to continue?” and only after the user confirms, the order will be further processed.

Relevant Circular:

Download No.	Date
NSE/CMTR/1348	Dec 22, 1999
NSE/CMTR/29601	Apr 30, 2015

1.11 Trades by Qualified Foreign Investor (IQ series)

As per Circular No. NSE/CMTR/20312 dated March 19, 2012 the Exchange, has introduced trading under the series IQ. The IQ series shall be used for executing trades on behalf of Qualified Foreign Investor (QFI) in companies where the caution limit of QFI investment has been reached and QFI wish to buy without the prior approval of the depositories.

Norms and procedures of the market are given below:

A. Market Parameters for IQ series

Market Type	Same as Normal Market
Lot Size	Same as Normal Market
Base Price & Price Band	Same as Normal Market
Eligible Securities	As mentioned in Caution list by Depositories

B. Other Provisions

In order to ensure that the overall QFI ceiling limits are not violated, trading members shall be allowed to enter sell orders in this market segment only for their QFI clients.

All other provisions applicable to different market segment (or type) shall also be applicable mutatis-mutandis to this market also.

Relevant Circulars:

Download No.	Date
NSE/CMTR/19809	Jan 16, 2012
NSE/CMTR/19901	Jan 27, 2012
NSE/CMTR/20312	Mar 19, 2012
NSE/CMTR/20965	Jun 08, 2012
NSE/CMTR/21304	Jul 19, 2012
NSE/CMTR/21334	Jul 23, 2012

1.12 Offer for sale

Securities Exchange Board of India (SEBI) vide circular no. CIR/MRD/DP/05/2012 dated February 01, 2012 issued guidelines for “Offer for Sale of Shares (OFS) by Promoters through the Stock Exchange Mechanism. It is available on IPO platform. In accordance with the SEBI circular, National Stock Exchange of India Ltd. (NSEIL) offers OFS facility on the Primary market segment of the Exchange to all members eligible in the Capital Market Segment.

Pursuant to SEBI circular no. CIR/MRD/DP/36/2016 dated February 15, 2016 on ‘Review of Offer for Sale (OFS) of Shares through Stock Exchange Mechanism’, trading members and the issuers are required to abide by the revised operating guidelines and terms & conditions as per circular NSE/CMTR/31777 dated February 19, 2016 or any other circular(s) issued from time to time with regard to OFS by NSEIL and such other requirements as prescribed by SEBI, or any other regulatory authority.

Relevant Circulars:

Download No.	Date
NSE/CMTR/31777	Feb 19, 2016

1.13 Investment by FII in Corporate Bond Infra long term category (H% series):

As per Circular No. NSE/CMTR/21024 dated June 15, 2012 the Exchange has introduced trading under the series type H%. The H% series shall be used for executing trades on behalf of FIIs who wish to trade in corporate bonds infra long term category during lock-in period.

Norms and procedures of the market are given below:

A. Market Parameters for H% series

Market Type	Same as Normal Market(N)
Lot Size	Same as Normal Market
Base Price & Price Band	Same as Normal Market
Eligible Securities	Corporate Bonds Infra long term category in lock-in period.

B. Other Provisions

- Trading members shall be allowed to enter orders only for FII client under H% series.
- All other provisions applicable to different market segment (or type) shall also be applicable mutatis-mutandis to this market also.

- FII transactions in H% series in corporate bonds infra long term category shall be cleared and settled on a net obligations basis within the sub-segment. Settlement of all transactions shall compulsorily be done in dematerialized mode only. All transactions in H% series shall be settled under settlement type 'N'. Settlement Guarantee shall be provided.
- All other provisions viz. confirmation timings, penalties, shortages etc. pertaining to IL series shall apply mutatis mutandis to H% series.

Relevant Circulars:

Download No.	Date
NSE/CMTR/21024	Jun 15, 2012

1.14 SME:

As per Circular no NSE/CMTR/21587 dated August 31, 2012 the Exchange introduced SME platform in capital market segment to enable trading in emerging companies. The SME platform is a hybrid system which comprises of Continuous order mechanism (Normal Market) as well as Call auction mechanism. SME securities shall be available either in call auction or continuous session at any point of time. Trading in SME platform would be anonymous except for market maker quotes or transactions which would be identified distinctly with #.

Continuous Market

All book types / market types currently available on the main board would be available for securities listed in the SME platform. Orders would be matched and executed at price time priority on a continuous basis.

Call Auction Market

A. Call auction session shall comprise of two phases:

Order Collection Period

- During this period orders can be entered, modified and cancelled.
- Both Limit and market order will be allowed.

The information like Indicative equilibrium / opening price of scrip, total buy and sell quantity of the scrip, would be computed and disseminated during this period.

Order Matching Period

- Order matching period will start immediately after close of order collection period.

- Order will be matched at a single (equilibrium) price which will be open price.
- Post matching, trade details will be disseminated to respective members.

B. Unmatched orders

All unmatched orders shall be cancelled by the system at the end of call auction session.

C. Determination of Equilibrium price

- The equilibrium price will be price at which the maximum quantity is tradable excluding quantity tradable between market maker.
- In case more than one price meets the said criteria, the equilibrium price will be the price at which there is minimum order imbalance quantity. The absolute value of the minimum order imbalance quantity will be taken into consideration.

$$\text{Imbalance quantity} = \text{Cumulative buy quantity} - \text{Cumulative sell quantity}$$

- In case more than one price has same minimum order imbalance quantity, the equilibrium price will be the price closest to the last traded price, if traded on that day (LTP), else previous day's closing price. In case LTP or previous day's closing price is the mid-value of pair of prices which are closest to it, then the LTP or previous day's closing price itself will be taken as the equilibrium price. In case of corporate action, previous day's closing price will be the adjustable closing price or the base price.
- Both limit and market orders shall reckon for computation of equilibrium price.
- In case of only market orders exists both in the buy and sell side, then order shall be matched at LTP or previous days close price or adjusted close price / base price.
- If both the side only market maker orders no price will be determined.

D. Matching Logic

- Order will be matched at a single (equilibrium) price as per the following sequence based on price time priority.
- Buy market maker orders will match with sell non-market maker limit and market order respectively.
- Sell market maker orders will match buy non-market maker limit and market order respectively.
- Remaining non-market maker to non-market order will match as limit to limit, limit to market and market to market respectively.
- No matching of orders would be carried out between market maker orders.

E. Market timings

Market timings for continuous & call auction markets is given below:

Continuous Market: 9:15 AM to 3.30 PM

Call auction Market: 11.00 AM to 12:00 noon

There is one call auction session with random closure in the last five minutes.

At the end of the call auction session, order matching would take place at the equilibrium price as explained above.

F. Eligible Members

All members eligible for capital market segment are eligible to trade on SME platform. No separate membership is required for trading on SME platform

G. Market parameters

- Lot size - As per SEBI circular no CIR/MRD/DSA/06/2012 dated February 21, 2012 applicable market lots for SME securities is given below:

Price Band (in Rs)	Lot Size (No of shares)
Upto 14	10000
more than 14 upto 18	8000
more than 18 upto 25	6000
more than 25 upto 35	4000
more than 35 upto 50	3000
more than 50 upto 70	2000
more than 70 upto 90	1600
more than 90 upto 120	1200
more than 120 upto 150	1000
more than 150 upto 180	800
more than 180 upto 250	600
more than 250 upto 350	400
more than 350 upto 500	300
more than 500 upto 600	240
more than 600 upto 750	200
more than 750 upto 1000	160
Above 1000	100

The above lot size is applicable based on the issue size at the time of listing. The Exchange may review the lot size once in every 6 months / wherever warranted, by giving an advance notice of at least one month to the market. However, as far as possible the stock Exchange shall ensure those odd lots are not created. Further, the lot size would only be revised to lower lot size. Investors with holdings less than minimum depth (market lot) shall be allowed to sell their complete holdings in the odd lot market. The buyer for the odd lot shall be the market maker appointed for the security.

- Tick size - 5 paise
- Price band - 20%
- Market type - Market type for SME call auction session would be “C” and for continuous session would be “N”
- Series –SME securities would be distinctly identified as under:
 - i. Rolling settlement with series as SM (EQ equivalent)
 - ii. Trade for Trade with series as ST (BE equivalent)
 - iii. Limited Physical market with series as SP (BT equivalent)
 - iv. Block trading window with series as SL (BL equivalent)
 - v. Odd lot trading window with series as SO (for odd lots trading)
 - vi. Institutional segment with series as SI (IL equivalent)
 - vii. Qualified foreign investor with series as SQ (IQ equivalent)

H. Index circuit filter

Pursuant to SEBI circular ref.no CIR/MRD/DP/25/2013 dated September 03,2013, if the normal market is closed due to Index based market-wide circuit filter breach anytime during the order collection period for SME, the respective session shall be closed immediately and all outstanding orders of this sessions shall be cancelled. However, if the normal market is closed due to Index based market-wide circuit filter breach anytime during the order matching period for SME securities the matching process shall be completed.

Relevant Circulars:

Download No.	Date
NSE/CMTR/21587	Aug 31, 2012

Institutional Trading Platform for SME securities (ITP)

Pursuant to SEBI circular no. CIR/MRD/DSA/33/2013 dated October 24, 2013, exchange launched an Institutional Trading Platform (ITP) for SME securities. Features of Institutional trading platform are as follows:

- A. Segment: SME platform in Capital Market
- B. Market Type: Normal (N)
- C. Book Type: Regular lot (RL), Stop Loss (SL)
- D. Symbol: As notified at the time of listing of a security
- E. Series : IT (BE equivalent)
- F. Minimum Order Size (Lot size): No. of Shares equivalent to minimum Rs. 10 lakhs based on the price at the time of introduction. The Lot size shall be reviewed by Exchange from time to time based on the price.
- G. Order type: Day, Immediate or Cancel (IOC),Market &Limit order
- H. Order Matching: Anonymous order book. Continuous matching with Price-Time priority.
- I. Tick Size: Rs. 0.05
- J. Price Bands: 20% +/- of the closing price. The price band range (operating range) shall be dynamic and same shall be relaxed further as per discretion based on request.
- K. Eligible members: All members eligible to trade in Capital Market segment are eligible to trade in ITP segment.
- L. Index circuit filter: If breached, (vide SEBI Circular No. SMDRPD/Policy/Cir-37/2001 dated June 28, 2001 and SEBI Circular no. CIR/MRD/DP/ 25 /2013 dated September 03, 2013), trading on ITP platform shall halt and resume along with normal trading in Capital market segment.
- M. Market timing : 09:15 am to 3.30 pm. & 3:40 pm to 4:00 pm (closing session)

Relevant Circulars:

Download No.	Date
NSE/CMTR/26529	Apr 25, 2014

1.15 Call Auction for illiquid scrips :

Based on guidelines of SEBI circular no.CIR/MRD/DP/6/2013 dated February 14, 2013 and SEBI circular no. CIR/MRD/DP/38/2013 dated December 19, 2013, Exchange conducts Periodic Call auction session for illiquid scrips on daily basis.

Features of Illiquid session are as follows:

A. Session timings

Periodic call auction session of one hour each is conducted throughout the trading hours with the first session starting at 9:30 am and last session ending at 3:30 pm. The session shall close with system driven random closure during the last one minute of order entry i.e between the 44th & 45th minute.

Session Details	Call Auction Start Time	Call Auction End Time
Session 1	9:30 AM	10:30 AM
Session 2	10:30 AM	11:30 AM
Session 3	11:30 AM	12:30 PM
Session 4	12:30 PM	1:30 PM
Session 5	1:30 PM	2:30 PM
Session 6	2:30 PM	3:30 PM

B. Criteria

Security which trades in the normal market and is not shifted to trade for trade settlement shall be classified as illiquid if following conditions are met:

- Average daily turnover of less than Rs.2 lakhs calculated for previous two quarters and
- The security is classified as illiquid at all exchanges where it is traded

Of securities identified as per above criteria, securities which satisfy any of the following conditions shall be excluded.

- i. Securities with average market capitalization more than Rs.10 Cr.
- ii. Securities where company is paying dividend in at least two out of last three years.
- iii. Securities where company is profitable in at least 2 out of last 3 years and not more than 20% of promoters shareholding is pledged in the latest quarter and book value is 3 times or more than the face value.

C. Entry & Exit of Securities

At the beginning of every quarter, securities shall be identified as illiquid/ normal as per the above criteria. Securities shall move in/or out of periodic call auction from second Monday or the next working day of the following quarter. Further, security which has remained in periodic call auction for at least one quarter and not classified as illiquid as per the criteria prescribed above shall be excluded

D. Notice to market

Notification on the list of illiquid securities for the quarter shall be issued to market participants at least two trading days in advance.

E. Market parameters

Lot Size & Tick Size	Same as Normal Market
Book type	CB
Market type	G
Series	EQ/BE
Settlement	Rolling / trade for trade as the case may be

F. Price band

Price bands may be as applicable in normal market session or as notified by surveillance from time to time subject to a maximum price band of 20%.

G. Eligibility in Other markets

Securities eligible in call auction session shall not be available for trading in continuous session.

H. Trading session

The Call auction shall comprise of order collection and order matching period.

I. Unmatched order

The orders may remain valid throughout the trading day and un-matched orders remaining at the end of a call auction session may be moved into next call auction session.

J. Index circuit filter

In the event of Index based market-wide circuit break during the order collection period, the session shall be cancelled and all orders shall be purged. In the event of trigger during the order matching period, matching process will be completed. The periodic call auction session shall be resumed at the next call auction after the normal market resumes.

