

NATIONAL STOCK EXCHANGE OF INDIA LIMITED

DEPARTMENT : FUTURES & OPTIONS

Download Ref No : NSE/FAOP/28912	Date : February 20, 2015
Circular Ref. No : 007/2015	

All Members,

Trade Execution

This is further to circular no. NSE/FAOP/047/2014 dated June 13, 2014.

- Orders shall be matched and trades shall take place only if the trade price is within the trade execution range based on the reference price of the contract.
- Reference price for each contract shall be computed as follows:
 - At market open – it shall be the theoretical price based on the underlying price
 - During trading hours – it shall be the simple average of trade prices of that contract in the last 3 minutes
 - For contracts that have traded in the last 3 minutes, the reference price shall be revised throughout the day on a rolling basis at 1 minute intervals
 - For all other contracts the reference price shall be the theoretical price based on the latest available underlying price and shall be revised throughout the day at regular intervals.
- Execution range is the range on both sides of the reference price as given below:

Segment	Reference Price (Rs.)	% of Reference Price	Minimum absolute Range (Rs.)
Futures	All	5%	-
Options	0.05 to 25	-	7.50
	>25	30%	10.00

- There is no change to the existing applicable operating ranges (as per circular no, NSE/FAOP/042/2012 dated April 24, 2012) for valid order entry and all orders that are within the operating range shall be accepted as is being done currently.
- If any order which is within the operating range but which may result in a trade outside the execution range is entered then such an order (full or partial as the case may be) shall be cancelled by the Exchange.
- The Exchange may modify the execution range as and when necessary.
- Trade Execution range shall not be applicable to India VIX futures and long term Option contracts on NIFTY.
- This circular shall come into effect from February 23, 2015.

**For and on behalf of
National Stock Exchange of India Limited**

**Janardhan Gujran
Chief Manager**

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