

Equity Derivatives Segment Master Circular

Exchange has been issuing various circulars / notices from time to time. In order to enable members to access all the applicable circulars / notices for Equity Derivatives Segment at one place, Master Circular has been prepared.

The master circular is set as follows for ease of reference:

PART I

List of important circulars issued during the period January 1, 2014 – March 15, 2016

PART II

Master Circular

PART III (Annexures in attachment)

Formats of various files and reports provided by the Exchange

For and on behalf of BSE Ltd.

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PART I: List of important circulars issued during the period January 1, 2014 – March 15, 2016

Sr. No.	Notice No.	Subject
1	20140115-26	Enhancements in EOD File Formats of Equity Derivatives Segment – Update II
2	20140203-23	Shifting of Trade modification functionality for Equity Derivatives segment to RTRMS system
3	20140207-28	Online Trade file for Equity Derivatives and Currency Derivatives Segments
4	20140208-1	Zero Terminal for Equity Derivatives Segment
5	20140301-2	Calendar Spread Functionality in Equity Derivatives Segment - Update
6	20140425-31	Enhancements in RTRMS - Zero Terminal (ZT) for Equity Segment - II
7	20140523-22	Enhancements in RTRMS - Zero Terminal (ZT) for Equity Segment – III
8	20140523-23	Enhancements in RTRMS - Zero Terminal (ZT) for Equity Derivatives & Currency Derivatives Segments
9	20140903-27	Introduction of segment wise Trading Limits through RTRMS – ZT system
10	20140916-3	Discontinuation of Old contract master files for Equity Derivatives segment
11	20140918-23	Upgrade of Colocation Network to 10Gbps Fibre
12	20141008-26	Enhancements in RTRMS - Zero Terminal (ZT) for Equity Derivatives & Currency Derivatives Segments - II
13	20150114-31	Enhancements in RTRMS - Zero Terminal (ZT) for Equity Segment, Equity Derivatives & Currency Derivatives Segments
14	20150127-30	Self-trade Prevention Check for Equity Derivatives & Currency Derivatives segments - FAQs
15	20150212-36	Introduction of BSE Order-By-Order market data stream in Equity Derivatives segment
16	20150420-1	Revision in Market lot of Derivatives contracts on Individual Stocks- Clarification
17	20150420-33	Modification in Spread Contract Master file for Equity Derivatives Segment
18	20150525-18	Enhancement in Order Log File formats for Equity Derivatives Segment
19	20150529-33	Introduction of Multi-legged Order entry in Equity Derivatives Segment
20	20150624-35	Introduction of Paired Option contracts in Equity Derivatives Segment – Going live

21	20150624-36	<u>Modification in Spread Contract Master file format for Equity Derivatives Segment – Going Live</u>
22	20150624-38	<u>Enhancement in Order Log file format for Equity Derivatives Segment – Going Live</u>
23	20150713-29	<u>Review of Minimum Contract Size in Equity Derivatives Segment.</u>
24	20150715-20	<u>Modification in Contract Master file for Equity Derivatives Segment – Additional Information</u>
25	20150720-31	<u>Review of Minimum Contract Size in Equity Derivatives Segment.</u>
26	20150728-8	<u>Number of Strikes in Equity Derivatives Contracts.</u>
27	20150805-22	<u>Introduction of Multi-legged Order Entry Facility in Equity Derivatives Segment</u>
28	20150807-18	<u>Revision in Market lot of Derivatives contracts on Individual Stocks</u>
29	20150807-19	<u>Revision in Market lot of Index Derivatives contracts</u>
30	20150807-2	<u>BSE Order-By-Order market data stream in Equity Derivatives segment-Update.</u>
31	20150810-21	<u>Number of Strikes in Equity Derivatives Contracts - Update</u>
32	20150814-25	<u>Revision in Market lot of Derivatives contracts on Individual Stocks-Update</u>
33	20150814-29	<u>Online Facility for Trade Annulment Request Submission</u>
34	20150826-25	<u>Enhancement in Simulation Environment of BOLT Plus Trading System</u>
35	20150827-21	<u>Connecting to BOLT Plus Trading System through FIX protocol-Update</u>
36	20150828-25	<u>Revision in Market lot of Foreign Index Derivatives contracts</u>
37	20150903-2	<u>Introduction of New Order Confirmation Message</u>
38	20151009-10	<u>Enhancements in Online Facility for Trade Annulment Request submission</u>
39	20151207-5	<u>Trading Holidays for the Calendar Year 2016 for Equity Derivatives Segment.</u>
40	20160113-2	<u>Introducing Price Reasonability Check for Equity Derivatives Segment</u>
41	20160114-36	<u>PAN-based Self-trade Prevention Check Functionality for Equity Derivatives segment - Update</u>
42	20160114-37	<u>Multi-Legged Order Entry Facility in Equity Derivatives segment - Update</u>
43	20160128-1	<u>Revision in contract specifications of futures and options contract on S&P BSE SENSEX.</u>
44	20160310-40	<u>Reversal Trade Prevention Check in Equity Derivatives - FAQs.</u>

