FAQ on "Closing Auction Session (CAS) in the Equity segment and changes in Equity Derivatives Segment"

Version 2.0

July 2026

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Contents of FAQ

A. Applicability of CAS

B. Reference price for CAS

C. Applicable price band

D. Types of orders allowed in CAS

E. Dissemination of information

F. Broadcast

G. API

H. Others

A. Applicability of CAS

1. **Is Closing Auction Session (CAS) applicable to all securities in equity segment?**

   No, initially, CAS shall be applicable to securities in the cash segment on which derivative contracts are available i.e. closing price of such securities shall be determined based on CAS in equity segment. CAS shall be made applicable in a phased manner. Going forward, based on SEBI guidance on applicability of CAS on additional securities in equity segment; Exchange shall issue applicable operational guidelines.

2. **Will the implementation timeline for both CAS framework and revised pre-open market session, be effective from same date?**
   No, as per SEBI guidelines, CAS framework and subsequent alignment of the Pre-Open Auction Session framework with CAS shall be implemented separately. CAS framework shall be implemented on August 03, 2026 and alignment of pre-open auction session framework shall be implemented on September 07, 2026

3. **What is the applicability of CAS in the Equity Derivatives segment?**
   CAS applies only to the equity segment. To keep the applicable price band aligned between Equity and Equity Derivative segments, the price band for stock futures will be reset before CAS. The applicable price band will be +/-3%, but the reference price will be calculated separately for each segment and may be different.

4. **Is there any change in the trading hours for the Equity Derivatives segment? Will this change apply to all equity derivative instruments, including index futures and options, as well as stock futures and options?**
   Yes, the equity derivatives segment timings will be extended until 3:40 PM and it is applicable for both index and stock derivatives contracts.

5. **Does exchange publish the list of securities which have derivative contracts and will this be added to the exchange file**?
Yes, the list of securities available in equity derivatives segment is published on NSE website. A separate identifier (CAS identifier) shall be made available in equity segment security master file for securities eligible for CAS.

6. **If a security becomes CAS eligible for an Exchange, will it be simultaneously eligible on all the Exchanges?**
Yes, it will be simultaneously eligible for all the Exchanges.

7. **How is the Index value computed during CAS?**
As mentioned in the circular 73362 dated March 18, 2026, Dissemination of Indicative index during CAS shall be as follows:
1. Since the CAS mechanism shall be implemented in phased manner, it is possible that certain constituents of any index are trading in CAS whereas remaining constituents of same index are trading in Continuous Trading Session (CTS) simultaneously. Thus, Exchange shall disseminate both the actual index value and the indicative index close value, during the CAS.
2. Actual index value when CAS is in progress shall be computed considering its constituents prices as below:
    2.1. Stocks for which CAS is not applicable: Real time LTP of CTS as per current logic
    2.2. Stocks for which CAS is applicable: LTP of CTS
3. Indicative index close value when CAS is in progress shall be computed considering its constituents prices as below:
    3.1. Stocks for which CAS is not applicable: VWAP of all the trades from 3.00PM onwards
    3.2. Stocks for which CAS is applicable: Indicative equilibrium price of the stock during CAS

8. **If derivatives on a security is suspended or discontinued, will CAS continue or revert to VWAP-based closing in equity segment?**
Yes, if a security is excluded from the equity derivatives segment on both exchanges, it will no longer be eligible for the Closing Auction Session (CAS). Its closing price will then be calculated using the existing method i.e., VWAP of the last 30 minutes. Till the time the security remains part of Equity derivatives segment on any of the Exchanges, such security will remain eligible for CAS.

B. Reference price for CAS

9. **Will the Exchange provide reference price to members? If yes, how will be reference price be provided by Exchange?**
Yes, the reference prices shall be provided to members by Exchange. Prices shall be provided as broadcast through API (NNF Users). For more details, refer NNF API document under head "Reference Price Broadcast".

10. **When will the reference price be available?**
The reference price shall be available and shall be disseminated between 3:15p.m and 3:20p.m. i.e. during transition period from CTS to CAS in equity segment. Since there is no transition period in Equity derivative segment, reference prices of stock future contracts shall be broadcasted from 3:15pm as and when computed and price bands revised.

11. Will the reference price and upper/lower price bands for the securities be consistent across the Exchanges?

Reference prices and price bands for CAS will be calculated independently on both exchanges. Closing auction session will run independently on both exchanges.

