## FAQ– Closing Auction Session (CAS) in Equity and Equity Derivatives Segment

**1. Which stocks are eligible for Closing Auction Session (CAS) in the equity segment?**

A. CAS shall be applicable to those stocks in the Equity Cash segment on which derivative contracts are available. Accordingly, the closing price of such securities shall be determined through the Closing Auction Session mechanism.

**2. Will both the CAS framework and the revised Pre-Open Market Session be implemented from the same date?**

A. No, As per SEBI guidelines, the implementation will be undertaken in a phased manner. Accordingly, the CAS framework shall be implemented with effect from August 3, 2026, while the alignment of the Pre-Open Auction Session with the CAS framework shall be implemented separately with effect from September 7, 2026.

**3. What is the scope of applicability of CAS in the Equity Derivatives segment?**

A. The Closing Auction Session (CAS) is applicable only to the Equity segment. However, for alignment of applicable price bands between the Equity and Equity Derivatives segments, the price band for stock futures shall be revised prior to the commencement of CAS. The applicable price band shall be set at ±3%, with the reference price being determined independently for each segment and may vary accordingly.

**4. Has there been any change in the trading hours for the Equity Derivatives segment? If yes, does it apply to all equity derivative instruments such as index and stock futures and options?**

A. Yes, the trading hours for the Equity Derivatives segment have been extended to 3:40 PM. This revised timing is applicable to both index and stock derivatives contracts.

**5. What shall be the indicator for identifying securities in CAS (closing auction) and normal markets?**

| File Name | Field No. | Existing Field Name | New Field Name | Data Type | Field Description |
|---|---|---|---|---|---|
| SCRIP_DDMMYY.TXT | 27 | Filler | CAS Indicator | VarChar [10] | "0"-Scrips not in CAS "1"- Scrip in CAS |
| BSE_EQ_SCRIP_DDMMYYYY.csv | 24 | Filler | CAS Indicator | CHAR (1) | "0"-Scrips not in CAS "1"- Scrip in CAS |

**6. If a security becomes eligible for the Closing Auction Session (CAS) on one exchange, will it automatically be eligible on all other exchanges as well?**

A. Yes, if a security becomes eligible for CAS on one exchange, it will be simultaneously applicable across all exchanges.

7. **If equity derivatives trading for a security is suspended or discontinued on any exchange, will the Closing Auction Session (CAS) continue, or will the closing price revert to the VWAP-based method in the equity segment?**

A. If a security is removed from the Equity Derivatives segment on all exchanges, It shall not be eligible for the Closing Auction Session (CAS). In such cases, the closing price shall be determined based on the existing VWAP of the last 30 minutes. However, if the security continues in the Equity Derivatives segment on any exchange, it shall remain eligible for CAS.

8. **How is the Reference Price computed?**

The reference price is computed based on VWAP of trades between 3:00–3:15 PM. If VWAP is not available, In case no trade is executed in a stock during the period from 3:00 pm to 3:15 pm, the Last Traded Price (LTP) of the stock during the day shall be taken as the reference price for CAS. In case there is no trade during the day, the closing price of the stock of the previous trading day shall be taken as the reference price for CAS. In case of corporate action, previous day's closing price shall be the adjusted closing price or the base price.

9. **At what time will the reference price be made available?**

A. The reference price will be available and disseminated between 3:15 PM and 3:20 PM as part of the Market Data Broadcast (NFCAST ver 6.2 & EMDI v1.4.5), during the transition period from the Continuous Trading Session (CTS) to the Closing Auction Session (CAS) in the equity segment.

10. **What price band is applicable during CAS?**

A. A fixed price band of ±3% of the reference price is applicable during CAS. Orders outside this band are not permitted for EQUITY segment.

Orders placed outside the applicable CAS price band shall be automatically cancelled by the Exchange. Also, SL (Stop Loss) and DQ (Disclosed Quantity) orders shall be rejected by Exchange with appropriate error message as mentioned in ETI API v1.6.14

11. **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?**

A. 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.

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

A. Yes, price band limit will be static during the closing auction session.
The existing framework for dynamic flexing of price bands for stock futures shall not be applicable during the period from 3:10 p.m. to 3:40 p.m.