PART II: Master Circular

1. Trading Parameters

1.1 Order types & Order attribute

Types of orders:

- Market order
- Stop loss order
- Limit order

Applicable Retention type for the above orders:

- End of day
- End of session
- Immediate or cancel (IOC)

In addition to above, following order attributes are specified at the time of order entry:

- Segment
- Product Type (Future Index/Stocks, Call Index/Stocks, Put Index/Stocks etc.)
- Asset
- Expiry
- Strike
- Instrument Name
- Scrip code/Token Number
- Buy/Sell indicator
- Total Quantity
- Revealed Quantity
- Rate
- Market Protection (in %)
- Client Id
- Client type
- Order Type
- Retention Type

1.2 Order Entry Facilities

1.2.1 Multi-legged order entry

A multi-legged order entry facility is a new type of order entry which enables a trader to place a combination order comprising of more than one order across different futures & options contracts.

A multi-legged order can contain a minimum of 2 order legs and maximum of 4 order legs. In the multi-legged order entry facility, matching of all order legs in a multi-legged order is linked with each other. Order matching shall be done, either fully or partially only if matching is possible for all order legs at that time, else the entire multi-legged order shall be rejected. On account of the linked

execution of all the order legs, this facility can be used by traders to execute trades across different futures & options contracts, up to 4 order legs, at the same time.

[FAQs on Multi-Legged Order Entry Facility in Equity Derivatives segment](#)

Relevant Notices:

Notice No.	Date
20160114-37	January 14,2016
20150805-22	August 05,2015
20150529-33	May 29,2015

1.2.2 Calendar Spread Functionality

The trading convention of Futures Calendar Spread orders in Equity Derivatives segment is as follows:

1. A Buy spread means, Sell in Near Month leg and Buy in Far Month leg.
2. A Sell spread order means, Buy in Near Month leg and Sell in Far Month leg.

Example of Calendar Spread (Both Buy and Sell)

Case 1: Buy RELI7812S @ Rs 10

Execution - Buy Reliance August Futures & Sell Reliance July Futures.

- Trade in RELIJUL2012 (sell position) @ LTP Price: Rs. 700.
- Trade in RELIAUG2012 (buy position) @ LTP of RELIJUL2012 + Spread rate = Rs.700 + Rs.10 = Rs.710.

Case 2: Sell RELI7812S @ Rs 10

Execution - Sell Reliance August Futures & Buy Reliance July Futures

- Trade in RELIJUL2012 (Buy position) @ LTP Price: Rs.700
- Trade in RELIAUG2012 (Sell Position) @ LTP of RELIJUL2012 + Spread rate = Rs.700 + Rs.10 = Rs.710

Case 3: Buy RELI7812S @ Rs.10 & Sell RELI7812S @ Rs.12

Execution – **Trade 1** - Buy Reliance August Futures & Sell Reliance July Futures

- Trade in RELIJUL2012 (sell position) @ LTP Price: Rs.700.
- Trade in RELIAUG2012 (buy position) @ LTP of RELIJUL2012 + Spread rate = Rs.700 + Rs.10 = Rs.710.