Relevant Circulars:

Download No.	Date
NSE/CMTR/22748	Feb 15, 2013
NSE/CMTR/23063	Mar 26, 2013
NSE/CMTR/25320	Dec 20, 2013

1.16 Trading in Sovereign Gold Bonds:

Pursuant to RBI press release ref no: 2015-2016/2857 dated June 08, 2016 regarding trading of Sovereign Gold Bonds on the stock exchange, the parameters for Sovereign Gold trading is as follows-

Segment	Capital Market Segment
Market Type	Normal (N)
Book Type	Regular Lot (RL), Stop Loss (SL)
Symbol of the security	To be intimated separately from time to time
Series	GB
Market Lot	1 (one unit = one gram)
Order Type	Day, Immediate or Cancel (IOC), Market & Limit Order.
Order matching	Anonymous order book. Continuous matching with Price – Time priority.
Tick Size	Rs 0.01
Eligible Members	All members eligible to trade in Capital market segment
Market Timings	09:15 am to 3.30 pm. & 3:40 pm to 4:00 pm (closing session).

Relevant Circular:

Download No.	Date
NSE/CMTR/32540	Jun 09, 2016

1.17 Introduction of new series - LS:

Pursuant to SEBI Circular CIR/MRD/DSA/01/2016 dated January 01, 2016, the divestment of any excess shareholding of trading members or their associates and agents beyond the specified limit would be through a special window provided by the stock exchange where the shares of the stock exchange are listed.

Accordingly, in pursuance of the clause 2.6 of Part A of Regulations for the Capital Market Segment of the Exchange, and without prejudice to the applicable provisions of Securities Contracts (Regulations) Act (SCRA), 1956 and other statutes, rules, notifications, guidelines etc., the Exchange hereby notifies that a new 'Market Type' as defined under Regulation 1.3.9 of Part A of Regulations for the Capital Market has been introduced on the trading system of the Exchange under the series type 'LS'.

The norms, trading rules and other details are as follows-

Segment	Capital Market Segment
Market Type	Normal (N)
Eligible security	As notified by the Exchange from time to time based on intimation received from Depositories
Series	LS
Base Price & Price Bands	The base price and the price bands applicable for the securities trading in the LS series shall be the same as those applicable for the corresponding normal market series on that day.
Eligible Participants	Trading members shall be allowed to enter sell orders in this market segment only for entity (ies) as notified by the Depositories from time to time. However, trading members can enter buy orders on behalf of any entity (ies) other than those notified by Depositories at that point in time.



ITEM 2

TRADING CALENDER & TRADING HOURS

2.1 Trading Holidays

The Capital Market segment shall remain closed on Saturday and Sunday, unless it is explicitly stated otherwise. The trading holidays for Capital Market Segment for the calendar year 2017 is as below:

Sr. No.	Date	Day	Description
1	January 26, 2017	Thursday	Republic Day
2	February 24, 2017	Friday	Mahashivratri
3	March 13, 2017	Monday	Holi
4	April 04, 2017	Tuesday	Ram Navami
5	April 14, 2017	Friday	Good Friday Dr.Baba Saheb Ambedkar Jayanti
6	May 01, 2017	Monday	Maharashtra Day
7	June 26, 2017	Monday	Id-Ul-Fitr (Ramzan ID)
8	August 15, 2017	Tuesday	Independence Day
9	August 25, 2017	Friday	Ganesh Chaturthi
10	October 02, 2017	Monday	Mahatama Gandhi Jayanti
11	October 19, 2017	Thursday	Diwali-Laxmi Pujan*
12	October 20, 2017	Friday	Diwali-Balipratipada
13	December 25, 2017	Monday	Christmas

http://www.nseindia.com/global/content/market_timings_holidays/market_timings_holidays.htm

Holidays falling on Saturday / Sunday are as follows:

Sr. No.	Date	Day	Description
1	April 09, 2017	Sunday	Mahavir Jayanti
2	September 02, 2017	Saturday	Bakri ID
3	September 30, 2017	Saturday	Dasera
4	October 01, 2017	Sunday	Moharram
5	November 04, 2017	Saturday	Gurunanak Jayanti

*Muhurat Trading will be conducted on Thursday, October 19, 2017. Timings of Muhurat Trading shall be notified subsequently.

Relevant circulars:

Download no	Date
NSE/CMTR/33746	Dec 05, 2016

2.2 Trading Hours

Effect from January 1, 2014 onwards the trading environment is available from 7.00 am onwards on every trading day for users to login and check connectivity.

Trading sessions	Time
Pre-open session (Regular) Open	9:00 hrs.
Pre-open session (Regular) Close	9:08 hrs.
Pre-open 2 session Open (IPO & Re-listed securities)	9:00 hrs.
Pre-open 2 session Close (IPO & Re-listed securities)	9:45 hrs.
Normal / Odd lot market Open	9:15 hrs.
Normal / Odd lot market Close	15:30 hrs.
Block Deal session Open	9:15 hrs.
Block Deal session Close	9:50 hrs.
SME Call Auction Open	11:00 hrs.
SME Call Auction Close	12:00 hrs.
Call Auction Illiquid session (6 sessions of 1 hour each) From	9:30 hrs.
Call Auction Illiquid session (6 sessions of 1 hour each) To	15:30 hrs.
Auction market Open	14:00 hrs.
Closing session Open	15:40 hrs.
Closing session Close	16:00 hrs.

Pre-open session (Regular)

Session	Time	Remark
Order Entry Period	9:00 am - 9:08 am (*)	- Order entry, Modification and Cancellation (*) System driven Random closure between 7th and 8th minute.
Order Matching & trade Confirmation Period	9:08 am(*) – 9:12 am	(*) Order matching period will start immediately after completion of order entry period. - Opening price determination. - Order matching and trade confirmation.
Buffer Period	9:12 am - 9:15 am	Transition from pre-open to continuous trading session.

Pre-open 2 session (IPO & Re-listed securities)

Session	Time	Remark
Order Entry Period	9:00 am - 9:45 am (*)	- Order entry, Modification and Cancellation (*) System driven Random closure between 44th and 45th minute.
Order Matching & trade Confirmation Period	9:45 am(*) – 9:55 am	(*) Order matching period will start immediately after completion of order collection period. - Opening price determination. - Order matching and trade confirmation.
Buffer Period	9:55 am – 10:00 am	Transition from pre-open to Normal market

Relevant circulars:

Download No.	Date
NSE/CMTR/1229	Oct 07, 1999
NSE/CMTR/15981	Oct 12, 2010
NSE/CMTR/16841	Jan 25, 2011
NSE/CMTR/19013	Sep 29, 2011
NSE/CMTR/19860	Jan 24, 2012
NSE/CMTR/19864	Jan 24, 2012

2.3 Extension of Market hours

The Exchange may extend the market time for trading after carrying out preliminary checks/assessment of the problem, for such time period as may be deemed necessary from time to time in the event of 25% or more of normally active trading terminals being unable to trade due to loss of access to the trading system of the segment during the normal or extended course of trading hours for reasons beyond their control.

2.4 Market Close for trading

The Exchange may close the Capital Market Segment for trading after carrying out preliminary checks/assessment of the problem for such time period deemed necessary in the event of 40% or more of normally active trading terminals, being unable to trade due to loss of access to the trading system of the segment during the normal or extended course of trading hours for reasons beyond their control. In this situation the Future & Option segment may be closed after giving short notice. For any reason, if the Future & Options Segment at the Exchange is closed / is required to be closed for trading, Capital Market Segment at the Exchange shall continue to remain open and operational.

Relevant circulars:

Download no.	Date
NSE/CMTR/1531	Mar 16, 2000
NSE/CMTR/3444	Jun 18, 2002
NSE/CMTR/5075	May 13, 2004

2.5 Contingency Drill / Mock Trading schedule

Contingency Drills/ Mock Trading sessions are conducted by the Exchange from time to time for periodical testing of trading infrastructure and its recovery & response mechanisms. Large scale participation of members is quintessential for the success of such sessions.

In order to enable market participants to plan and schedule their own contingency plans/testing, the Exchange has notified the Contingency drills/Mock trading sessions calendar for the year 2017 as below.

Sr No	Dates of Contingency Drill /Mock Trading Sessions
1	January 07, 2017
2	February 04, 2017
3	March 04, 2017
4	April 01, 2017
5	May 06, 2017
6	June 03, 2017
7	July 01, 2017
8	August 05, 2017
9	September 02, 2017
10	October 07, 2017
11	November 04, 2017
12	December 02, 2017

Relevant circulars:

Download no.	Date
NSE/CMTR/33749	Dec 05, 2016

ITEM 3

MARKET PARAMETERS

3.1 Price Band

In pursuance of Clause 2.5.1 of Part A of the Capital Market Trading Regulations, the Exchange clarifies the requirement as regards price band for securities under different circumstances detailed below.

A. Securities listing after Initial Public Offering:

For issue size up to Rs. 250 Cr., trading shall take place in the Trade for Trade segment for the first 10 days with applicable price bands, wherein for the first day:

- No price band during pre-open 2 session through call auction mechanism
- The price band in the normal trading session shall be 5% of the equilibrium price / issue price.

For issue size greater than Rs. 250 Cr., the applicable price bands for the first day shall be:

- No price band during pre-open 2 session through call auction mechanism
- The price band in the normal trading session shall be 20% of the equilibrium price / issue price.

B. Re-listed Securities

Trading shall take place in the Trade for Trade segment for the first 10 days with applicable price bands, wherein for the first day:

- A. No price band during pre-open 2 session through call auction mechanism
- B. The price band in the normal trading session shall be 5% of the equilibrium price.

C. No Price Band

There is no price band in respect of securities, for which derivative products are available. However in order to prevent members from entering orders at non-genuine prices in such securities based on Pre-trade risk control guidelines, the Exchange has set the dummy circuit (dynamic price bands) filter (operating range) at 10%.

In the event of a market trend in either direction, the dynamic price bands may be relaxed during the day in co-ordination with other Exchange as follows:

- If the last trade occurs at 9.90 % or more of the base price, the dynamic price band shall be relaxed to 15%. Subsequently, if the last trade occurs at 14.90% or more then the same would be relaxed to 20% and so on by relaxing dynamic price band in multiples of 5%.
- For the purpose of relaxing the dynamic price bands, the Exchange will take into account that a minimum of 10 trades must be executed with multiple UCC on both sides of the trade at or above 9.90 % or more of the base price and in further multiples of 5% of the price movement.
- If the dynamic price band is relaxed by another Exchange.
- Price range shall be flexed in only those securities, on which derivatives products are available.
- Price band shall be flexed only in the direction in which the price has been reached.
- The price band revision shall be applicable for the day only.
- Any order beyond the dynamic price band of 10% or subsequent relaxed price band, as the case may be, over the base price shall be subject to price freeze. Exchange shall suo moto cancel these orders.

D. Auction Market

Price band applicable for auction market is 20 %.

E. Other Securities

Price band is as decided by Surveillance department from time to time.

Relevant circulars:

Download no	Date
NSE/CMTR/3671	Oct 09, 2002
NSE/CMTR/5699	Dec 27, 2004
NSE/CMTR/10478	Mar19, 2008
NSE/CMTR/15663	Sep 06, 2010
NSE/CMTR/19860	Jan 24, 2012
NSE/CMTR/22322	Dec 17, 2012
NSE/CMTR/22372	Dec 21, 2012
NSE/CMTR/26663	May 09, 2014

3.2 Quantity Freeze

Any order entered by a member exceeding Global alert quantity limit of more than 25000 shall result in an alert which will read as “Order entered exceeds alert quantity limit. Confirm availability of adequate capital to proceed” and only after the member clicks the button ‘Yes’ the

order will be further processed for execution.

After pressing the 'Yes' button, there will not be any check at the Exchange but such order will directly go to the order book for execution. Hence, members are advised to take note of this alert and also take utmost care before clicking the 'Yes' button.

In addition to above alert, the exchange has defined Quantity freeze limits on individual securities. These limits are revised on daily basis and are available in the security.txt file in % terms. Members are advised to ensure that no single order is placed beyond the limit stipulated for the security by the Exchange. Any such order received by the Exchange shall be suo moto cancelled.

In view of the aforesaid modification, everyday members will be required to invariably load the security.txt and nnf_security.dat file (downloaded everyday through Extranet) into the NEAT/NEAT Plus software.

Relevant circular:

Download no	Date
NSE/CMTR/6384	Jul 15, 2005
NSE/CMTR/22500	Jan 08,2013

3.3 Tick Size

In pursuance of Regulation 2.5.6 of the National Stock Exchange (Capital Market) Trading Regulations tick size for all non-convertible and convertible debt instruments available for Normal / Odd Lot / Auction Market segments is one paise. The tick size for all Exchange Traded Fund instruments available for trading in Normal / Odd Lot / Auction Market is one paise except for the Gold ETF.. The tick size for all close ended mutual fund scheme instrument (series MF / ME) is one paise. Further the tick size for all other securities and Gold ETFs is five paise.