13. **What are the timings of the Closing Auction Session?**

B. The Equity Closing auction session shall be conducted for duration of 20 minutes, i.e. from 3:15 PM - 3:35 PM. The Closing auction session schedule will be as follows –

| **Session** | **Time** | **Description** |
|---|---|---|
| **Reference price calculation / Transition from CTS to CAS** | 3:15pm - 3:20pm | • To facilitate transition between continuous trading and closing auction sessions<br>• Dissemination of closing reference price and revised price band<br>• Cancellation of pending Stop loss, Revealed quantity orders of CTS<br>• Cancellation of orders outside the revised price bands. |
| **Order Entry Period for both limit and market orders** | 3:20pm - 3:25pm | • Order Addition/Modification/Cancellation of limit and market orders<br>• No trades are executed. |
| **Order entry period only for limit orders** | 3:25pm - 3:30pm | • Order Addition/Modification/Cancellation of limit orders only<br>• No order Addition/Modification/Cancellation of market orders<br>• System driven random stoppage between during the last 2 minutes |
| **Order Matching & Confirmation Period** | 3:30pm – 3:35pm | • Order matching, trade confirmation and Closing price determination.<br>• Order matching period will start immediately after completion of order entry period. |
| **Buffer Period** | 3:35pm - 3:40pm | • To facilitate transition between CAS and post-closing sessions |

**14. Are order entry, modification, and cancellation allowed during the transition period?**

A. Order entry and modification are not permitted during the transition period from CTS to CAS. Only order cancellation is allowed during this period. Error message as mentioned in ETI API v1.6.14

**15. Will a CAS indicator be available in Market Data Dissemination packets for real-time identification of CAS-eligible securities?**

A. Yes. A CAS indicator shall be provided for eligible securities in the Market Data Dissemination packets, enabling Trading Members to identify CAS-eligible securities in real time. Refer Circular no 20260330-40 & 20260422-15.

**16. What happens to existing orders during CAS transition?**

A. Limit orders within the price band are carried forward. Limit orders outside the band are cancelled. Stop Loss and revealed quantity orders are cancelled, while Limit EOS (End of Session) and Limit EOD (End of Day) orders are retained if they are within the price band.

**17. Are new order entries allowed during the transition phase?**

A. No. New order entry and modification are not allowed between 3:15–3:20 PM. Order cancellation is allowed. error message as mentioned in ETI API v1.6.14

**18. What order types are allowed during CAS?**

A. Market and Limit orders are allowed from 3:20–3:25 PM. Only Limit orders are allowed thereafter from 3:25pm. Stop Loss and revealed quantity orders are not allowed in CAS. Algo market as well as limit orders shall be allowed.

**19. Are IOC orders permitted during the Closing Auction Session (CAS)?**

A. Yes, IOC (Immediate or Cancel) orders are allowed in CAS.

**20. Will members receive any indicator for disallowing market orders after 3:25 PM?**

A. Yes, members will receive an indicator at 3:25 PM for disallowing market orders.

**21. Is addition/modification/cancellation of market orders allowed from 3:25pm to 3:30pm?**

A. No, modification/cancellation of market orders is not allowed from 3.25pm to random close i.e. after 3.25pm, modification/cancellation of only limit orders is allowed. Market order placement error message as mentioned in ETI API v1.6.14

**22. During the order entry period where only Limit Orders are allowed (from 3:25 PM onwards), what happens to pending market orders when order cancellation is triggered by a member/trader?**

A. During the order entry period from 3:25 PM until the random stoppage, pending limit orders shall be cancelled, however, market orders shall not be cancelled immediately when member/trader-initiated cancellation request is triggered. Details of such market orders (like order ID, order count) can be identified through the Order Mass Cancellation notification message.

