

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

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Circular Ref. No : 023/2013	

All Members,

Sub: Introduction of Periodic Call Auction Session for Illiquid Securities

As per circular no NSE/CMTR/22748 dated February 15 2013, Exchange shall introduce Periodic Call Auction for Illiquid Securities w.e.f. April 8, 2013 as per the details given in the Annexure.

The list of illiquid securities for which periodic call auction will be conducted shall be intimated separately.

For and on behalf of
National Stock Exchange of India Limited

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Annexure

Periodic Call Auction for Illiquid Scrips

Session timings

Periodic call auction session of one hour each shall be 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.

	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

Criteria:

Securities shall be classified as illiquid (whether trading in normal market or in trade for trade settlement) if all the following conditions are met:

- The average daily trading volume of a security in a quarter is less than 10000;
- The average daily number of trades is less than 50 in a quarter;
- The security is classified as illiquid at all exchanges where it is traded.

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 two quarters and not classified as illiquid as per the criteria prescribed above shall be excluded.

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.

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

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%.

Eligibility in Other markets:

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

Trading session

The Call auction shall comprise of order collection and order matching period. Members may refer to section 1.2 of consolidated circular NSE/CMTR/20616 dated April 24, 2012 for details.

Unmatched order

All unmatched orders at the end of the session shall be purged.

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.