Relevant circulars:

Download no	Date
NSE/CMTR/4181	Jun 05, 2003
NSE/CMTR/4272	July 14, 2003
NSE/CMTR/14348	Mar 19, 2010
NSE/CMTR/14666	Apr 27, 2010

3.4 Trading Exigencies

I: Cancel on logout

COL facility at User level is being provided. Corporate Manager of a trading member can enable / disable user level COL flag for their users

The salient features of COL at User level are:

- Corporate Manager shall have an option to enable / disable the user level COL facility for their users
- By default the User level COL facility shall be disabled for all users.
- If a user for whom User level COL flag is enabled logs out, all outstanding orders shall be cancelled for that user.
- Corporate manager can enable/disable users for COL before, after or anytime during the market hours.
- COL facility shall not be applicable for orders entered in Pre-Open and Call Auction Sessions.

II: Kill Switch

An additional facility 'Kill Switch' is being provided. When the Kill switch function is executed, all outstanding (except pre-open & call auction session) orders shall be cancelled.

A) Trading member level:

The trading member level kill switch shall be available to Corporate Manager of a trading member.

When trading member level kill switch is executed, all outstanding orders (excluding pre-open and call auction session orders) of that trading member shall be cancelled.

The salient features of trading member level Kill Switch are:

- Only corporate manager can execute this Kill Switch.
- All outstanding orders (excluding pre-open and call auction session orders) of all users of that trading member shall be cancelled.

B) User level:

The User level kill switch functionality shall be available to all users. When user level kill switch is executed, all outstanding orders (excluding pre-open and call auction session orders) for that user shall be cancelled.

The salient features of Kill Switch at user level are:

- User Level Kill Switch is available to all users.
- On executing user level Kill Switch, all outstanding orders (excluding pre-open and call auction session orders) entered by that user shall be cancelled.

3.5 Index Circuit Filter

As per SEBI circular number SMDRPD/Policy/Cir-35/2001 dated June 28, 2001 Exchange has implemented index based market wide circuit breaker in compulsory rolling settlement from July 02, 2001. The index based market wide circuit breaker system shall apply at three stages of the index movement either way at 10%, 15% and 20%. These circuit breakers shall bring about a coordinated trading halt in all equity and equity derivative markets nationwide.

The market wide circuit breakers shall be triggered by movement of either Nifty 50 or BSE Sensex whichever is breached earlier. Based on revised guidelines as per SEBI circular number CIR/MRD/DP/25/2013 dated September 03, 2013 Index circuit filter mechanism is modified w.e.f October 14,2013 as below:

- Index based market-wide circuit filter levels at 10%, 15% and 20% shall be based on the closing index value of NIFTY 50 on the previous trading day, rounded off to the nearest tick size.
- All outstanding orders at the time of market halt, due to breach of index based market-wide circuit filter, shall be cancelled.
- The market shall open, after index based market-wide circuit filter breach, with a pre-open call auction session. The extent of duration of the market halt prescribed vide SEBI circular June 28, 2001, shall be reduced by fifteen minutes for pre-open call auction session, as given below:

Trigger Limit	Trigger Time	Halt duration	Pre Open call auction Session post each halt
10%	Before 1 PM	45 Minutes	15 Minutes
	At or After 1 PM upto 2.30 PM	15 Minutes	15 Minutes
	At or after 2.30 PM	No Halt	Not applicable
15%	Before 1 PM	1 Hour 45 minutes	15 Minutes
	At or after 1 PM before 2 PM	45 Minutes	15 Minutes
	On or after 2 PM	Market closed for the day.	Not applicable
20%	Any time of the day	Market closed for the day.	Not applicable

- If the normal market is closed due to Index based market-wide circuit filter breach anytime during the order collection period for a new listing of a security (IPO), relisting of a security, SME securities and illiquid securities periodic call auction session, the respective sessions shall be closed immediately and all outstanding orders of these sessions shall be cancelled. A fresh session on the same day shall be conducted for new security (IPO) and relisting of a security. The fresh session shall be for duration of 1 hour out of which 45 minutes is for order collection/modification/cancellation, 10 minutes is for order matching and 5 minutes is buffer period. This session shall close randomly anytime between the 44th and 45th of the order collection period. The periodic call auction sessions for illiquid securities shall be held at the next scheduled time after the start of normal market.

- If the normal market is closed due to Index based market-wide circuit filter breach anytime during the order matching period for a new listing of a security (IPO), relisting of a security, SME securities and illiquid securities period call auction, the matching process shall be completed.

Relevant circulars:

Download no	Date
NSE/CMTR/2657	Jun 29, 2001
NSE/CMTR/20451	Mar 30, 2012
NSE/CMTR/24355	Sep 04, 2013
NSE/CMTR/24709	Oct 11, 2013
NSE/CMTR/28611	Jan 13, 2015



ITEM 4

COMPLIANCE

4.1 Bulk & Block Reporting

Disclosure of Bulk / Block Deals:

SEBI vide its circular no. SEBI/MRD/SE/Cir-7/2004 dated January 14, 2004 has decided that members of the Exchange shall make disclosures to the Exchange with respect to all transactions in scrip where total quantity of shares bought / sold is more than 0.5% of the number of equity shares of the company listed on the Exchange.

With a view to impart transparency in bulk deals so as to prevent rumors /speculation about such deals causing volatility in the scrip price, it has been decided to bring about greater disclosure of such deals as mentioned below:

- The disclosure shall be made with respect to all transactions in scrip where total quantity of shares bought/sold is more than 0.5% of the number of equity shares of the company listed on the stock exchange.
- The brokers shall disclose to the stock exchange the name of the scrip, name of the client, quantity of shares bought/sold and the traded price.
- The disclosure shall be made by brokers immediately upon execution of the trade.

In case of Bulk Deals:

- **Single Trade:** Immediately upon the execution of the order where the traded quantity either buy or sell on account of any trade (client / proprietor) is more than 0.5% of the number of equity shares of the company listed on the stock exchange.
- **Cumulative Trades for the Day:** Within one hour from the closure of the trading hours, the quantity traded on that day either purchases or sale under proprietary or any single client code is more than 0.5% of the number of equity shares of the company listed on the stock exchange.

In case of Block deals:

- Trades executed in the block deal session for the day with Date, Symbol, Series, member code and Client Code combination will be considered.
- Quantity on both the sides (buy and sell) will be considered, if available.

Member of the Exchange shall make disclosures to the Exchange with respect to the information pertaining to bulk trades and /or trades done under the block deals session/market on the same day of trade. Members are requested to send the information in the format given below on Fax No. 022-26598155:

S No.	Date of Trade	Symbol	Scrip Name	Client Name	Buy (B) / Sell (S) Indicator	Quantity Traded (Buy/sell to be shown separately)	Trade Price / Weighted average trade price

Facilities provided by Exchange (Reporting):

- A. Listed Capital:** To facilitate members to ascertain the number of equity shares of the company members may please use the file (file name: bulkddmmyyyy.xls) available on the extranet under common / Cmmkt directory. The file applicable for the current trading day will be made available on the same day by 08:30 a.m. The format of the file is as follows:

Symbol	Series	Number of equity shares of the company.
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- B. Member files:** The Exchange provides an indicative report of bulk / block deals to the members on a daily basis after market hours. The indicative bulk / block deals report will also contain records for derived bulk deal.

Points for consideration while calculating bulk/ block deals are as given below.

For BULK Deal record

- Trades executed in the normal market for the day with Date, Symbol, Series, member code and Client Code combination will be considered.
- Where the total quantity for above combination exceeds (equal to or greater than) 0.5% of total listed capital either on buy or on sell side then the record will be identified as BULK deal.
- If BULK deal is identified on the buy side, sell side quantity for above combination in Normal market will also be considered.
- If BULK deal is identified on sell side, buy side quantity for above combination in Normal market will also be considered.

For BLOCK Deal record

- Trades executed in the odd lot market 'BL' series for the day with Date, Symbol, Series, member code and Client Code combination will be considered.
- Quantity on both the sides (buy and sell) will be considered, if available.

For DERIVED BULK deal

- Trades executed in the odd lot market 'BL' series for the day with Date, Symbol, Series, member code and Client code combination will be considered.
- Where the total quantity for above combination exceeds (equal to or greater than) 0.5% of total listed capital either on buy or on sell side then the record will be identified as DERIVED BULK deal.
- If DERIVED BULK deal is identified on the buy side, normal market trades (if any) for Date, Symbol, member code and Client Code combination on the buy side will be added in the quantity. Also, quantity for the trades executed in the odd lot market 'BL' series and normal market trades for the aforesaid combination will be considered for the sell side.
- If DERIVED BULK deal is identified on the sell side, normal market trades (if any) for Date, Symbol, member code and Client Code combination on the sell side will be added in the quantity. Also, quantity for trades executed in the odd lot market 'BL'

series and normal market trades for the aforesaid combination will be considered for the buy side.

Illustration

Symbol	Series	Client	Buy qty	Sell qty	Issue size (no. of shares) of ACC	0.5% of issue size to qualify as bulk deal
ACC	BL	XYZ	9,50,0000	9,50,0000	18,69,61,305	9,34,807

Say for example, there has been a deal which qualifies as a block deal as follows:

Since the buy or sell quantity is more than 0.5% of issue size of ACC, this deal also needs to be reported as bulk deal. Hence such deals have been defined as derived bulk deal. In such case, trades executed for a particular client in the odd lot market ('BL' series) and normal market, trades for both the markets will be combined and given to the members.

C. Download Path: The reports will be downloaded to all members on EXTRANET server in their respective folders in the following path “/ <TM CODE>/ Bulk/Dnld” directory

D. File format: The file format is given as below

The file will be in pipe delimited format with the file name “C_BLK_<TM CODE>_<DDMMYYYY>.csv”). The file format is as follows:

- Trade Date
- Symbol
- Security Name
- Client Code
- Client Name
- Client Address
- Issued Capital
- Threshold #
- Status (bulk, block, derived bulk deal)
- Buy Qty
- Buy Price *
- Sell Qty
- Sell Price *

indicates 0.5% of Issued capital

* indicates trade price / weighted average price

File nomenclature: File name will be “C_BLK_<TM CODE>_<DDMMYYYY>.csv”

E. To whom: To all the members who have traded on a given trading date. However, in case of members whose trades do not qualify as bulk/block deals will have no records in the file so downloaded to them.

F. Time for reporting:

Time of file download: After 16:30 hours

Cut off time for members to report in case of any mismatch: By 17:00 hours

In case of mis-match:

The members are required to verify each and every record in the file so downloaded. In case the information provided by the Exchange is found to be matching with member records, the members need not send any information regarding bulk / block deals to the Exchange.

In case of any mismatch, they should fax the entire bulk / block deal details to the Exchange within 30 minutes from the time the indicative bulk / block deal report is downloaded in the format given below.

S No.	Date of Trade	Symbol	Scrip Name	Client code	Client Name	Buy (B) / Sell (S) Indicator	Quantity Traded (Buy/sell to be shown separately)	Trade Price / Weighted average trade price

However, if no fax is received within 30 minutes from the time the indicative bulk / block deal report is downloaded; it will be assumed that there is no mismatch in respect of the data downloaded by the Exchange.

Finally the same data will be disseminated on the Exchange's website. The Exchange will arrange to disseminate the aforesaid information after compilation on the same day to the general public through its website - www.nseindia.com

Relevant circulars:

Download no	Date
NSE/CMTR/4808	Feb 16, 2004
NSE/CMTR/6846	Nov 08, 2005
NSE/CMTR/7864	Sep 13, 2006
NSE/CMTR/8425	Jan 24, 2007
NSE/CMTR/10249	Feb 12, 2008

4.2 Short Selling

SEBI vide circular no. MRD/DoP/SE/Dep/Cir-14/2007 dated December 20, 2007 has permitted all classes of investors to short sell subject to the broad framework as specified below. The guidelines of short selling are operationalise from April 21, 2008.

- Disclosure of short Selling:**

As per the SEBI directive, trading members are mandated to disclose scriptwise short sell positions to the exchange, in this regard, the exchange is providing facility to members to

upload short sell information through Member portal for trading Members. The detail procedure for reporting short selling is provided below.

- **Dissemination:**

The Exchange shall disseminate the scrip wise short sell details on weekly basis through website www.nseindia.com.

Relevant Circular:

Download No.	Date
NSE/CMTR/9953	Dec 24,2007
NSE/CMTR/10161	Jan 30, 2008
NSE/CMTR/10488	Mar 25, 2008
NSE/CMTR/10596	Apr 17, 2008

Broad framework for short selling

- “Short selling” shall be defined as selling a stock which the seller does not own at the time of trade.
- All classes of investors, viz., retail and institutional investors, shall be permitted to short sell.
- Naked short selling shall not be permitted in the Indian securities market and accordingly, all investors would be required to mandatorily honour their obligation of delivering the securities at the time of settlement.
- No institutional investor shall be allowed to do day trading i.e., square-off their transactions intra-day. In other words, all transactions would be grossed for institutional investors at the custodians’ level and the institutions would be required to fulfill their obligations on a gross basis. The custodians, however, would continue to settle their deliveries on a net basis with the stock exchanges.
- The stock exchanges shall frame necessary uniform deterrent provisions and take appropriate action against the brokers for failure to deliver securities at the time of settlement which shall act as a sufficient deterrent against failure to deliver.
- A scheme for Securities Lending and Borrowing (SLB) shall be put in place to provide the necessary impetus to short sell. The introduction of full-fledged securities lending and borrowing scheme shall be simultaneous with the introduction of short selling by institutional investors.
- The securities traded in F&O segment shall be eligible for short selling. SEBI may review the list of stocks that are eligible for short selling transactions from time to time.
- The institutional investors shall disclose upfront at the time of placement of order whether the transaction is a short sale. However, retail investors would be permitted to make a similar disclosure by the end of the trading hours on the transaction day.
- The brokers shall be mandated to collect the details on scrip-wise short sell positions, collate the data and upload it to the stock exchanges before the commencement of trading on the following trading day. The stock exchanges shall then consolidate such information and disseminate the same on their websites for the information of the public on a weekly

basis. The frequency of such disclosure may be reviewed from time to time with the approval of SEBI.