Applicable scenarios include:

- Order cancellation by trader or member admin,
- Order cancellation using cancel feature through RTRMS-ZT system
- Kill Switch
- Session Disconnect (Cancel-on-Logout for HF session IDs)

**23. During the order entry period from 3:20pm till random stoppage of order entry period, what happens to pending limit and market orders when order cancellation is triggered due to regulatory/system-triggered actions?**

A. For regulatory/system-triggered order cancellation events, all pending orders are cancelled immediately, including both market Orders and limit orders. This shall be applicable throughout the Closing Auction Session.
   Applicable scenarios include:
   - Member being moved to RRM
   - Member Suspension
   - Market halt
   - Client Suspension
   - Shrinking of price bands

**24. What is Random Close during CAS?**

A. Random Close is a system-driven event where order entry is stopped at a random time between 3:28–3:30pm.

**25. How is the equilibrium price determined?**

A. The equilibrium price refers to the price level at which the maximum tradable volume is achieved. In case of a tie, minimum unmatched quantity and closeness to reference price are considered.

**26. What happens to time priority when an order is modified?**

A. Any modification to the order will result in a change in its time priority.

**27. What will be the sequence of session indicator values during CAS session?**

A. Sequence of session indicator values that would be disseminated during CAS session will be as mentioned in NFCAST v6.2 under Product state change message (2002). However, there could be scenario where Closing session indicator for Non-CAS securities is disseminated at 3.30PM and post that Closing Auction Matching indicator (17) is disseminated few seconds post 3.30 PM depending on random stoppage of order entry period between 3:28 – 3:30 PM.

**28. Will time priority change if only the order price is modified?**

A. Yes, any change in order price will lead to a change in time priority, irrespective of whether the quantity is changed or not.

**29. What happens if only the order quantity is increased without changing the price?**

A. Even if only the order quantity is increased (with no change in price), the time priority of the order will still change.

**30. What happens if only the order quantity is decreased without changing the price?**

A. If order quantity is decreased without changing the price, the time priority of the order will not be changed.

**31. How is matching carried out during CAS?**

A. Matching is done at the equilibrium price. Market orders are matched first, followed by residual market orders against limit orders, and then limit orders based on time priority.

**32. What happens if no equilibrium price is discovered?**

A. If no equilibrium price is discovered, the reference price is considered as the closing price.

**33. What kind of information will be available during the Closing Auction Session (CAS)?**

A. Below Information would be displayed in Market picture message broadcast (2020)
   a. Closing Reference price
   b. Indicative equilibrium price and indicative matchable quantity at that price
   c. Indicative cumulative buy quantity and sell quantity (as currently disseminated during pre-open session)
   d. Indicative imbalance quantity at equilibrium price, i.e. difference between cumulative buy & cumulative sell quantities at that price
   e. Side of indicative Imbalance quantity
   f. Indicative imbalance quantity based on market orders at equilibrium price, i.e. difference between total buy and sell market order quantities at that price
   g. Side of indicative Imbalance quantity based on market orders
   h. Indicative Index

**34. If End of Session (EoS) or Immediate-or-Cancel (IOC) orders remain unmatched at the end of the Closing Auction Session, when will these orders be cancelled?**

A. End of Session (EoS) orders shall be cancelled upon dissemination of the Closing session Indicator. For IOC (Immediate-or-Cancel) orders, any unexecuted orders shall be cancelled after the matching process is over, before dissemination of the Closing session indicator.

Further, any unexecuted GFD (Good for Day) orders shall not be cancelled by the exchange and shall be carried forward to the Post Close Session.

**35. Will the trading for Non-derivatives securities continue till 3:30 pm in equity segment?**

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

**36. Are orders in the Closing Auction Session (CAS) subject to margin requirements?**

A. Yes, orders placed during the Closing Auction Session (CAS) are subject to applicable margin requirements at the order level. However, limit orders carried forward from the Continuous Trading Session (CTS) to CAS are exempt from margin checks. If such carried forward limit orders are modified during CAS, they will then become subject to applicable margin requirements at the order level.

**37. What are the margin requirements for Institutional (INST) order types during CAS?**

A. Trading Members are advised to refer to their respective Clearing Corporations regarding the applicable margin requirements and margin blocking mechanism for Institutional (INST) order types placed during the Closing Auction Session.

