



BGSE FINANCIALS LIMITED

CIN-U67120KA1999PLC025860

Stock Exchange Towers, 51, 1st cross, J.C. Road, Bangalore-560027.

Email: enquiry@bfsi.co.in Website : www.bfsi.co.in Tel: 080-41575234 / 35 (Reception)

C&S :41575538, DP: 41575553 / 4, RTA: 41329661 / 66673353, Systems: 41575209

CIRCULAR TO ALL AUTHORISED PERSONS

Ref/CEO/2026-2027/7

Date:29th July 2026

Dear Authorized Persons,

Subject: Introduction of Closing Auction Session in the Equity Segment – Detailed Operating Guidelines Update

We would like to inform you that NSE has issued a Circular with Ref No. NSE/FAOP/744672 dated 29th May 2026 and BSE has issued a Circular with Ref No.20260728 – 42 dated 28th July 2026 regarding introduction of Closing Auction Session (CAS) in the Equity Cash Segment- Detailed Operating Guidelines Update.

The said circular is attached herewith for your reference. You are requested to take note of the same.

Yours sincerely,

For BgSE Financials Limited

Raghavendra T K
Chief Executive Officer

NOTICE

Notice No.	20260728-42
Notice Date	28 Jul 2026
Category	Trading
Segment	Equity
Department	Trading Development
Subject	Introduction of Closing Auction Session in the Equity Segment – Detailed Operating Guidelines Update
Attachments	Annexurev1-FAQs

This is with reference to SEBI circular No. SEBI/HO/47/11/11(3)2025-MRD-POD2/I/2765/2026 dated January 16, 2026, and Exchange circulars - no. 20260610-41 dated 10th June 2026, no. 0260119-17 dated January 19, 2026, no. 20260319-21 dated March 19, 2026 regarding Introduction of Closing Auction Session in the Equity Segment and standard operating procedure thereof.

All trading members are requested to note the updated FAQ document, enclosed herewith as Annexure. Further, the FAQ document shall be available on the Exchange website from Friday July 31 2026 onwards, under the Closing Auction Session webpage located in the “Markets” section >> Equity >> Market Information >> Closing Auction Session.

For any queries or clarifications, members may kindly get in touch as per the following contact details –

Queries	Email ID	Telephone No.
Technical queries	bse.tech@bseindia.com bsehelp@bseindia.com	022-2272 8053 022-45720400/600 and 022-69158500
Functional queries	iml.info@bseindia.com	022-22728705/8885

For & On Behalf of BSE Ltd,

Tejash Somaiya
Vice President
Trading Development

Amith Iyer
Dy. Vice President
Trading Development

July 28, 2026

National Stock Exchange of India Limited

Circular

Department: FUTURES & OPTIONS	
Download Ref No: NSE/FAOP/74467	Date: May 29, 2026
Circular Ref. No: 74/2026	

All Members,

Introduction of Closing Auction Session (CAS) in the Equity Cash segment - Change in trading modalities in the Equity Derivatives segment

This is with reference to Exchange circular number [NSE/CMTR/73362](#) dated March 18, 2026, and [NSE/CMTR/72394](#) dated January 19, 2026, regarding introduction of Closing Auction Session (CAS) in the Equity Cash segment, members are required to note the following changes in trading modalities in Equity Derivatives segment:

A) Timings:

The trading hours for equity derivatives segment shall be as follows:

Sessions	Timings	Remarks
Pre-open session Open Time	09:00 hrs	No change
Pre-open session Close Time	09:08 hrs*	No change
Normal Market Open Time	09:15 hrs	No change
Normal Market Close Time	15:40 hrs	Change in time
Trade Modification End Time	16:15 hrs	No change

* System driven random closure in last 1 minute

B) Price band & Pre-Trade risk controls:

The provisions as mentioned in point 3.2 of NSE circular reference no. [NSE/CMTR/73362](#) dated March 18, 2026 shall be applicable.

C) Messages broadcast on NEAT terminals:

- Below messages shall be broadcasted on NEAT trading terminals in equity derivatives segment:

National Stock Exchange of India Limited

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.