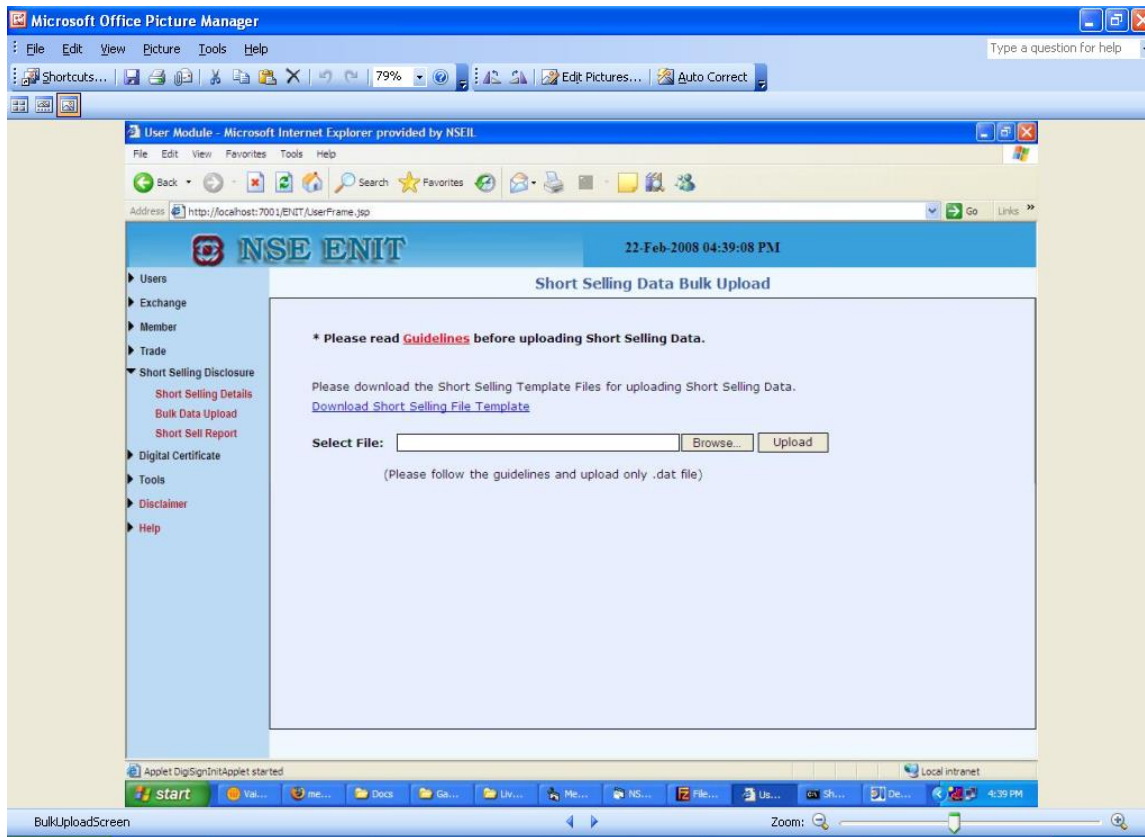
Detail procedure for reporting short selling

The member can disclose details through the short selling details option provided under Short Selling disclosure in Member portal. The short selling dissemination screen is shown below:-

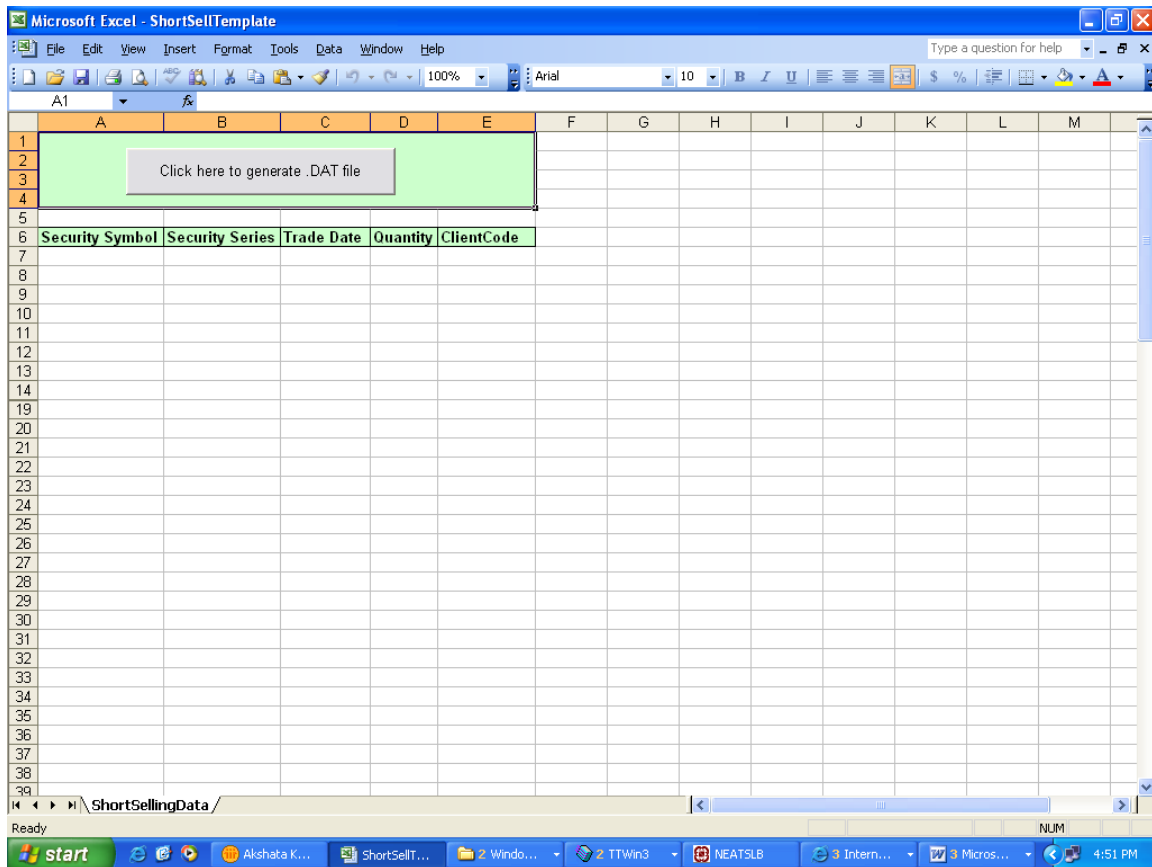
- Member is required to enter the short sell details security wise at the client level.
- All the fields (symbol, series, trading date, quantity and client code) are mandatory.
- The securities traded in F&O segment of the Exchange shall be eligible for short selling.
- Member can submit 10 records at a time.

The screenshot shows the 'Short Selling Dissemination' interface. At the top, it says 'NSE ENIT' and '29-Jan-2008 02:32:19 PM'. Below this, there are fields for 'Member Name' and 'Member Code'. The main part of the screen is a table with the following columns: Symbol, Security, Series, Trading Date, Quantity, and Client Code. There are 10 rows in the table, each starting with a dropdown menu for the Symbol. At the bottom of the table, there are 'Submit' and 'Reset' buttons. On the left side, there is a navigation menu with options: Users, Exchange, Member, Trade, Short Selling Disclosure (which is expanded to show 'Short Selling Details' and 'Short Sell Report'), Digital Certificate, Tools, Disclaimer, Help, and Logout. The bottom of the screen shows a Windows taskbar with various open applications and the system clock at 3:50 PM.

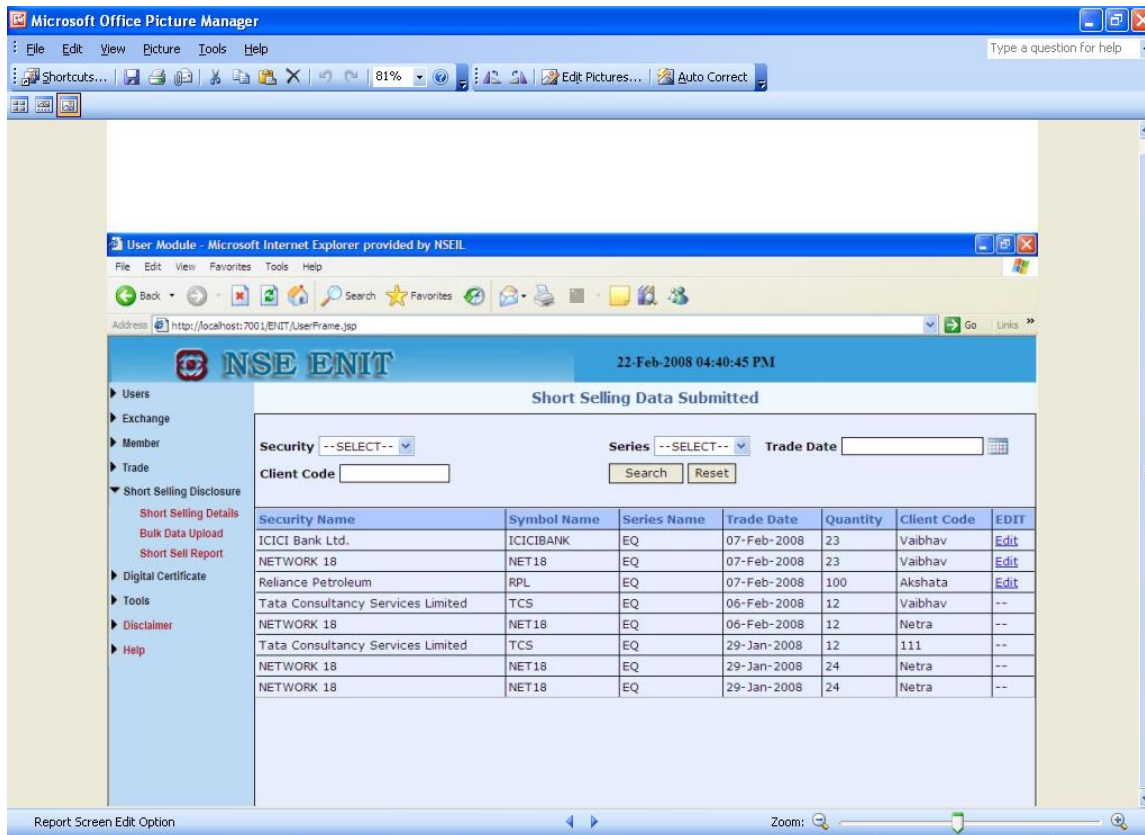
- Upon submission of data, confirmation message is displayed with the upload reference number (Short_Sell_<Member Code>_<Unique identification no>_<no. of records uploaded>).
- Member is also provided with a file upload facility to upload records. The member can upload records through “Bulk data upload” option under short selling disclosure.



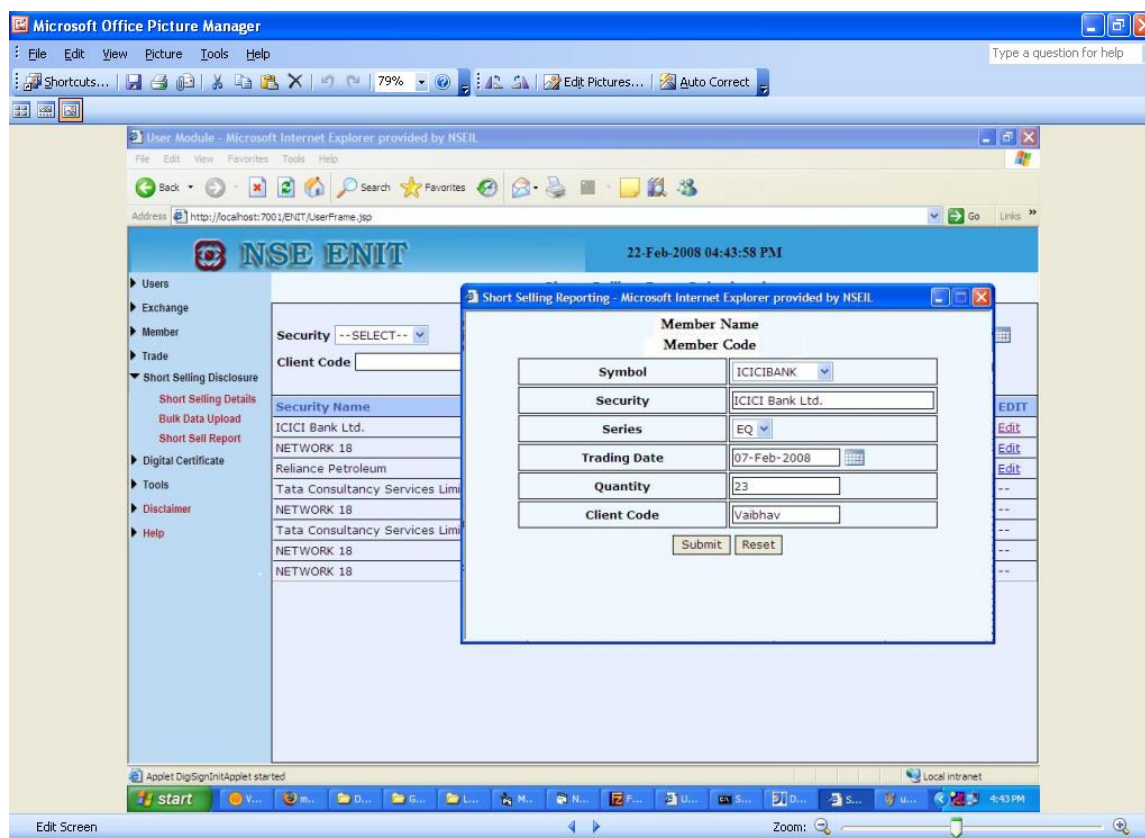
- The member can upload 100 records at time.
- The member can prepare the file as per the format mentioned and save it as “.DAT” format.
- The fields are as follows:
 - Security Symbol
 - Security Series
 - Trade Date
 - Quantity
 - Client Code
- The file must have a blank line in the beginning of the file and field must be pipe separated. Further every record should be terminated with an end line character (Enter key).
- Alternatively, the member is provided with Shortselling template to enter records. The template can be downloaded from the given “Download Short Selling File Template” link.
- The member can save the template in any drive



- The member has to enter the following details in the template
 - Security Symbol (Drop Down)
 - Security Series (Drop Down)
 - Trade Date
 - Quantity
 - Client code
 - After entering details click on generate the Shortselling.DAT file button to generate the file.
 - The Shortselling.DAT file is generated on C:\
 - The member has to upload the Shortselling.DAT file which is generated
 - The member should not make any changes in the .DAT file. If the member makes any changes the file will be corrupted and member will not be able to upload the file.
- c. Member is provided with an option to view and edit the data submitted to the Exchange through short sell report option provided under Short Selling disclosure.