Execution – **Trade 2** - Sell Reliance August Futures & Buy Reliance July Futures

- Trade in RELIJUL2012 (Buy position) @ LTP Price: Rs.700

- Trade in RELIAUG2012 (Sell Position) @ LTP of RELIJUL2012 + Spread rate = Rs.700 + Rs.12 = Rs.712
- Position: Due to opposite trades in calendar spread, positions will be netted off.

Case 4: Buy RELI7812S @ Rs.10; Existing intraday buy position in the Reliance July Futures.
Execution - Buy Reliance August Futures & Sell Reliance July Futures

- Trade in RELIJUL2012 (sell position) @ LTP Price: Rs.700.
- Trade in RELIAUG2012 (buy position) @ LTP of RELIJUL2012 + Spread rate = Rs.700 + Rs.10 = Rs.710
- Position: Position in RELIJUL2012 will be netted off due to existing buy position. However there will be open position in RELIAUG2012.

Relevant Notices:

Notice No.	Date
20140308-2	March 08, 2014

1.2.3 Paired Option Order entry facility

The Exchange introduced a new facility to create Paired options in its Currency Derivatives segment (w.e.f. December 07, 2015).

Paired option facility allows a trader to take positions across two different option contracts belonging to the same underlying asset and same expiry by entering a single order.

Nomenclature of a paired option contract will be as follows:

<Product code><Type of Contract i.e. CNV><Year and Month of Expiry><Strike price>

Given below is an example of SENSEX paired option contract with March 2015 expiry and 29500 strike price.

BSXCNV15-MAR29500.00

BSX: - Option product code as defined in contract master.

CNV: - Paired Option Contract

15-MAR: - Expiry Year and Month

29500:- Strike Price

[FAQs on Paired option functionality](#)

Relevant Notices:

Notice No.	Date
20150624-35	June 24, 2015
20150616-28	June 16, 2015

1.3 Permitted lot size

The value of the Contracts in the Futures & Options segment may not be less than Rs. 5 lakhs at the time of introduction. The permitted lot size for futures & options contracts shall be the same for a given underlying or such lot size as may be stipulated by the Exchange from time to time.

1.4 Tick size for contracts

Contracts	Tick Size (in Rs.)
S&P BSE SENSEX futures (March 2016 and April 2016 expiries)	1
S&P BSE SENSEX futures (May 2016 and beyond expiries)	0.05
S&P BSE-100 futures	0.05
Other index futures	1
S&P BSE SENSEX options	0.05
S&P BSE-100 options	0.05
Other index option	0.25

1.5 Base price & price band applicable to the contracts

The base price of futures contract, on day of introduction of new contract, will be theoretical futures price. The base price of futures contract on subsequent trading days will be its daily close price. However if contract is not traded at all during the day, base price for next day will be theoretical price of futures contracts computed on that day. Base price of options contracts, on introduction of new contracts, will be theoretical value of the options contract arrived at based on Black-Scholes model of calculation of options premium.

The base price of option contracts on subsequent trading days will be its daily close price. However, if contract is not traded at all during the day, the base price will be theoretical price of such contracts arrived using Black-Scholes model computed on that day. The base price shall be disseminated in previous close field in market picture.

Based on the movement of the underlying in either direction, the dynamic price bands may be relaxed during the day in co-ordination with the other Exchange.