12. In case if no equilibrium price is discovered in CAS and the reference price becomes closing price; will such events be separately disclosed?

As per SEBI circular provisions for determination of equilibrium price, this scenario is covered and hence such events will not be disclosed separately.

C. Applicable price band

13. What is the applicable price band for stock futures during CAS?

The price band for all stock futures contracts will be set at ±3% of the reference price computed post 3:15pm during normal market hours.

The reference price shall be computed as below:

i) The reference price of a stock future contract shall be determined based on the VWAP of the trades executed in the stock future during the period 3:00 p.m. to 3:15 p.m.

ii) In case no trade is executed in a stock future during the period 3:00 p.m. to 3:15 p.m., the Last Traded Price (LTP) of the stock future during the day shall be taken as the reference price.

iii) In case there is no trade during the day, prevailing theoretical price (based on cash market LTP at 3:15 p.m.) of the stock future shall be taken as the reference price.

iv) In case underlying security in cash market is not traded i.e. LTP is not available, base price of the respective future contract shall be taken as reference price for arriving at price band at 3:15 pm

The existing framework for dynamic flexing of price bands for stock futures shall not be applicable during the period from 3:15 p.m. to 3:40 p.m.

14. Will the upper/lower price band limit be static during CAS? Or Will the price band be flexed during CAS?

Yes, it will be static during the closing auction session

D. Types of orders allowed in CAS

15. What happens to the unexecuted orders from CTS which are ineligible for CAS in equity segment? will it be cancelled and post cancellation will Exchange send a cancellation message for these orders?

All unexecuted special orders i.e. Stop loss & Disclosed quantity orders, including unexecuted orders outside the revised price band, shall be cancelled by the Exchange with an appropriate cancellation message.

16. When stock future contracts price band will set at ±3% of the reference price computed post 3:15pm, what will happen to the unexecuted orders on stock future contracts?

All unexecuted orders in the regular order book, which are outside the revised price band, shall be cancelled by the Exchange with an appropriate cancellation message. However, outstanding stop loss orders having limit price outside the revised price band, shall be cancelled when order gets triggered due to breach of trigger price.

17. **What happens to the orders that are placed during the Reference Price Calculation / Transition from CTS to CAS i.e. 3:15 to 3:20 pm?**
    Order entry is not allowed during transition period from CTS to CAS. Hence any order placed during transition period shall be rejected by Exchange with appropriate error code.

18. **Can the limit orders in CAS eligible securities be amended between 3:25-3:30* pm during the closing auction session?**
    Yes, limit orders can be modified/cancelled between 3:25 - 3:30 pm*.
    (* Up to random closure of CAS)

19. **Will the unexecuted orders after CAS completion automatically expire (unsolicited cancelled) in the system?**
    No, such orders will not automatically expire. Exchange shall cancel such orders and send a cancellation message accordingly.

20. **During CAS, if a buy order's quantity is changed to a lower quantity without modifying the price, will the priority be changed?**
    The priority will not change when the order quantity is lowered.

21. **Does exchange support Market on close (MOC) or Limit on Close (LOC) types of orders?**
    Exchange doesn't support MOC/LOC orders.

22. **Will exchange include market orders on Indicative Equilibrium Price (IEP) calculations.**
    Yes, Market orders shall be reckoned for computation IEP

23. **Is modification/cancellation of market orders allowed from 3:25pm to 3:30pm?**
    No, modification/cancellation of market orders is not allowed from 3.25pm to 3.30pm i.e. after 3.25pm, modification/cancellation of only limit orders is allowed.

24. **What is the time priority of unexecuted limit orders transitioning from CTS to CAS?**
    As per SEBI circular point 4.8, all unexecuted limit orders of the CTS shall be carried forward to CAS, except Stop Loss orders, Iceberg orders and orders having prices beyond the price bands applicable in CAS. The limit orders carried over from the CTS to CAS shall have a higher time priority than limit orders placed during CAS. The limit orders carried over from the CTS to CAS can be modified, however, time priority on the price modification shall be changed.

25. **Will the orders placed outside the applicable CAS price band range be automatically rejected by the Exchange?**
    Yes, orders placed outside the applicable CAS price band range will be automatically rejected. Member can refer the latest CM API version available on NSE website for more details.

