

Member FAQ's on Pre-open Session in Equity Derivatives (F&O) Segment

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1. For which instruments pre-open is applicable in equity derivatives market?

Pre-open session is applicable for both single stocks and indices futures in equity derivatives market.

2. What are the session timings?

The pre-open session shall be conducted using call auction mechanism for duration of 15 minutes i.e., from 9:00 am to 9:15 am. The pre-open schedule shall be 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. - Random closure of equity segment preopen & equity derivatives segment preopen will be independent.
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

Note: In case of index-based market-wide circuit filter breach or any outage (stopping of trading, either suo moto by Exchange or by virtue of reasons beyond control of stock exchange), the market shall open with a pre-open session and its timings shall be informed separately on that day.

3. What are the eligible contracts on which pre-open shall be applicable?

The pre-open shall be applicable for current months **futures** contracts only on both single stocks and indices. However, in the last five trading days before the current month expiry, this session shall be *extended* to next-month futures contracts.

Illustration to the above is given herewith:

Assume, current month (M1) expiry is 30DEC2025 and next month (M2) expiry is 27JAN2026, then following shall be applicability of pre-open session:

Trading Date	M1 - Expiry 30DEC2025	M2 - Expiry 27JAN2026
	Applicability of Pre-Open Session	
01-DEC-2025 to 21-DEC-2025	Yes	No
22-DEC-25	Yes	No
23-DEC-25	Yes	Yes

24-DEC-25	Yes	Yes
25-DEC-25	Holiday	Holiday
26-DEC-25	Yes	Yes
27-DEC-25	Holiday	Holiday
28-DEC-25	Holiday	Holiday
29-DEC-25	Yes	Yes
30-DEC-2025 - Expiry Day	Yes	Yes

Trading Date	M1 - Expiry 27JAN2026	M2 - Expiry 24FEB2026
	Applicability of Pre-Open Session	
31-DEC-25	Yes	No

Note: Since Pre-open will not be applicable for Far month (M3) expiry contracts, above illustration does not cover reference to the same.

4. What shall be the indicator for identifying contracts in pre-open and normal markets across specified files?

The below shall be the indicator for identifying contracts in pre-open and normal market across the specified files:

Report Name	File nomenclature	File Path	Field Number	Field name	Values to be provided	ISO Tags
Structure of contract.txt	contract.txt	Extranet Path- /faofp/faocomm on ; /common/ntneat	15	Trading status(Normal mkt)	Value will be 1 = STOCK_PRE-OPEN 2 = STOCK_OPEN (Normal market identifier) 3 = STOCK_SUSPENDED 4 = STOCK_PRE-OPEN_EXTENDED 6 = PRICE DISCOVERY (Pre-open market identifier)	-
Structure of MII - contract master file	NSE_FO_contract_ddmmyyyy.csv.gz	Website Path- https://www.nseindia.com/all-reports-derivatives	32			TradgSts NrmlMkt

5. In what scenarios pre-open shall not be applicable?

Pre-open shall not be applicable in following scenarios:

1. Spread & Option contracts on Indices and stocks.
2. Pre-open session shall not be conducted in Futures of underlying security on its ex-date of corporate action due to scheme of arrangement.

6. What shall be the trading parameters for Equity Derivatives market for pre-open session?

The below shall be the parameters applicable for pre-open session:

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

7. The pre-open session comprises of how many sessions?

Pre-open session comprises of two sessions as mentioned below:

1. Order Collection Period
2. Order Matching Period

8. What are the features of order collection period in pre-open session?

- 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 contract, total buy and sell quantity of the contract and % change of indicative equilibrium price to previous close price shall be computed based on the orders in order book and will be disseminated during pre-open session.

9. What are the features of order matching period in pre-open session?

- 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. Request for trade cancellation shall not be allowed for these trades.

10. On what basis is the equilibrium / opening price determined for pre-open session?

- 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 base price. Therefore, 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.

