

# National Stock Exchange of India Limited

## Circular

Department: FUTURES & OPTIONS	
Download Ref No: NSE/FAOP/63405	Date: August 14, 2024
Circular Ref. No: 99/2024	

All Members,

Market Parameters - Operating ranges applicable to Futures contracts - Update

This is in reference to circular [NSE/FAOP/62241](#) dated May 30, 2024 and in partial modification to item 1.4 of [NSE/FAOP/44482](#) dated May 27, 2020 the Exchange hereby notifies the below update for relaxing the dynamic price bands:

Existing criteria	<p>In the event of a market trend in either direction, the dynamic price band shall be relaxed by 5% at a time in the direction of the price movement during the day in co-ordination with the other Exchange as follows:</p> <p>b. If the last trade in the contract occurs at 9.90% and more of the base price</p>
Revised criteria	<p>In the event of a market trend in either direction, the dynamic price band shall be relaxed at a time in the direction of the price movement during the day in co-ordination with the other Exchange as follows:</p> <p>b. 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 the following manner:</p> <ol style="list-style-type: none"> <li>i. For the first two instances of flexing, the price band would be flexed by 5% of <b>yesterday's closing price after the cooling off period</b>. This cooling off period would be 15 minutes if conditions for flexing are satisfied before last half an hour of trading and 5 minutes if conditions for flexing are satisfied in the last half an hour of trading.</li> <li>ii. For subsequent two instances of flexing, price band would be flexed by 3% of <b>yesterday's closing price after the cooling off period of 30 minutes</b>.</li> </ol>

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	iii. For subsequent instances of flexing, price band would be flexed by 2% of yesterday's closing price after the cooling off period of 60 minutes.
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For the purpose of relaxing the dynamic price bands, the Exchange will take into account minimum trades, UCCs & TMs on each side of the trade as per [NSE/FAOP/62241](#) dated May 30, 2024.

In addition to the above, when conditions for flexing the price bands are satisfied on either underlying in cash market or current month (i.e. near month) futures contracts on any exchange, the price band would be flexed for the scrip and all the futures contracts on this scrip at the end of subsequent cooling off period.

Please note all other provisions as mentioned in [NSE/FAOP/44482](#) dated May 27, 2020 and [NSE/FAOP/61814](#) dated April 29, 2024, shall remain unchanged.

The above shall be effective in Live from August 19, 2024 and shall be available for testing in mock being conducted on August 17, 2024.

For and on behalf of  
National Stock Exchange of India Limited

Khushal Shah  
Associate Vice President

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