26. Which order requests are allowed during CAS i.e. between 3:15PM to 3:30 PM?

<table>
<tr><td rowspan="2">Request Type</td><td>Reference Price Calculation/ Transition from CTS to CAS</td><td>Order entry period - for both limit and market orders</td><td>Order entry period for limit orders.</td><td>After random closure time</td></tr>
<tr><td>From 3.15PM to 3.20PM</td><td>From 3.20PM to 3.25PM</td><td>From 3.25PM till random closure time (anytime from 3:28PM - 3:30PM)</td><td></td></tr>
<tr><td>Market Order Request</td><td rowspan="5">No</td><td rowspan="5">Yes</td><td>No</td><td rowspan="5">No</td></tr>
<tr><td>Limit Order Request</td><td>Yes</td></tr>
<tr><td>Modify Price Request</td><td rowspan="3">Yes – only limit orders</td></tr>
<tr><td>Modify Qty Request</td></tr>
<tr><td>Cancel Order Request</td></tr>
</table>

27. Will the trading for Non-F&O securities continue till 3:30 pm in equity segment?

Yes, Continuous Trading Session (CTS) for non-F&O securities will continue till 3:30 pm in equity segment

E. Dissemination of information

28. Will security master file in equity segment have an indicator to identify securities on which CAS will be conducted?

CAS indicator shall be provided in security master file (Field Number 13 in security.txt file). For more details, refer circular no. 73845.

29. What are all the fields/ information disseminated during CAS?

Following information shall be disseminated:

1. Indicative equilibrium price of the stock
2. Indicative cumulative buy and sell quantity of the stock
3. Indicative imbalance quantity of the stock at equilibrium price
4. Indicative Index

5. For indicative imbalance quantity based on market orders, please note that it is not broadcasted explicitly; however the logic for computation is provided in the NNF API document.

30. What will be values of security wise Indicative Closing Price (ICP) in equity segment?

For Non CAS securities, ICP values will continue to be broadcasted as per current process between 3:00 pm and 3:30 pm.

For CAS eligible securities, ICP will not be broadcasted and will be sent as "0" in IndicativeClosePrice(ICP) field in MBP broadcast (NNF API transcode 7208) for CAS tokens from 3:00 pm to 3:15 pm. During CAS session, Indicative equilibrium price of the security will be disseminated in ICP field.

F. Broadcast

31. Will broadcast messages on session status / changes be provided during transitions from pre-open session to continuous trading session (CTS) to closing auction session (CAS)?

Broadcast messages on session status/changes shall be provided as per existing mechanism similar to special pre-open session. For more details, refer NNF API document under head "BCAST_VCT_MESSAGES"

32. What messages shall be broadcasted on NEAT trading terminals in equity segment?

Following messages are proposed to be broadcasted on NEAT trading terminals in equity segment

Event	Message
At the end of CTS for securities applicable for CAS	Normal market has closed for securities eligible in the Closing Auction Session(CAS). CAS will commence with a revised price band. All special orders, including orders outside the revised price band will be cancelled by the Exchange.
After price band calculation	Price band of securities revised for Closing Auction Session.
At the start of CAS	The Closing auction session has started for <DD MMM YYYY>.
When market order restrictions during order entry period starts	Market orders are now restricted for closing auction session.
At the end of CAS	The Closing auction session has ended for <DD MMM YYYY>.
After close price computation	Closing price computation has been completed.

33. What messages shall be broadcasted on NEAT trading terminals in equity derivatives segment?

Event	Message
At the start of CAS in Equity segment when the price band for stock futures will be reset in Equity derivatives segment	The operating price range for Stock future contracts is being revised. All outstanding orders outside the revised price range shall be cancelled by the Exchange as per extant rules.

G. API

34. How will the CAS price band be made available (e.g., through inquiry screens, specific broadcasts, market watch etc.)?

Price band ranges shall be provided as stock master updates through API (NNF Users) and updated on NEAT screen (NEAT users) on completion of the computation

35. Will the reference price and price band will be provided as part of the broadcast?

Yes, both reference price and price band ranges shall be provided.

- Reference Prices shall be provided as broadcast through API (NNF Users). For more details, refer NNF API document under head "Broadcast CAS reference price" for equity segment and under head "Reference Price Broadcast" for Equity Derivative segment
- As per existing mechanism, price band would be part of the stock master updates through NNF API.

36. What is the transcode / message type through which the price band information will be disseminated to members?

The transcode for CM segment is 18720 and the transcode for FO segment is 7305.

37. Will order rejection/ cancellation messages be received in real time or in batches? What will be the duration for which the message will the received for CM and FO segments?