Further, dynamic price band may also be relaxed by the Exchange if a minimum of 10 trades executed with multiple UCC on both sides of the trade at or above 9.90% or more of the base price and in further multiples of 5% of the price movement

Calculation of theoretical base price of contracts as per Black –Scholes model

The base price for a call option shall be computed as follows:

$$C = S * N(d1) - X * e^{(-rt)} * N(d2)$$

And

The base price for a put option shall be computed as follows:

$$P = X * e^{(-rt)} * N(-d2) - S * N(-d1)$$

Where:

$$d1 = \ln(S / X) + (r + s^2 / 2) * t$$

$$s * \sqrt{t}$$

$$d2 = \ln(S / X) + (r - s^2 / 2) * t$$

$$s * \sqrt{t}$$

$$= d1 - s * \sqrt{t}$$

And

C = price of a call option

P = price of a put option

S = price of the underlying asset

X = Strike price of the option

r = rate of interest (Rate of interest shall be the relevant MIBOR rate for the day)

t = time to expiration

s = volatility (Volatility shall be the higher of the underlying volatility or the near month futures contract volatility on the relevant day.)

N represents a standard normal distribution with mean = 0 and standard deviation = 1, and ln represents the natural logarithm of a number. Natural logarithms are based on the constant e (2.71828182845904).

Relevant Notices:

Notice no.	Date
20111007-21	October 07, 2011

1.6 Risk Reduction Mode (RRM) functionality

Exchange had introduced Risk Reduction Mode (RRM) functionality.

Salient features of this functionality are:

- Trading Members shall be put in RRM on 100% utilization of the collateral deposited.
- Once in RRM, only fresh orders that reduce open position (square-up orders) are allowed to get back within the permissible limit.
- Trading Members are allowed to reduce open positions by generating 1 order for each end-client against each open position in a security.

When collateral / trading limit utilization of member exceeds 90%. Following features shall be applicable during Risk Reduction Mode:

- All unexecuted orders shall be cancelled & returned to the member.
- Fresh orders which reduce open position shall be accepted.
- Fresh orders which increase open position shall be checked for margin sufficiency. If sufficient margin is not available, such orders shall be rejected.
- Fresh orders can be placed for immediate or cancel (IOC) only
- All non-margined orders shall not be accepted in Risk Reduction Mode.
- Members shall be moved back to normal risk management mode once collateral utilization is reduced below 85%.

Relevant Notices:

Notice no.	Date
20130107-18	January 07, 2013

1.7 Corporate Actions

Corporate actions mean and include dividend, bonus, rights shares, and issue of shares as a result of stock split, stock consolidations, and schemes of mergers/de C mergers, spin-offs, amalgamations, capital restructuring and such other privileges or events of a similar nature announced by the issuer of the underlying securities. The Exchange may make such modifications as may be deemed necessary including modifications in the open interest and/or contract specifications in accordance with the rules, byelaws and regulations of the Exchange and as specified by SEBI from time to time. The basis for any adjustment for corporate action shall be such that the value of the position of the market participants on cum and ex-date for corporate action shall continue to remain the same as far as possible. This will facilitate in retaining the relative status of positions viz. in-the-money, at-the-money and out-of-money. This will also address issues related to exercise and assignments.

Any adjustment for corporate actions shall be carried out on the last day on which a security is traded on the cum basis in the underlying Capital market segment.

Adjustments shall mean modifications to positions and/or contract specifications as listed below such that the basic premise of adjustment laid down above is satisfied:

1. Strike Price
2. Position
3. Market Lot/Multiplier

The adjustments shall be carried out on any or all of the above based on the nature of the corporate action. The adjustments for corporate actions shall be carried out on all open, exercised as well as assigned positions.

Exchange gives notice of four weeks to the market for any change in the contract specifications and also in case of change in a constituent of an Index on which derivatives are available.

The methodology proposed to be followed for adjustment of various corporate actions to be carried out shall be as follows:

Bonus, Stock Splits and Consolidations

Strike Price: The new strike price shall be arrived at by dividing the old strike price by the adjustment factor as under.

Market Lot / Multiplier: The new market lot/multiplier shall be arrived at by multiplying the old market lot by the adjustment factor as under.

The adjustment factor for Bonus, Stock Splits and Consolidations is arrived at as follows:

Bonus

Ratio – A: B Adjustment factor: $(A+B)/B$

Stock Splits and Consolidations

Ratio – A: B Adjustment factor: A/B

Right Issue

Ratio – A: B and Issue price of rights is S.