D) Close price computation:

There shall be no change in the existing close price computation logic of the contracts. Last half an hour referred for computation of volume weighted average price of trades shall be from 15:10 hrs to 15:40 hrs.

Members are requested to note that the circular shall be effective from **August 03, 2026**. Further, the functional changes resulting from the implementation of the above shall be available for testing in the mock trading sessions. Exchange shall issue separate circular w.r.t these mock trading sessions.

Members are advised to load the updated contract.gz and NSE_FO_contract_ddmmyyyy.csv.gz file in the trading application before trading on the effective date. This file can be obtained from the directory faoftp/faocommon on the Extranet server. Additionally, members can access the MII contract file - NSE_FO_contract_ddmmyyyy.csv.gz on the website path:- <https://www.nseindia.com/all-reports-derivatives>

The FAQs related to Closing auction session is attached as **Annexure**.

For and on behalf of

National Stock Exchange of India Limited

Khushal Shah

Associate Vice President

Toll Free No	Email id
1800-266-0050 (Option 1)	msm@nse.co.in

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

Version 1.0

May 2026

Disclaimer:

“This document/FAQ summarizes the queries relating to the above topic in a concise manner for the Member’s ease of understanding. The information and/ or content (collectively ‘Information’) provided herein is general information only and NSE has issued detailed circulars to that effect from time to time, as referred herein. While reasonable care has been exercised to ensure that the Information is adequate and reliable, no representation is made by NSE as to its accuracy or completeness and NSE, its affiliates and subsidiaries accept no liability of whatsoever nature for any direct or consequential loss, including without limitation any loss of profits, arising from reliance on this Information. The readers are expected to undertake their own diligence and are advised not to solely rely on this document. Any such reliance shall be at the reader’s own risk. Nothing stated herein shall bind NSE, in any manner whatsoever.”

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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 $\pm 3\%$ 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. 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.

17. 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)

18. 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.

19. 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.

20. Does exchange support Market on close (MOC) or Limit on Close (LOC) types of orders?

Exchange doesn't support MOC/LOC orders.

21. Will exchange include market orders on Indicative Equilibrium Price (IEP) calculations.

Yes, Market orders shall be reckoned for computation IEP

22. 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.

23. 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.

24. 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.

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

Request Type	Reference Price Calculation/ Transition from CTS to CAS	Order entry period - for both limit and market orders	Order entry period for limit orders.	After random closure time

	From 3.15PM to 3.20PM	From 3.20PM to 3.25PM	From 3.25PM till random closure time (anytime from 3:28PM - 3:30PM)	
Market Order Request	No	Yes	No	No
Limit Order Request			Yes	
Modify Price Request			Yes – only limit orders	
Modify Qty Request				
Cancel Order Request				

26. 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

27. 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.

28. 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.

29. 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

30. 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"

31. 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.

32. 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**33. 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

34. 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.

35. 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.

36. Will order rejection/ cancellation messages be received in real time or in batches? What will be the duration for which the message will be 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.

37. 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.

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

ST_ORDER_FLAGS should be set to “0” for market orders placed in CAS. ATO flag shall be set as “1” as output response of MKT order. It is not required to be set as “1” in input order request.

39. 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.

40. Can IOC orders be placed in CAS?

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

41. What should be the value of DisclosedVol for orders placed in CAS?

DisclosedVol must be set to “0” for all orders placed in CAS.

42. 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

43. Is the Self Trade Prevention applicable during CAS?

Yes, STP is applicable during CAS

44. 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.

45. 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

46. 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.

47. Will there be any impact on existing guidelines of collection of options premiums.

No changes in the Options trading mechanism.

48. 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

49. 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.

50. 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.

51. Are there any changes for the client code modification cutoff time?

Client code modification cutoff remains 4:15 pm.

52. Will there be any changes for the quantity freeze limit (10cr) in CAS session?

There is no change in quantity freeze limits in CAS.

53. 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

54. 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.

55. 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.

56. 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)

*****END OF DOCUMENT*****