Orders cancellation messages shall be sent one by one, not in batches. For more details, refer NNF API document.

38. Will the brokers receive any rejection message for orders sent after random market close?

Yes, brokers will receive a rejection message for orders sent after random market close.

39. What should be the ST_ORDER_FLAGS value for a Market Order in CAS?

In ST_ORDER_FLAGS, no input value is required for Market Order in CAS, user is required to send "0" in price field for the market order in CAS. As a response i.e. in the Output, user will receive ATO value as "1" in CAS session and Market value as "1" in Normal session.

40. What should be the ST_ORDER_FLAGS value for a Day Order in CAS?

ST_ORDER_FLAGS should be set to DAY for day orders placed in CAS.

41. Can IOC orders be placed in CAS?

No, IOC (Immediate or Cancel) orders are not allowed in CAS.

42. What should be the value of DisclosedVol for orders placed in CAS?
DisclosedVol must be set to "0" for all orders placed in CAS.

43. Is there any change in order attributes while placing order in CAS specifically ST_ORDER_FLAGS and DisclosedVol? OR What is the expected behaviour of order attributes specifically ST_ORDER_FLAGS and DisclosedVol when orders are placed in CAS?
No, there is no change required in order attributes specifically for ST_ORDER_FLAGS and DisclosedVol

H. Others

44. Is the Self Trade Prevention applicable during CAS?
Yes, STP is applicable during CAS

45. What are the Margin requirements applicable to Closing Auction orders and their real-time risk management treatment?
As per SEBI circular point:
4.10. The current risk management system for cash market shall be applicable during CAS.
4.11. Orders in CAS shall be subject to applicable margin requirement at order level, except for the limit orders carried over from CTS to CAS. However, if such limit orders are modified during CAS, then, such limit orders shall also be subject to applicable margin requirement at the order level.

46. Will there be margin checks for eligible carried forward orders from CTS to CAS?
No, order level margin check shall not be applied to such orders

47. Will there be margin check when orders (that have been carried forward from CTS to CAS) are modified?
Yes, there will be margin check for order modification of carried forward orders from CTS to CAS. Also, for new orders entered in CAS, margin check shall be applicable.

48. Will there be any impact on existing guidelines of collection of options premiums.
No changes in the Options trading mechanism.

49. Will there be any change in SPAN or Exposure margin logic during CAS for F&O contracts or will the BOD SPAN file continue during CAS?
For SPAN or Exposure details, refer communication provided by NCL

50. Will mock sessions be held to test the CAS as well as the pre-open auction session related system changes?
Yes, Exchange is planning for 2-3 mocks for CAS implementation testing.

51. Is there any Operational guidelines and Standard Operating Procedure (SOP) circular?

Refer NSE Circular No. NSE/CMTR/73362 on 'Operational guidelines and Standard Operating Procedure (SOP) on Introduction of Closing Auction Session (CAS) in the Equity Cash Segment' dated March 18, 2026, for your reference.

52. Are there any changes for the client code modification cutoff time?
Client code modification cutoff remains 4:15 pm.

53. Will there be any changes for the quantity freeze limit (10cr) in CAS session?
There is no change in quantity freeze limits in CAS.

54. Is the margin check mechanism applicable to Institutional (INST) order types during the Closing Auction Session. Specifically, will the broker's margin be blocked for INST orders placed during CAS, and if so, what will be the applicable margin percentage or methodology?
As per SEBI circular point 4.10 & 4.11, the current risk management system for cash market shall be applicable during CAS. Orders in CAS shall be subject to applicable margin requirement at order level, except for the limit orders carried over from CTS to CAS. However, if such limit orders are modified during CAS, then, such limit orders shall also be subject to applicable margin requirement at the order level.
For applicable margin percentage or methodology, details can be taken from NCL team

55. Is there any audit trail and reporting requirements specific to Closing Auction transactions?
Currently, this has not been specifically mentioned in the SEBI circular. As such it should follow the same mechanism as that in CTS.

56. How will cross-exchange differences in closing prices be handled for settlement calculations?
Closing Auctions will run independently on both exchanges and accordingly the respective closing prices of securities will be determined at each exchange separately. For settlement price computations, kindly refer communications from NCL.

57. How will closing price be calculated in equity derivatives segment?
Closing price shall continue to be determined as per existing mechanism as mentioned in point 1.5 of Exchange circular ref no NSE/FAOP/73928 (VWAP price of last half an hour i.e. 3:10pm to 3:40pm)

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