Adjustment factor: $(P-E)/P$

Where P = Spot price on last cum date

$$E = (P-S) \times A / (A+B)$$

Strike Price:

The new strike price shall be arrived at by multiplying the old strike price by the adjustment factor as under.

Market Lot:

The new market lot/multiplier shall be arrived at by dividing the old market lot by the adjustment factor as under.

The above methodology may result in fractions due to the corporate action. Therefore, the strike prices shall be rounded off to the nearest tick size and the lot size shall be rounded off to the nearest integer.

Extra Ordinary Dividends:

Dividends which are below 10% of the market value of the underlying stock would be deemed to be ordinary dividends and no adjustment in the strike price would be made for ordinary dividends. For extra-ordinary dividends, above 10% of the market value of the underlying stock, the strike price and base price of the contracts would be adjusted.

The Exchange may on a case to case basis carry out adjustments for other corporate actions as decided by the Exchange in conformity with the above guidelines

Adjustment for Corporate Actions in case of Mergers / Demergers

Mergers:

Pursuant to the decision of the Sub-Committee of SEBI Advisory Committee on Derivatives, the following adjustments shall be made for the Options and Futures contracts on an underlying in case of its merger with any other company.

- a. On the announcement of the record date for the merger, the exact date of expiration (Last Cum-date) of the contracts would be informed to the members.
- b. After the announcement of the Record Date, no fresh contracts on Futures and Options would be introduced on the underlying, that will cease to exist subsequent to the merger.
- c. Un-expired contracts outstanding as on the last cum-date would be compulsorily settled at the settlement price. The settlement price shall be the closing price of the underlying on the last cum-date.

Demerger:

All the following conditions shall be met in the case of shares of a company undergoing restructuring through any means for eligibility to re-introduce derivative contracts on that company from the first day of listing of the post restructured company/(s) "s (as the case may be) stock (herein referred to as post restructured company) in the underlying market,

- a. the futures and options contracts on the stock of the original (pre restructure) company were traded on any Exchange prior to its restructuring;
- b. the pre restructured company had a market capitalisation of at least Rs.1000 crores prior to its restructuring;
- c. the post restructured company would be treated like a new stock and if it is, in the opinion of the Exchange, likely to be at least one-third the size of the pre restructuring company in terms of revenues, or assets, or (where appropriate) analyst valuations; and

- d. in the opinion of the Exchange, the scheme of restructuring does not suggest that the post restructured company would have any characteristic (for example extremely low free float) that would render the company ineligible for derivatives trading,

If the above conditions are satisfied, then the Exchange shall take the following course of action in dealing with the existing derivative contracts on the pre-restructured company and introduction of fresh contracts on the post restructured company:

- a. All existing contracts of the security shall be expired on the last cum date.
- b. The Exchange shall introduce near month, middle month and far month derivative contracts on the stock of the restructured company from the ex-date of the demerger.

In subsequent contract months, the normal rules for entry and exit of stocks in terms of eligibility requirements would apply. If these tests are not met, the Exchange shall not permit further futures & options contracts on this stock and future month series shall not be introduced.

1.8 Strikes Price Interval

The indicative strike price intervals for Stock Options are given below. However, the strike price interval would not form part of the contract specifications and exchange would be free to introduce new strikes / contracts as per the demand of the market participants.

Price of the underlying	Strike Price Interval (Rs.)
\leq Rs. 50	Rs. 2
$>$ Rs.50 to \leq Rs. 250	Rs. 5
$>$ Rs.250 to \leq Rs. 500	Rs. 10
$>$ Rs.500 to \leq Rs. 1000	Rs. 20
$>$ Rs.1000 to \leq Rs. 2500	Rs. 30
$>$ Rs.2500 to \leq Rs. 10000	Rs. 50

In case of Sensex Options with expiry date of May 2016 and beyond contracts the strike interval is 25.

Number of Strikes shall be available on daily basis - 1 In the money, 1 At the money, 1 Out of the money.