- Filter on security, series, trade date and client code is provided.
- Member can edit the data through the edit link in the display area.
- The member is presented with the following form on clicking the edit link.



- The member can make the required changes and click on submit button.
- The member can view the updated record under short sell report option.
- The old record which the member has submitted to the exchange will be replaced with the updated record.

4.3 Trade Annulment

In accordance with SEBI circular no. CIR/MRD/DP/15/2015 dated July 16, 2015, the Exchange has modified the trade cancellation request procedure as specified in the aforesaid Exchange circular dated April 01, 2015 and has specified the Policy for annulment of trades undertaken on stock exchanges. Further the existing 'Trade Cancellation Request' shall be considered as 'Trade Annulment Request' for the purpose of SEBI circular.

SEBI in its circular expressly advises that "to ensure finality of trades executed on trading platforms of the stock exchanges, to the extent possible, annulment of trades should be avoided by the stock exchanges."

In order to discourage frequent or frivolous annulment requests, the following revised procedure and guideline for submission and processing trade annulment requests shall be applicable:

I. Submission of Trade Annulment Request:

Trade annulment request can be placed only by the executing trading members (buyer /seller) who have executed the trade to be annulled.

1. Prior to initiating the trade annulment request, the trading member shall ensure and certify the following:
 - i. that the member had taken adequate precautions such as defining order quantity limit; order value limit ; user value limit ; branch value limit and all the risk management measures as provided by the Exchange from time to time.
 - ii. that the orders related to the trade(s) to be annulled were routed after filtering them as per the risk management principles of the member,
 - iii. that the orders were in compliance with the order placement limits applicable to the dealer, branch and member.
 - iv. that the member has a process in place to ensure that the orders leading to the trade(s) to be annulled were covered by adequate margins, where applicable.
 - v. that the orders were placed by a qualified dealer.
2. Mode of placing the annulment request:
 - i. The trading system of the Exchange provides a facility to a member to initiate a trade annulment request in electronic form whereupon the member on the other side of the trade would receive the details of the trade annulment request anonymously.
 - ii. The member has to file the annulment request electronically only on the trading system provided by the Exchange.
 - iii. The Exchange shall electronically disseminate the request on trading system to all concerned counter party trading members to the trade(s) for which annulment is sought.
 - iv. Considering the strict time lines, Exchange shall not accept any request in any form or any other mode other than the screen based electronic mechanism provided by the Exchange. However, Exchange may permit filing of request in any other mode in exceptional cases.
 - v. Counterparty trading member who accepts the request has to respond on the trading system intimating their consent to annul the trade.
 - vi. The Exchange may seek additional information from such members for further scrutiny, if found necessary.

II. Criteria & Processing of Trade Annulment Request:

The trade/s for which annulment is requested shall have to fulfill all the conditions listed below for the Exchange to be taken up for further processing;

- Trade annulment requests should be placed only by the executing trading members (buyer /seller) who have executed the trade(s) to be annulled. Trade annulment requests placed by third parties viz. Clearing Member / trading member other than executing trading members, shall not be accepted for processing.
- Trade annulment requests should be submitted to the Exchange within 30 minutes of the execution of trade.
- A trade annulment request can only be made for an order of a minimum value of Rs 10 Crores.
- Minimum trade value of trade(s) originating from a single order for which annulment request is made should be Rs. 10 lakhs or above.
- The trade(s) in question are not within the price bands / operating range / trade execution range applicable at the time of trade.
- Trade(s) for which annulment requests are submitted should have been executed in the continuous session (Normal market).
- Trade(s) have not been executed in Block deal session (BL), Institutional Segment (IL) and QFI trades (IQ).
- Trade(s) have not been executed with the same PAN number on both the buying and selling side.

Exchange shall require the trading members to submit additional information such as reason to request for trade annulment, whether similar trade annulment requests have been submitted simultaneously to other exchange etc. in electronic form through ENIT.

Trade Annulment requests fulfilling the conditions specified above shall be accepted for further processing and should satisfy the following additional criteria:

- Counterparty trading member should have provided acceptance to trade annulment in electronic form within 30 minutes after the market closure or within 30 minutes from time of trade annulment requests whichever is later. If the counterparty member does not intimate his consent within 30 minutes of market closure or within 30 minutes from time of trade annulment requests whichever is later, it will be deemed that the counterparty member does not consent to the request for annulment.
- The executing member and the member on the other side of the said trade for a trade annulment request is not the same.

The Exchange shall expeditiously, not later than start of next trading day, examine and decide upon accepted annulment requests. The Exchange shall intimate the requesting member about the acceptance / rejection of the annulment request.

Where a trading member has requested for annulment of trade(s) to more than one exchange, Exchange shall coordinate with the other exchanges to take appropriate inputs to decide upon the trade annulment request.

Member may note that any trade annulment if accepted will not result in re-computation of index or bhavcopy.

III. Application fee for trade annulment request

A fee equal to 5% of the value of trade(s) for which annulment is requested, subject to minimum fee of Rs. 1 lakh and maximum fee of Rs. 10 lakhs shall be charged as Annulment Application fee for accepting the request. Such fee shall be debited from the Member's Exchange dues account or deducted from Members money available with the Exchange on the day of receipt of trade annulment request. The amount so collected as Annulment Application Request fees shall be credited to Investor Protection Fund (IPF) of the Exchange.

IV. Dissemination of following information on Exchange website

Exchange shall disseminate the following details of trade annulment requests on its website www.nseindia.com:

- Details of receipt of trade annulment request.
- Details of decision on trade annulment request.

- V. A mechanism for review of the decision of the Exchange on Trade annulment request shall be provided. For the purpose of review the trading members shall submit a request for review to the Exchange before the payout deadline for the trades. The detailed procedure is provided in circular download ref. no. NSE/INVG/30931 dated October 12, 2015.
- VI. As prescribed in SEBI Circular para no. 4, in case there is more than 1 instance from the same trading member in the same segment in a calendar quarter, an additional amount equal to 1% of the value of trade(s), subject to minimum of Rs. 1 lakh shall be charged. This is being done to discourage frequent or frivolous requests and maintain the sanctity of the trades on the Exchange. This charge shall be non-reversible. This shall be in addition to the Annulment request application fee.
- VII. Members may note that pursuant to Byelaw 5 of chapter VII of the Byelaws, the Exchange may, to protect the interest of investors in securities market and for proper regulation of the securities market, suo motu annul trades at any time if the relevant authority is satisfied for reasons to be recorded in writing that such trade(s) is/are vitiated by fraud, material mistake, willful misrepresentation or market or price manipulation and the like.

4.4 Proprietary Trading

As directed by SEBI and in pursuance of Byelaw 6 of Chapter IX of the Byelaws of the National Stock Exchange and in partial modification of Regulation 3.2.1 of the Capital Market Trading Regulations and without prejudice to the applicable provisions of the Securities Contracts (Regulations) Act, 1956 and other relevant statutes, it is hereby notified that it would be obligatory on the Trading members to specify the nature of the order in terms of the order being a client order or being on their own account at the time of order entry on the trading system.

Members are advised to note that the segregation of orders is possible on the order entry screen using 'CLI' for client account orders or 'PRO' for orders of members which are on their own account.

In accordance with the SEBI vide letter SEBI/MRD/SE/Cir-32/2003/27/08 dated August 27, 2003, Stock Exchanges is providing the facility of placing of orders on 'proprietary-account' through trading terminals to be extended only at one location of the Trading Members.

In view of the above it has decided that

- Facility of placing orders on proprietary account through trading terminals shall be extended only at one location of the members as specified / required by the members.
- Trading terminals located at places other than the above location shall have a facility to place orders only for and on behalf of a client by entering client code details as required / specified by the Exchange / SEBI.
- In case any member requires the facility of using proprietary account through trading terminals from more than one location, such member shall be required to submit an application to the stock exchange stating the reason for using the proprietary account at multiple locations and the Exchange may, on case to case basis after due diligence, consider extending the facility of allowing use of proprietary account from more than one location.
- Members requiring the facility of 'proprietary-account' through trading terminals from more than one location and / or CTCL are required to submit an undertaking. Format of undertaking is provided below. **Member has to submit single proprietary undertaking for all segments.**

Relevant circulars:

Download No.	Date
NSE/CMTR/0128	Nov 13, 1996
NSE/CMTR/4460	Oct 03, 2003
NSE/CMTR/4540	Nov 06, 2003
NSE/CMTR/7650	Jul 04, 2006
NSE/ CMTR/10741	May 23, 2008
NSE/CMTR/11980	Feb 04, 2009
NSE/CMTR/14389	Mar 23, 2010

FORMAT OF UNDERTAKING FOR AVAILING PROPRIETARY ACCOUNT ORDER ENTRY FACILITY

I/We _____, an individual /a firm registered under the Indian Partnership Act, 1932 / a Company / body corporate incorporated under the Companies Act of 1956 / _____ Act, 19____, and residing at / having our registered office at _____ give this UNDERTAKING on this the _____ day of _____ 20____ at _____ IN FAVOUR of National Stock Exchange of India Limited, a company incorporated under the Companies Act of 1956, with its registered office at "Exchange Plaza", Bandra - Kurla Complex, Bandra (E), Mumbai - 400 051(hereinafter called "NSEIL")

WHEREAS

1. NSEIL provides the National Exchange for Automated Trading (NEAT) software to enable its Trading Members to trade and in addition NSEIL also provides Computer To Computer Link (hereinafter called "CTCL") facility to Trading Members for order entry, receipt of order and trade confirmation and also for receipt of data relating to its trade quotations.
2. NSEIL, has prescribed that the facility of placing orders on "Pro-account" through trading terminals shall be availed by the Trading Members only at one location of the Trading members as specified / required by the Trading Members; any trading terminal located at a place other than the above location shall have a facility to place order only for and on behalf of a Constituent by entering client code details as required by NSEIL/ SEBI; and In case any Trading Member requires the facility of using "Pro-account" through trading terminals from more than one location, such Trading Member shall request NSEIL stating the reason for using the "Pro-account" at multiple locations.
3. NSEIL has as a precondition to the Undersigned being permitted the facility of using "Pro-account" through trading terminals from more than one location required me/us to furnish the undertaking in the manner and on the terms herein below:-

NOW THEREFORE IN CONSIDERATION OF NSEIL having agreed to allow me/us at my/our request to avail the Pro-account facility from more than one location, I/we hereby IRREVOCABLY AND UNCONDITIONALLY UNDERTAKE and agree to abide by and be bound by the following terms and conditions:-

1. That I/we undertake to enter proprietary orders only from the Pro-account terminals permitted by NSEIL and undertake not to misuse the said "Pro-account" facility and state that the proprietary trades on the Pro-account terminals pertain to proprietary trades and not client trades.
2. That I/we state that our Director(s) / Partner(s) is/are based at the location where the "Pro-account" trading terminals are located. The Pro-account facility shall be made available to the Approved Users only after obtaining the prior written consent of NSEIL and subject to such terms and conditions as may be prescribed by NSEIL from time to time.
3. That I/we undertake not to use the "Pro-account" trading terminals for purposes other than the defined reasons.

4. That I/we undertake to take all such steps and/or precautions to ensure and keep ensured that the 'Pro-account' facility is not extended to a location other than the location of the trading terminals where the "Pro-account" facility is permitted by NSEIL and CTCL terminals shall not be extended beyond the location of such permitted trading terminals.
5. That NSEIL, at its absolute discretion, may make the Pro-account facility available to me / us only from the date of my / our enablement on the Pro-account facility till such time as it may deem fit and further that the Pro-account facility may at any time be withdrawn by NSEIL at its discretion without giving me / us any notice or any reasons whatsoever.
6. That I/we shall execute, sign, and subscribe, to such other documents, papers, agreements, covenants, bonds, and / or undertakings as may be prescribed or required by NSEIL from time to time.
7. That I/we undertake to abide by all the provisions of the Byelaws, Rules, Regulations and Circulars/norms and requirements that may be in force from time to time relating to use and operation of the NEAT Trading System (including use of CTCL software) and that they shall also mutatis mutandis become applicable to the use and operation of the Pro-account facility.
8. That I/we undertake to render all possible assistance and cooperation to NSEIL by providing all information in any form as it may require and shall produce such documents, records, accounts, books, data howsoever stored including data stored in magnetic tapes, floppy diskettes, etc. and any other information as may be required by NSEIL at its discretion.