**38. Will the post-close session use CAS closing price?**

A. Yes. The post-close session will operate using the CAS-determined closing price for CAS-eligible securities.

**39. Is Self-Trade Prevention Check (STPC) mechanism applicable during the closing auction session?**

A. Yes, the Self Trade Prevention Check (STPC) mechanism will be applicable during the closing auction session.

**40. Shall the information pertaining to closing auction session be disseminated on the Exchange website?**

A. Yes, the following information shall be disseminated on BSE website.

i. Closing Reference price
ii. Indicative equilibrium price and indicative matchable quantity at that price
iii. Indicative cumulative buy quantity and sell quantity (as currently disseminated during pre-open session)
iv. Indicative imbalance quantity at equilibrium price, i.e. difference between cumulative buy & cumulative sell quantities at that price
v. Side of indicative Imbalance quantity
vi. Indicative imbalance quantity based on market orders at equilibrium price, i.e. difference between total buy and sell market order quantities at that price
vii. Side of indicative Imbalance quantity based on market orders
viii. Indicative Index

**41. For All auction sessions except CAS session, would the additional fields for applicable for CAS session would be disseminated once CAS goes live?**

A. Below fields would be disseminated

a. Indicative imbalance quantity at equilibrium price, i.e. difference between cumulative buy & cumulative sell quantities at that price
b. Side of indicative Imbalance quantity
c. Indicative imbalance quantity based on market orders at equilibrium price, i.e. difference between total buy and sell market order quantities at that price
d. Side of indicative Imbalance quantity based on market orders

**42. How is the closing price determined in the equity derivatives segment?**

A. The close price shall be determined on the basis of the Volume Weighted Average Price (VWAP) of trades executed during the last thirty minutes of the Continuous Trading Session (CTS).

**43. Are there any operational guidelines or a Standard Operating Procedure (SOP) circular available?**

A. Refer Exchange Circular No. 20260319-21 dated 19.03.2026 pertains to the introduction of the Closing Auction Session (CAS) in the Equity Segment SOP.

**44. Are there any changes for the Trade modification cutoff time?**

A. The cutoff time for client code modification has been extended to 4:15 PM. Refer circular No. 20260527-41

**45. How will members be informed about securities becoming eligible for Closing Auction Session (CAS)? Will members receive prior intimation when a security becomes eligible for CAS?**

A. CAS is applicable to securities on which derivative contracts are available. Any inclusion of a security in the derivatives segment will be notified by the Exchange through the relevant circulars/notices. Such introductions are communicated to market participants well in advance. Members are requested to refer circular no. 20260330-40 dated March 30, 2026 & 20260422-15 dated April 22, 2026 for identification of CAS eligible securities.

**46. What time will Indicative Close value of Indices be disseminated?**

A. Currently Indicative close value is disseminated for BSE SENSEX, BSE BANKEX, BSE FOCUSED IT, BSE SENSEX NEXT 30 and BSE FOCUSED MIDCAP indices in the last 30 minutes of trading hours of Equity segment, i.e., between 3:00 to 3:30pm. Due to the Introduction of Closing Auction Session in Equity segment and as specified in Operating Guidelines (circular no. 20260610-41) issued by the Exchange, Indicative Close value will now be disseminated during Closing Auction Session i.e. between 3:15 to 3:30pm, effective from 03 August 2026.

**47. How will the Index values be calculated during Closing Auction Session (CAS)?**

A. It is possible that certain constituent securities 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, as follows -

Actual index value when CAS is in progress shall be computed considering its constituents' prices as below:

- Stocks for which CAS is not applicable: Real time LTP of CTS, as per current logic.
- Stocks for which CAS is applicable: LTP of CTS

Indicative index close value when CAS is in progress shall be computed considering its constituents prices as below:

- Stocks for which CAS is not applicable: VWAP of all the trades from 3:00pm onwards
- Stocks for which CAS is applicable: Indicative equilibrium price (or Reference Price in absence of indicative equilibrium price) of the stock during CAS.

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