New strikes are introduced for trading on the next working day based on the previous day's underlying closing values.

1.9 Revision of market lot of futures and options contracts

Pursuant to SEBI circular number CIR/MRD/DP/14/2015 dated July 13, 2015 revision in market lot of futures and options contracts shall be as follows:

- a. The lot size for derivatives contracts in equity derivatives segment shall be fixed in such a manner that the contract value of the derivative on the day of review is within Rs. 5 lakhs and Rs. 10 lakhs.
- b. For stock derivatives, the lot size (in units of underlying) shall be fixed as a multiple of 25, provided the lot size is not less than 50. However, if the contract value of the stock derivatives at the minimum lot size of 50 is greater than Rs. 10 lakhs, then lot size shall be fixed as a multiple of 5, provided the lot size is not less than 10.
- c. For index derivatives, the lot size (in units of underlying) shall be fixed as a multiple of 5, provided the lot size is not less than 10.

The lot size shall be reviewed and revised once in every 6 months based on the average of the closing price of the underlying for last one month and wherever warranted, revise the lot size by giving an advance notice of at least 2 weeks to the market. If the revised lot size is higher than the existing one, it will be effective for only new contracts. In case of corporate action, the revision in lot size of existing contracts shall be carried out as per SEBI circular SMDRP/DC/CIR-15/02 dated December 18, 2002.

1.10 Trade Modification

While executing the trade for the said client, the broker enters the unique client code allotted to the client. However, there are instances wherein the wrong code is entered by the broker while executing the trade. As per the SEBI circular dated July 5, 2011 (enclosed herewith) the brokers may modify the client codes of non-institutional trades only to rectify a genuine error in entry of client code at the time of placing / modifying the related order.

Trading members are also allowed to modify client type in trades only for institutional client types i.e. for trades under 'INST'. For trading member, trade modification functionality is available in Exchange web based system called as RTRMS (Real-Time Risk Management) system.

Trade Modification time in RTRMS :- 9:00 am to 4:15 pm

As per the Exchange notice no. 20110826-4 dated August 26, 2011, members are permitted to change client codes. However, for changes in client code of non-institutional clients, the trading member is required to state the reasons, which should be within the following objective criteria:

- a. Error due to communication and/or punching or typing such that the original client code/name and the modified client code/name are similar to each other.

- b. Modification within relatives (Relative for this purpose would mean 'Relative' as defined under sec. 6 the Companies Act, 1956).

Accordingly, the Exchange has provided the facility to modify the client codes during the trading hours.

Subsequent to the client code modifications, as per the above SEBI circular and Exchange Notice Nos. 20110706-1 dated July 6, 2011, 20110729-24 dated July 29, 2011 w.e.f August 1, 2011 all cases of modification of client codes of non-institutional trades other than modified to the 'ERROR' account executed on the Exchange is liable for a penalty of 1% of value of non-institutional trades modified if value of non-institutional trades modified as a percentage of total value of non-institutional trades executed is less than or equal to 5% and penalty of 2% if modification exceeds 5%, in a segment during a month.

Further, as per the SEBI circular no. CIR/MRD/DP/29/2014 dated October 21, 2014 regarding modification of client codes of non-institutional trades executed on stock exchanges the penalty for a client code modification is waived based on the request from the stock brokers stating their modification to be genuine. Further, not more than one such waiver per quarter is given to a stock broker for modification in a client code i.e. If penalty waiver has been given with regard to a genuine client code modification from client code AB to client code BA, no more penalty waivers are allowed to the stock broker in the quarter for modifications related to client codes AB and BA.

SEBI vide its letter dated February 8, 2016 has communicated that stock brokers on whom penalty has been levied for client code modifications during the period from August 1, 2011 to October 20, 2014, can now make a representation to the Exchange seeking reversal/ waiver of penalty levied for client code modifications for genuine errors and that the Exchange shall review the requests for reversal/ waiver as per the guidelines laid down by SEBI in its circular dated October 21, 2014.