IN WITNESS WHEREOF this Undertaking is executed by the undersigned on the day, month, year and the place first mentioned above.

Signed by, for and on behalf of: Before me

Instructions for Undertaking:

1. The Undertaking is to be executed on a non-judicial stamp paper worth Rs.100/- if executed in State of Maharashtra. If this Undertaking is executed outside the State of Maharashtra, then it must be executed on a non judicial stamp paper stamped in accordance to the duty as payable in the place of execution or on a non-judicial stamp paper worth Rs. 100/- whichever is higher.
2. Further this Undertaking (including all annexures / schedules) has to be notarised before a Notary Public.
3. All the pages of this Undertaking (including all annexures / schedules) have to be signed in full. The persons signing should also sign in full at all places in the Undertaking where anything has been hand-written / any corrections have been made.
4. If the Trading Member is an individual, then the Undertaking has to be signed by the individual Trading Member himself.
5. If the Trading member is a firm, then ALL the partners are required to sign this Undertaking.
6. If the Trading Member is a corporate, then the Undertaking has to be signed by the Managing Director or any two Directors of the company named as an authorised signatories of the company.. The Common Seal of the company has to be affixed by the company on this Undertaking in the presence of such persons as authorised by the Articles of Association of the company.

Instructions for Board Resolution:

1. If the Trading Member is a corporate, the Undertaking has to be accompanied with a certified copy of the resolution of the Board of Directors of the company authorising the person(s) executing the undertaking to do so along with their specimen signatures and designations.
2. The Board Resolution should clearly state that the affixation of common seal shall be made in the presence of such persons as authorised by the Articles of Association of the company and should also clearly state the names of such persons. The above persons should sign the undertaking as a token of their presence when the common seal is affixed.

Further, the trading members shall be subject to and abide by all circulars, requirements, conditions, norms, guidelines and / or such terms as may be prescribed or required by NSEIL from time to time and the same shall become applicable ipso facto, upon its notice to the members by the Exchange.

Members may please note that

- The facility of PRO account trading is given by default to the Corporate manager user id of the member by the exchange. However, member can request for its deactivation, if required so by member, in the relevant form on NSE ENIT interface.
- The Pro trading facility is given to the user id for a specific location as mentioned in the application. Any change to the location of user id / connectivity shall result in deactivation of Pro trading facility by the exchange.

PROCEDURE FOR APPLICATION OF PRO-TRADING:

Exchange has provided facility on member portal to handle requests for proprietary account trading applications electronically. Further, it may be noted that digital signature is imperative for accepting the applications through member portal. Hence, it is mandatory that all the applications sent electronically through member portal contain digital signature as allotted by the Exchange to authorized personnel of the trading firm. Trading members may send the application for availing proprietary account trading facility by logging in Member portal (<https://www.connect2nse.com/memberportal/>). Member can login through corporate manager user id by entering User ID and password.

Members are required to send their request for proprietary enablement and disablement through the facility on NSE ENIT electronically.

Login screen – Member Portal

Member Portal - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Address <https://www.connect2nse.com/MemberPortal/>

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- EXTRANET_upld
- MARGIIS
- NSE-ASSIST
- UCI-Online

Welcome

Sign In

User Information

User Id: Your User Id here.

Member Code: Your Member Code here.

Password: Enter text as shown in the image.

Enter text as shown in the image.

[Forgot Password](#)
[Clear Cache](#)

Submit Cancel Help

Services

Extranet Downloads

Date	Total Count	Read Co...
------	-------------	------------

Billing Downloads

- Circulars
- Corporate Actions

ers can login queries and feedbacks. | Extranet on member portal is released in phased manner. Respective members will be intimated as and whe

Done Internet

start

Member... Microsof... National... NSE - N... Untitled ... New Me... 4:47 PM

Default location application: - Member notify details of default location to the Exchange through 'Default Location Request' (TRADING->Pro Trading->Default Location Request)

User Module - Microsoft Internet Explorer provided by NSEIL

http://172.20.6.230:7001/ENIT/UserFrame.jsp

NSE ENIT 18-Dec-2008 02:37:36 PM Home | Logout

Default Location Activation

Member Name: [REDACTED]

Sebi Registration Code: [REDACTED]

Segment: -SELECT--

Connectivity: ☒ X.25 ☒ TCP-IP

List of Active Equipments: ---SELECT---

Address Line1: 10.179.3.98

Address Line2: --

Address Line3: --

City: --

PinCode: --

Reset

Digital Certificate Password: [REDACTED]

Certify Data Submit Cancel

Done Internet

Once connectivity type is selected the list of active equipment ids will appear

Upon selecting the equipment id, postal address associated with it will automatically appear

Change in Default Location: - Members use this option to change their existing default location, if necessary.

Change In Default Location

Address Line1:

Address Line2:

Address Line3:

City:

PinCode:

New Location Details

Connectivity: ☒ X.25 ☐ TCP-IP

New location Equipments:

Address Line1:

Address Line2:

Address Line3:

City:

PinCode:

Digital Certificate Password:

Once connectivity type is selected the list of active equipment ids will appear

Upon selecting the equipment id, postal address associated with it will automatically appear

PRO Enablement Request- Members use this option for placing Proprietary Account Enablement requests (Trading->Pro Trading-> Pro Enablement Request)

The screenshot shows the 'Pro Enablement' form on the NSE ENIT website. The form is divided into several sections: Member Information, Postal Address, Default Location Address, and Connectivity details. A sidebar on the left contains navigation links. Three callouts provide additional information:

- Callout 1:** Points to the 'Connectivity' dropdown menu, stating: "Once connectivity type is selected, the list of User ids under that connectivity will appear".
- Callout 2:** Points to the 'UserId' dropdown menu, stating: "Upon selecting the user id, postal address associated with it will automatically appear".
- Callout 3:** Points to the 'Default' radio button under 'Location', stating: "Member need to specify whether the user id is pertaining to 'Default location' or 'Additional location'".

Form Fields:

- Member Name:** [Text Field]
- Sebi Registration Code:** [Text Field]
- Market Segment:** ☐ CM ☒ F&O
- Connectivity:** ☐ X.25 ☒ TCP-IP
- UserId:** [Dropdown Menu]
- User Name:** [Text Field]
- Postal Address:**
 - Address Line1:** [Text Field]
 - Address Line2:** [Text Field]
 - Address Line3:** [Text Field]
 - City:** [Text Field]
 - PinCode:** [Text Field]
- Default Location Address:**
 - Address Line1:** [Text Field]
 - Address Line2:** [Text Field]
 - Address Line3:** [Text Field]
 - City:** [Text Field]
 - PinCode:** [Text Field]
- Connectivity details:**
 - Primary:** [Text Field]
 - Dual Locking(if any):** [Text Field]
- Digital Certificate Password:** [Text Field]

'Postal Address' and 'Default Location Address' will appear automatically on selecting the user id. If the option 'Default' is selected, then member should ensure that both 'Postal Address' and 'Default Location Address' is pertaining to the single location.

PRO Disablement Request: - Members use this option for placing Proprietary account Disablement requests. (Trading->Pro Trading->Pro Disablement request)

User Module - Microsoft Internet Explorer provided by NSEIL

http://172.20.6.230:7001/ENIT/UserFrame.jsp

NSE ENIT 18-Dec-2008 02:32:26 PM Home Logout

Pro Disablement

Member Name: [Text Field]

Sebi Registration Code: [Text Field]

Market Segment: ☒ CM ☐ F&O

Connectivity: ☐ X.25 ☒ TCP-IP

UserId: [---SELECT---]

User Name: [Text Field]

Postal Address

Address Line1: [Text Field]

Address Line2: [Text Field]

Address Line3: [Text Field]

City: [Text Field]

PinCode: [Text Field]

Default Location Address

Address Line1: [Text Field] TEST

Address Line2: [Text Field]

Digital Certificate Password: [Text Field]

[Certify Data] [Submit] [Cancel]

Once connectivity type is selected, the list of User ids under that connectivity will appear

Upon selecting the user id, postal address associated with it will automatically appear

Note: - Pro Disablement request shall be processed after Trading hours

Pro Application Status: - Members can view the audit trail of Proprietary Account Enablement and Proprietary Account Disablement requests through the option 'Pro Application Status' report.

NSE ENIT 30-Apr-2012 02:02:04 PM Home | Logout

Pro Audit Trail Report

Request Type: Request Reference No:

Request Submission From Date: Request Submission To Date:

Date Of Application	Type of Application	Connectivity	User Id	User Name	Primary connectivity	Secondary connectivity	Postal Address	Default Location Address	Status	Status Date	Segme
---------------------	---------------------	--------------	---------	-----------	----------------------	------------------------	----------------	--------------------------	--------	-------------	-------

Pro Status Report: - Pro Status Report has been provided on the ENIT front-end. Members may use this option to view the final Pro-status of their user ids in each segment as on current date.

Pro Status Report

Please find below the Latest Pro Status of User Ids

Export Data | [EXCEL](#)

User Id	Segment	Location	Pro Status
6017	F	DEFAULT	D
12936	F	DEFAULT	E

4.5 Trading Through Other Trading Member

SEBI vide their letter SEBI/MIRSD//Cir-06/2004 dated January 13, 2004 has notified the norms relating to trading by members / sub brokers through other brokers/sub brokers of the same Stock Exchange or other Stock Exchanges.

The relevant contents of the circular are given below:

During the course of inspections carried out by SEBI of the books of accounts and other documents of members/sub-brokers, it has been observed that certain members/sub-brokers are dealing through a large number of other stock brokers/sub-brokers of the same exchange/other exchange for their proprietary trades as well as trades on behalf of clients.

Trading through large number of brokers/sub-brokers raises serious issues of regulatory concerns including taking excessive exposure, executing pro account trading from multiple locations in violation of SEBI circular no. SEBI/MRD/SE/Cir-32/2003/27/08 dated August 27, 2003, possibility of over leveraging and default etc.

With a view to address these concerns, to protect the interests of investors in securities and to promote the development of, and to regulate the securities market. stock exchanges ensures the following:-

- A Stock broker/sub-broker of an exchange cannot deal with brokers/sub-brokers of the same exchange either for proprietary trading or for trading on behalf of clients, except with the prior permission of the exchange. The stock exchanges while giving such permission, shall consider the reasons stated by the brokers/sub-brokers for dealing with brokers/sub-brokers of the same exchange and after carrying out due diligence allow such brokers/sub-brokers to deal with only one stock broker/sub-broker of the same exchange.
- A stock broker/sub-broker of an exchange can deal with only one broker/sub-broker of another exchange for proprietary trading after intimating the names of such stock broker/sub-broker to his parent stock exchange.
- As per Regulation 15(1) (e) of the SEBI (Stock Brokers and Sub-Brokers) Regulations, 1992 a sub-broker shall not be affiliated to more than one stock broker of one stock exchange. It is reiterated that a stock broker of an exchange can deal with only one broker of another exchange on behalf of clients after obtaining necessary registration as a sub-broker.

All trading members are advised to ensure due compliance of the direction of SEBI and refrain from indulging in any business not complying with the stipulated requirement unless otherwise permitted to do so by the Exchange.

Relevant Circular:

Download No.	Date
NSE/CMTR/4757	Jan 22, 2004

4.6 Debarred Client

Members may note that w.e.f April 16, 2012, orders and order/trade modifications placed for entities debarred by SEBI shall be rejected by the trading system with the message, “The Account is debarred from trading”. For this purpose, UCC details uploaded by members will be matched with the SEBI specified lists of debarred clients. In addition to this, “Debarred Client Master maintenance” facility is available to restrict order for specific client at terminal level.

4.7 User Order Value & Branch Order Value Limit

Members are required to set definite limits for User Order Value Limit (UOVL) and Branch Order Value Limit (BOVL) for each user and branch. If definite limits are not set up, such users/branches may not be able to trade. The daily report containing the various order level limits, set for users by their corporate manager/branch manager shall be downloaded to the members. The nomenclature and the detailed file structure of the report are given in Part-C.

4.8 Prevention of Self-trade

Self-Trade Prevention mechanism has been introduced on October 12, 2015 and the same has been revised w.e.f. July 11, 2016. Members are requested to note the following:

1. Member shall have option to stipulate at the time of order entry whether to cancel passive order or active order resulting in self-trade.
2. If an active order is likely to match with a passive order belonging to the same member-client or same member-proprietary combination in the same order book, then active or passive order (full or partial as the case may be) as per the option set in order entry shall be cancelled by the exchange with rejection message “Order cancelled by the System – The order could have resulted in Self-trade”
3. The mechanism shall be applicable to Proprietary (PRO) and Client (CLI) – non custodial participant orders
4. The mechanism shall be applicable only during matching. Member shall take due precaution to prevent self-trade while performing trade modification.