11. What happens to unmatched orders which are entered in the pre-open session?

- All unmatched / outstanding limit orders will be moved to the normal market retaining the original time stamp. All unmatched / outstanding market orders will be modified to assign discovered equilibrium price and moved to normal market as limit orders with such modified time stamp.
- In a situation where no equilibrium price is discovered in the pre-open session, all market orders are moved to normal market at base price following price time priority.
- Order modification and/or cancellation of all unmatched / outstanding orders shall not be permitted before start of normal market session

12. Will the orders received in pre-open session shall be validated at the applicable margins?

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.

13. Pre-open session data will form part of which trading files?

- The relevant pre-open data shall form a part of trade file, contract file, bhavcopy files which are disseminated by the Exchange.
- The indicator to identify contracts from pre-open and normal market sessions is referenced in question number 5 of this document.
- There is no change the format of these files.

14. Does the information related to pre-open shall be disseminated to website?

Yes. Information with respect to Indicative Equilibrium Price, Indicative Equilibrium Quantity shall be disseminated on website.

15. Will Cancel on Logout (COL), Kill Switch (Trading member level and User level) feature be applicable in pre-open session in equity derivatives segment?

No. Cancel on Logout (COL), Kill Switch (Trading member level and User level) facility shall not be applicable for orders entered in pre-open session in equity derivatives segment.

16. Will the Self Trade Prevention Check (STPC) mechanism be applicable during the pre-open session in the equity derivatives segment?

Yes, the Self Trade Prevention Check (STPC) mechanism will be applicable during the pre-open session in the equity derivatives segment, in addition to its application in the normal market.

The STPC mechanism will be active during the order entry/collection period of the pre-open session. If a potential self-trade is detected, the active order will be cancelled by default, regardless of the STPC option set in the order.

17. What are the changes in Pre-Trade Risk Controls applicable for Market Price Protection (MPP) and Limit Price Protection (LPP) to contracts eligible for the pre-open session?

The details of changes applicable for Market Price Protection (MPP) for index futures contracts and Limit Price Protection (LPP) for index and stock futures contracts are provided in circular reference no. NSE/FAOP/XXXXX dated XX XXXXX, 2025.

18. What are the different Messages broadcasted on NEAT terminals (TWS) at the time of open & end of pre-open session.

Below messages shall be broadcasted on NEAT TWS at the time of open & end of pre-open session:

Particular	Message
At start of Pre-Open session	Pre-Open session has started in F&O segment for DD MMM YYYY.
At end of the Pre-Open session	Pre-Open session has ended in F&O segment.

19. What error message is displayed on the TWS when a trade cancellation request is made for a trade executed during the pre-open?

When a trade cancellation request is made on TWS for a pre-open trade, the system will not allow the cancellation. Instead, the following error message will be displayed:

"Trade executed during pre-open session not allowed to cancel"

The trade cancellations for pre-open session trades are restricted.

20. What are the different error messages proposed to be displayed on the NEAT Terminal for order rejections encountered during the Pre-Open Session or prior to the commencement of the normal market?

The following error messages shall be displayed on the NEAT Terminal for order rejections during the Pre-Open Session or before the normal market opens:

Scenario	Rejection Message	Error codes
Preopen order for any contract other than the eligible contracts	Security is not eligible to trade in Preopen.	16145
Market will validate for DQ, ST, Spread, 2L, 3L orders will be rejected using these error messages	Spread allowed only when market is open.	16608
	DQ Orders are not allowed in preopen.	16441

	ST orders are not allowed in preopen.	16442
Trading system will validate if Preopen bit is set for preopen order.	This error code will be returned for invalid data in the order packet.	16419
SL, IOC orders received in preopen session.		
Order rejection due to delay in RMS confirmation	Request Rejected by Exchange.	16601
Order rejection from RMS due to insufficient margin	Order entry / Modification rejected by the Exchange	16725
Trade Cancellation attempted for trades executed during Pre-open	Trade executed during pre-open session not allowed to cancel.	16055
Order Entry/ Modification/Cancellation attempted during buffer period	The markets have not been opened for trading.	16278
Preopen unmatched orders are cancelled by the system after preopen session ends.	Order Cancelled By System	16388

*****END*****