1.11 Contract Specification

Contract Specification for Index Futures contracts

Parameters	Specification
Contract Period	1,2,3 Month
Tick Size	Rs. 1 in spread price terms for S&P BSE SENSEX futures contracts.(after April 2016 expiry Rs. 0.05) Rs. 0.05 in spread price terms for S&P BSE-100 futures contracts Rs. 1 in spread price terms for other index futures contracts
Trading Hours	9:15 am to 3:30 pm

Last Trading/Expiration Day	<p>Last Thursday of each contract maturity month.</p> <p>Note:</p> <p>A. Business day is a day during which the underlying stock market is open for trading.</p> <p>B. If expiry day is a holiday, then the immediately preceding business day.</p>
Final Settlement	Cash Settlement. On the last trading day, the closing value of the underlying index would be the final settlement price of the expiring futures contract.

Contract Specifications for Single Stock futures Contracts

Parameters	Specification
Contract Period	1,2,3 Month
Tick Size	Rs.0.05
Trading Hours	9:15 am to 3:30 pm
Last Trading/Expiration Day	<p>Last Thursday of each contract maturity month.</p> <p>Note:</p> <p>A. Business day is a day during which the underlying stock market is open for trading.</p> <p>B. If expiry day is a holiday, then the immediately preceding business day.</p>
Final Settlement	Cash Settlement. On the last trading day, the closing value of the underlying stock is the final settlement price of the expiring futures contract

Contract Specification for Index Options contracts (Monthly & Long Dated Options)

Parameters	Specification
Contract Period	1,2 & 3 Months, Long dated (only S&P BSE SENSEX)

Tick Size	Rs. 0.05 for S&P BSE SENSEX options and S&P BSE-100 options contracts Rs. 0.25 for other index options contracts
Exercise Style	European
Trading Hours	9:15 am to 3:30 pm
Settlement Style	Cash
Premium quotation	In index points
Strike Price Intervals	Shall have 3 strikes (1 in-the-money, 1 at-the-money, 1 out-of-the-money)
Last Trading/Expiration Day	Last Thursday of each contract maturity month. Note: A. Business day is a day during which the underlying stock market is open for trading. B. If expiry day is a holiday, then the immediately preceding business day.

Contract Specification for Stock Options contracts

Parameters	Specification
Contract Period	1,2 & 3 Months
Exercise Style	European
Trading Hours	9:15 am to 3:30 pm
Settlement Style	Cash
Premium quotation	Rs. per share
Strike Price Intervals	Shall have 3 strikes (1 in-the-money, 1 at-the-money, 1 out-of-the-money)

Last Trading/Expiration Day	<p>Last Thursday of each contract maturity month.</p> <p>Note:</p> <p>A. Business day is a day during which the underlying stock market is open for trading.</p> <p>B. If expiry day is a holiday, then the immediately preceding business day.</p>
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Contract Specification for Foreign Indices

FTSE / JSE Top 40 Futures

Parameters	Specification
Security Symbol	ALS
Underlying	Corresponding FTSE / JSE Top40 Futures Contracts
Contract Multiplier	15
Tick Size	Rs. 1
Trading Hours	9:15 am to 3:30 pm (IST)
Contract Period	<p>BSE Contracts - Corresponding contracts to the home exchange</p> <p>JSE Contracts - Quarter calendar months - March, June, September and December</p>
Last Trading/Expiration Day	"LTD" is the third Thursday of trading month. If it is a holiday either in India or in South Africa, then the immediately preceding business day (which is not a holiday in either India or South Africa). Trading will continue till 03:30 pm Mumbai time on the 'LTD'.
Daily Settlement	<p>The Index Futures Contract shall be marked to market on a daily basis and settled in cash on T + 1 day. Daily settlement price = Volume - Weighted average price of all the trades in last half an hour of the continuous trading session at the Exchange (BSE).</p> <p>If there are no trades during the last half an hour, then the Theoretical Price shall be taken as the closing price. Here, Theoretical price = Latest Available Opening Price of the Corresponding FTSE / JSE Top40 Futures contracts at the Home Exchange * $[1 + \{ \text{No. of days to expiry} * \text{risk free interest rate} / 365 \}]$</p>