Relevant Circular:

Download No.	Date
NSE/CMTR/29753	May 19, 2015
NSE/CMTR/30879	Oct 01, 2015
NSE/CMTR/32648	Jun 24, 2016

ITEM 5 SYSTEMS

5.1 Extranet facility for Members

Exchange provides Extranet facility to members. The facility enables members to access common and member specific data through FTP. Details of the facility are as follows:

Remote folder	/common (location for common files required to upload daily eg: security.gz, participant.gz, nnf_security.gz, nnf_participant.gz, FreeFloat.txt)	/ (TMID) (Location for member specific files eg: Trader report)
Option 1 User ID / Password	(TMID) / Corporate ID password It may be noted that the Extranet is updated with the latest password set for the corporate ID after the end of market hours every working day. Hence, members are advised to avoid changing their corporate ID password after market hours.	
Options 2 User ID / Password	cmguest /CMGUEST	Not applicable
IP address for IP enabled users	172.19.125.71 Access is available in both DOWNLOAD & UPLOAD modes. Access is not available between 8:30am and 4:30pm	
IP address for Internet users	ftp://ftp.connect2nse.com Access through Internet FTP is available round the clock in DOWNLOAD mode only	

5.2 Trading Access Point (TAP)

To ensure reliability and security features on the IP network, the Exchange has introduced the concept of a middle-ware viz. Trading Access Point (TAP). The TAP system consists of a software component running on server class hardware platform which allows access and connectivity to the Exchange trading systems. Trading front ends – NEAT, NEATPlus and NNF (Non-NEAT Front-end) software will connect to TAP system, which in turn will communicate with the Exchange trading system, thereby facilitating trading.

To enhance the performance and flexibility, Exchange provides the facility of TAP on Linux and Windows operating systems. Members using the IP connectivity are required to set up TAP Box using the running TAP Version by configuring the TAP Box ID allotted to them.

The latest available version setup files for Windows and Linux operating systems reside on extranet path \\common. The Exchange periodically upgrades the TAP versions and conducts mock trading session to test the connectivity using new versions and implement them in live

environment on successful testing. The information pertaining to new TAP version is provided by the Exchange through circulars updated on the NSE website.

5.3 Market data

The exchange provides market data up to 5 depths & Tick by Tick via UDP Multicast. Relevant circulars are as below:

Relevant Circulars:

Download No.	Date
NSE/CMTR/33922	Dec 30, 2016
NSE/CMTR/34212	Feb 17, 2017

5.4 Login without TAP

Exchange has introduced a facility by which members can connect directly to Exchange without TAP.

The parameters for Login without TAP are as follows:

PRIMARY (BKC)/DR Site

Gateway IP Addresses	Port Number
172.19.12.41	10810
172.19.12.42	
172.19.12.43	
172.19.12.44	
172.19.12.45	
172.19.12.46	
172.19.12.49	
172.19.12.50	

Download No.	Date
NSE/CMTR/34074	Jan 27, 2017
NSE/CMTR/31663	Feb 01, 2016
NSE/CMTR/31909	Mar 04, 2016

5.5 STP System For Institutional Trades

Straight Through Processing (STP) is a mechanism that automates the end to end processing of transactions of financial instruments. It involves use of a system to process or control all elements of the work flow of a financial transaction, what are commonly known as the Front, Middle, Back office and General Ledger.

In other words, STP allows electronic capturing and processing of transactions in one pass from the point of order origination to final settlement. STP thus streamlines the process of trade execution and settlement and avoids manual entry and re-entry of the details of the same trade by different market intermediaries and participants. Usage of STP enables orders to be processed, confirmed, and settled in a shorter time period and in a more cost effective manner with fewer errors. Apart from compressing the clearing and settlement time, STP also provides a flexible, cost effective infrastructure, which enables e-business expansion through online processing and access to enterprise data. STP was launched in India in November 2002.

While several STP Service Providers have been providing STP service to the market participants, however, there was no inter-operability between the STP Service Providers.

To resolve the issue of inter-operability between the STP Service Providers, it was decided in consultation with the stock exchanges and the STP Service Providers that a STP Centralised Hub would be setup. Currently this STP Centralised Hub has been setup and made operational by NSE. NSE has obtained the necessary approvals from Department of Telecommunications (DoT) as an Internet Service Provider (ISP).

The STP service providers connect to the STP central hub for the purpose of sending and receiving messages between them. The STP Central Hub facilitates the smooth flow of messages between users of different service providers. With interoperability in place the market participants can avail of the STP services offered by any of the service providers.

SEBI has vide its circular no DNPd/Cir-22/04 dated April 1 2004 directed that all the institutional trades executed on the stock exchanges shall be mandatorily processed through the STP System with effect from July 01, 2004.

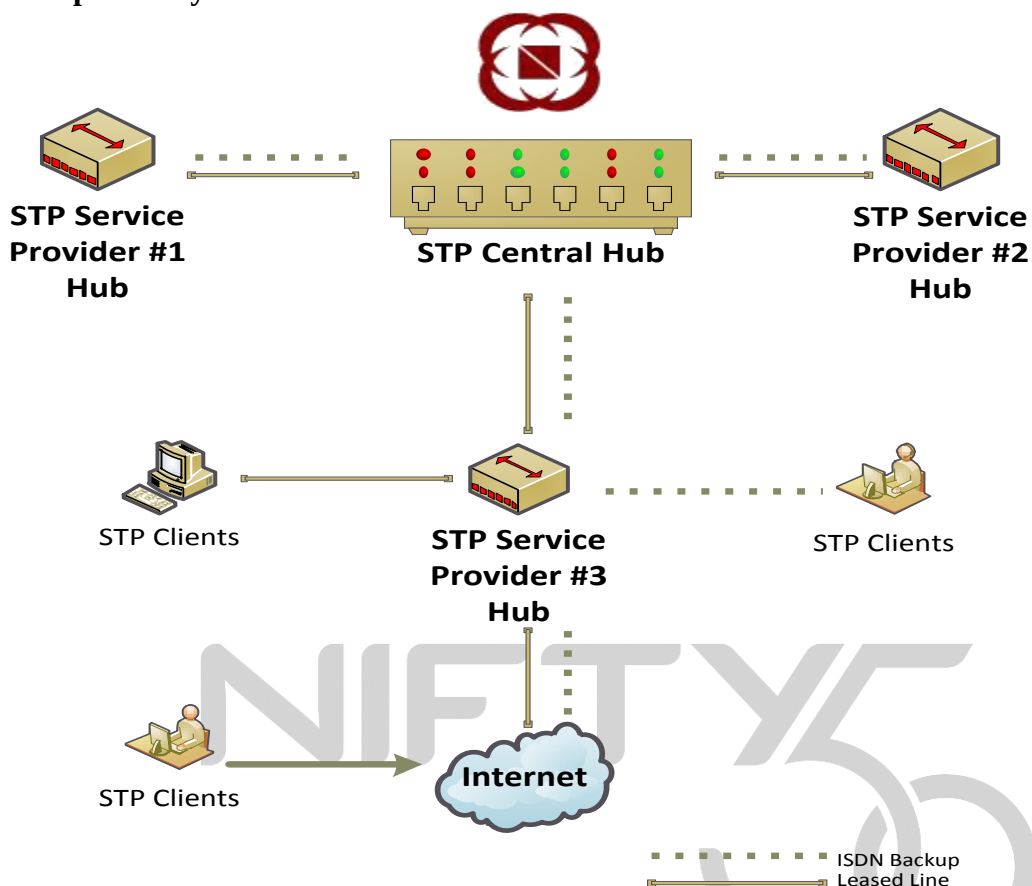
A. STP Advantages

- Eliminates duplication of data processing
- Facilitates value added data processing
- Reduces operational risks and errors
- Systematic audit trail
- Timely exception processing
- Shortening settlement cycle

B. STP Central HUB

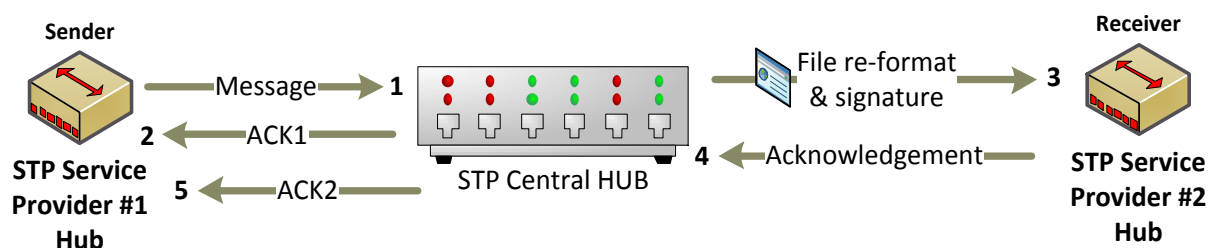
- Interoperability
- Operational transparency
- Faster Processing

Interoperability



Message Flow

- Message from Sending Service Provider to STP Central Hub
- Acknowledgement from STP Central Hub to Sending Service Provider
- Message file after Re-format & Signature to Receiving Service Provider
- Acknowledgement from RSP to STP Central Hub
- Acknowledgement from STP Central Hub to SSP



5.6 Standing Committee Computerised Trading System

- A. This is with reference to SEBI Circular No.SMD/POLICY/Cir-2/98 dated January 14, 1998 which, inter-alia, provides for setting up a Standing Committee to investigate the problems of Computerised trading system, such as, hanging / slowdown / breakdown.
- B. Pursuant to the observation made with regard to compliance on the issue during the inspection of stock exchanges conducted by SEBI and with a view to clarify the requirements under the aforesaid circular and to bring uniformity in implementation / compliance, the exchanges are advised as under:-
- All instances of hanging /slowdown / breakdown and any other problem in the computerized trading system, even if the disruption is less than five minutes, should be reported to the Committee for its consideration.
 - The Committee, upon examination of the issue/s shall submit a report to the Governing Board / Council of the Stock Exchange.
 - The Governing Board / Council of the Stock Exchange shall deliberate on the aforesaid report and take suitable action / remedial measure.
 - Further, in case of stoppage beyond five minutes the exchange should also explain and report to SEBI about the incident as well as the remedial measures taken. The Stock Exchange shall also issue a press release in this regard for greater transparency and in the interest of investors.”

Relevant circular:

NSE/CMTR/5634	Dec 07, 2004
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5.7 File for Updating Local Database

The Exchange downloads on a daily basis the following files for the members to update their local database (for NEAT/NEATPlus/Non-Neat front end). These files are required to be unzipped and uploaded in their respective trading software by the members on a daily basis as has been reiterated through our daily notice on the trading system.

Sr.	NEAT Front end	Content	Non-Neat Front end	Content
1	security.zip	security.txt	nnf_security.zip	nnf_security.dat
2	participant.zip	participant.txt	nnf_participant.zip	nnf_participant. dat
3	Free_float.txt		Free_float.txt	

File structure of security.txt, and participant.txt and free_float.txt is provided in **Part C (attached)**

The above files are available on daily basis on extranet in common/ntneat folder.

Relevant Circulars:

Download No.	Date
NSE/CMTR/7699	Jul 21, 2006
NSE/CMTR/12605	Jun 19, 2009
NSE/CMTR/16004	Oct 13, 2010

5.8 Trade Drop Copy facility

Exchange has introduced a facility by which members would get their trade details/feed on real time basis.

Members may access the same on their existing TCP/IP network by connecting to separate gateways called “Drop Copy Gateways” with their existing user credentials (trading user id/password).

The parameters for login are as follows:

PRIMARY (BKC)/DR site

Gateway IP Addresses	Port Number
172.19.12.47	10850
172.19.12.48	

Relevant Circular:

Download No.	Date
NSE/CMTR33128	Sep 01,2016

ITEM 6

SUPPORT

6.1 Assistance for Capital Market trading system

In an endeavor to enhance trading experience and to improve operational convenience, exchange has introduced dedicated Toll Free number 1800 266 0053.

Members can call between 8:00 hours and 19:30 hours on all working days for all trade related queries. Members may also call on alternative number 022 – 26567600 (charged).

It has been observed that sometimes members face problems/ errors while logging or trading on the NEAT/NETPLUS Trading System. Some of the issues observed and the actions to be taken are listed below:

Sr No.	Description	Action to be taken
1	The Corporate Manager user is already signed on	Call MSD team for user sign off
2	Message “This dealer is disabled. Please call the Exchange”	Reset the password of the user using Corporate Manager id.
3	Unable to login to the trading system due to failure of Vsat / Leased Line or due to any problem in the office	Fax the application for unlocking the user id for a single day as per format given below to MSD
4	Message “You are trying to sign on from different location”/ “Broadcast Conference Idle”/ cursor is going up or any other login or connectivity related error message	Call Help Desk team at toll free number 1800 266 0053
5	Unable to trade in a symbol with the message as: ‘Security is not allowed to trade in normal market’	To avoid this, users should upload security.txt daily before login to the trading system
6	Unable to put a new participant code	Daily upload of participant.txt before login to the trading system

Contact details:

Section	Fax	Email id
Capital Market - Equities	022 26598155	msm@nse.co.in
Currency Derivatives - CD		
Debt Market - NDM		
Equity Derivatives - F&O		
Initial Public Offering - IPO		
Mutual Fund Service - MFSS		
Securities Lending & Borrowing - SLBS		

6.2 Password

• Policy:

All users should take into account below mentioned password policy for login to trading system.

- A. The length of password should be of exact 8 characters.
- B. The password shall be case sensitive and should contain at least one each of the following characters with no space:
 - Uppercase: A to Z
 - Lowercase: a to z
 - Digit: 0 to 9
 - Non- alphanumeric : Special characters @ # \$ % & * / \
- C. User shall be compulsorily required to change password after the lapse of 14 days
- D. New password must be different from previous 5 passwords
- E. User Id shall be locked after 5 invalid login attempts
- F. Reset of password shall set the password to a default password
- G. User shall not be allowed to set the default password as new password

The above mentioned password policy is applicable to all users i.e. NEAT, NEAT+ and NNF.

Password Expiry Alert

The user shall receive alert message for the expiry of their log in password.

Users will start receiving following alert message in the message area of NEAT & NEAT+, five days prior to the expiry of the password at the time of login.

Message Area:-

<USER_NAME> Signed On.

Attention: User <USER_ID> Your password shall expire on <DATE>.

Kindly change it to avoid any login issue on <DATE>

Reset of password

A facility is provided to corporate manager to enable and reset password for all the users under his trading firm under supplementary menu in NEAT and under dialogs menu (Ctrl+Alt+R) in NEAT+. The Corporate Manager will be able to reset the password of the user, who is disabled on account of entering wrong password. Corporate manager will be able to change the password of only INACTIVE / DISABLED users.

On entering the user id and pressing Check Status button, the status of the user id will be displayed along with the default password. On pressing Ok button the status of the user will be set as Inactive and the password will be changed to default password.

The Corporate Manager will not be allowed to reset his own password. To reset the password of Corporate Manager, member is required to send the request through ENIT on the below path- Trading> Corp Mgr Password Reset.

Henceforth, requests for password reset through fax/e-mail shall not be accepted by the exchange.

Procedure for Submitting Requests for Password Reset of NEAT Corporate Manager Id through ENIT

The module in ENIT will enable members to electronically submit and track password reset request status for NEAT Corporate Manager Id

Members will be able to seek the following services through ENIT:

- Digitally submit password re-set facility for NEAT Corporate Manager Id
- Tracking of request status
- Receive sms and/or email alert for the submission, completion / rejection of requests.

➤ Request received by the Exchange before and up to market close of trading day:

Such requests shall be considered for processing on the same day, subject to fulfilment of necessary pre-conditions, if any.

➤ **Requests received by the Exchange after market close on a trading day:**

- Such requests will be processed by next working day before market hours subject to fulfilment of necessary pre-conditions, if any.

Request for password reset:

- Members should login to ENIT through Member Portal.
- Go to the path: Trading> Corp Mgr Password Reset> Request
- In point 1 and 2 the member code and member name will be auto populated.
- In point 3. The segment has to be selected for which corporate manager user id belongs to
- In point 4 the Action type will be “Request for Password Reset” by default
- In point 5 the corporate manager user id will be auto populated.
- In point 6 and 7 contact details of the requestor have to be filled.
- Email / Mobile – either one of them is mandatory
- The request has to be submitted to the Exchange after digitally signing.

Tracking of request:-

- ➤ On successful submission of a request, member will receive a reference number for all the future correspondence in the below format:
DDMMYYYY/SEG/PWDRESET/REQNUMBER
- ➤ On successful submission the status of the request will be ‘Pending’.
- ➤ Trading Members can view the status of such requests in the report available on the path:
Trading> Corp Mgr Password Reset> Status
- ➤ The requestor will receive SMS and/or email alerts on the contact details provided by him for the below three status
 - On submission of request.
 - On completion of request.
 - On rejection of request along with reason.

Relevant Circular:

Download No.	Date
NSE/CMTR33498	Oct 26,2016

Disablement of Users not logged in for more than 180 days

User IDs which have not logged in for more than 180 days shall be automatically disabled by the Exchange. The existing RESET PASSWORD facility available to Corporate Manager in NEAT & NEAT Plus can be used to enable logins for such disabled Dealer and Branch Manager Ids.

For corporate manager user id, trading members shall follow the existing process of resetting password.

Relevant Circulars:

Download No.	Date
NSE/CMTR27999	Nov 05,2014
NSE/CMTR/29601	Apr 30, 2015
NSE/CMTR/31499	Jan 04, 2016

6.3 Unlock User

A new facility is being provided to the Corporate Manager to send unlocking request to the Exchange through trading system for branch manager and dealer. This facility can be invoked through Supplementary menu -> Unlock user in NEAT and in NEATPLUS Dialog menu (CTRL+SHIFT+U).

Corporate Manager has to select user id, reason for unlocking and send the request to the Exchange. Corporate manager will get Unlock request approved or rejected message when the unlock request is approved or rejected by the Exchange. Corporate manager cannot place unlocking requests for user ids which are already logged in to the system or surrendered user ids.

For password reset and unlocking of Corporate Manager user id, member is required to send the request to the exchange as per format given.

Format

(Only for Corporate Manager User ID)

(on the letterhead of the Company/ Firm/ Individual)

To,
Capital Market Department
National Stock Exchange of India Ltd.
Exchange Plaza, Bandra Kurla Complex
Bandra (East), Mumbai 400 051
Fax no. 2659 8155

Date:

Sir,

Sub. : Application for Unlocking of a user id

Please **unlock** the following user id for the reason mention below **for today**:

User id	
Member Code	
User Type	Corporate Manager
Reason for unlocking in detail	

Yours faithfully,
Name of the Trading Member
Name & Designation of the Authorised Signatory

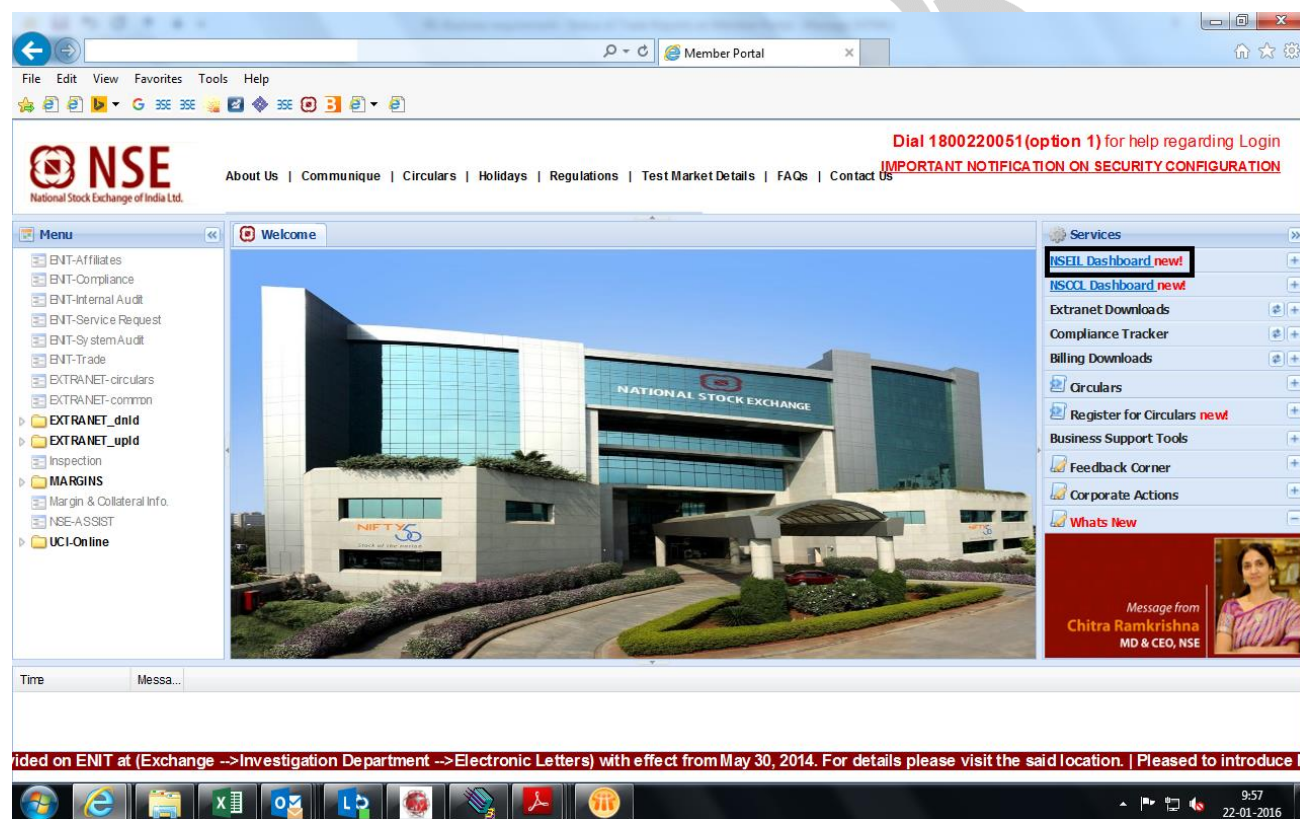
6.4. Contingency Pool trading facility for members

The Exchange provides trading facility from its premises to members in the event of a contingency where trading member is not able to use own connectivity because of a technical or a power failure. In such cases, trading member can send the request in writing to the Exchange asking for permission to trade from the Exchange's premises. Upon receiving such request from the trading member, Exchange verifies the details and allows the representative of the trading member to come and use the trading terminal situated in the contingency pool in its premises. The facility is available on a first come first serve basis. The trading facility in the contingency pool is granted for a particular day only.

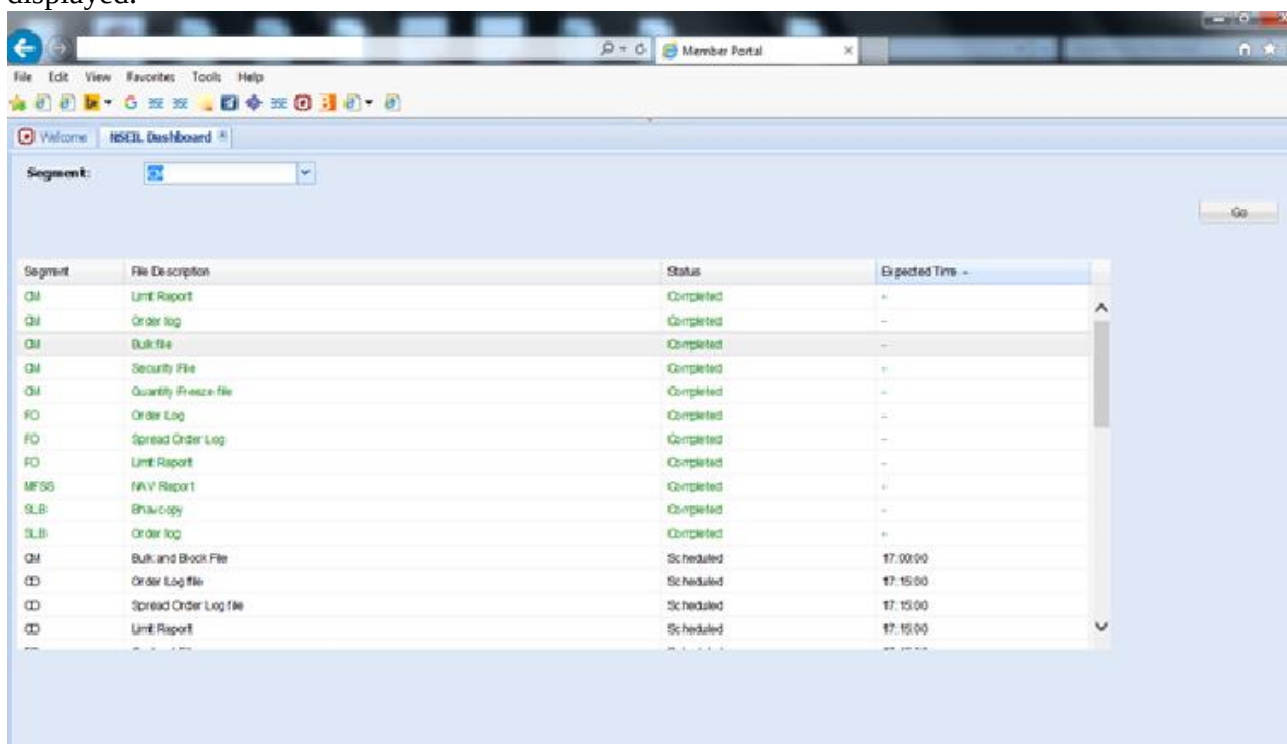
6.5 NSEIL Dashboard

In an endeavor to improve operational convenience, Exchange has introduced "NSEIL Dashboard" on Member Portal under "Services".

Members can use this facility to track the status of various reports pertaining to Trade; downloaded on Extranet by Exchange under different segments.



On clicking on “NSEIL dashboard” link, the status and the estimated time of the reports would be displayed.



Segment	File Description	Status	Expected Time
QI	Unit Report	Completed	--
QI	Order Log	Completed	--
QI	Bulk File	Completed	--
QI	Security File	Completed	--
QI	Quantity Freeze File	Completed	--
FO	Order Log	Completed	--
FO	Spread Order Log	Completed	--
FO	Unit Report	Completed	--
MFSD	NAVY Report	Completed	--
SLB	Pharmacy	Completed	--
SLB	Order Log	Completed	--
QI	Bulk and Book File	Scheduled	17:00:00
QI	Order Log File	Scheduled	17:15:00
QI	Spread Order Log File	Scheduled	17:15:00
QI	Unit Report	Scheduled	17:15:00

In case of any rescheduling, the revised “Expected Time” would be displayed.

Relevant Circular:

Download No.	Date
NSE/CMTR31614	Jan 22,2016