Hang Seng Index Futures

Parameters	Specification
Security Symbol	HSI
Underlying	Corresponding HANG SENG Index Futures Contract
Contract Multiplier	20
Tick Size	Rs. 1
Trading Hours	9:15 am to 3:30 pm (IST)
Contract Period	BSE Contracts - Corresponding contracts to the home exchange HKEx contracts - Spot, next calendar month & next two calendar quarter months
Last Trading/Expiration Day	"LTD" is the Business Day immediately preceding the last Business Day of the Contract Month in HKEx. If it is a holiday either in India or in Hong Kong, then the immediately preceding business day (which is not a holiday in either India or Hong Kong). Trading will continue till 03:30 pm (Mumbai time) on the 'LTD'.
Daily Settlement	<p>The Index Futures Contract shall be marked to market on a daily basis and settled in cash on T + 1 day. Daily settlement price = Volume - Weighted average price of all the trades in last half an hour of the continuous trading session at the Exchange (BSE).</p> <p>If there are no trades during the last half an hour, then the Theoretical Price shall be taken as the closing price. Here, Theoretical price = Latest Available Closing Price of the Corresponding HANG SENG Index Futures contracts at the Home Exchange * [1 + {No. of days to expiry * risk free interest rate / 365}]</p>

iBovespa Futures

Parameters	Specification
Security Symbol	IBV
Underlying	IBOVESPA

Contract Multiplier	10
Tick Size	Rs. 1
Trading Hours	9:15 am to 3:30 pm (IST)
Contract Period	<p>BSE Contracts - Corresponding contracts to the home exchange BM&F contracts -</p> <ul style="list-style-type: none"> • All months, as authorized by BM&F (Bolsa de Mercadorias & Futuros) • Number of authorized contract months – Even-numbered months. At its own discretion, BM&F may, whenever market conditions thus require, authorize odd-numbered months to be traded
Last Trading/Expiration Day	<p>"LTD" is the Wednesday closest to the 15th calendar day of the contract month. If it is a holiday either in India or in Brazil, then the immediately preceding business day (which is not a holiday in either India or Brazil). Trading will continue till 03:30 pm India time on the 'LTD'.</p>
Daily Settlement	<p>The Index Futures Contract shall be marked to market on a daily basis and settled in cash on T + 1 day. Daily settlement price = Volume - Weighted average price of all the trades in last half an hour of the continuous trading session at the Exchange (BSE).</p> <p>If there are no trades during the last half an hour, then the Theoretical Price shall be taken as the closing price. Here, Theoretical price = Latest Available Closing Value of IBOVESPA at the Home Exchange * $[1 + \{\text{No. of days to expiry} * \text{risk free interest rate} / 365\}]$</p>

MICEX Index Futures

Parameters	Specification
Security Symbol	MIX
Underlying	MICEX Index
Contract Multiplier	300
Tick Size	Rs. 0.05
Trading Hours	9:15 am to 3:30 pm (IST)

Contract Period	BSE Contracts - Corresponding contracts to the home exchange MICEX Contracts - 2 nearest months in the March quarterly cycle (Mar, June, Sep, Dec)
Last Trading/Expiration Day	"LTD" is the 15-th day of the contract month. If it is a holiday either in India or in Russia, then the immediately preceding business day (which is not a holiday in either India or Russia). Trading will continue till 03:30 pm India time on the 'LTD'.
Daily Settlement	The Index Futures Contract shall be marked to market on a daily basis and settled in cash on T + 1 day. Daily settlement price = Volume - Weighted average price of all the trades in last half an hour of the continuous trading session at the Exchange (BSE). If there are no trades during the last half an hour, then the Theoretical Price shall be taken as the closing price. Here, Theoretical price = Latest Available Opening Value of the Index at the Home Exchange * $[1 + \{\text{No. of days to expiry} * \text{risk free interest rate} / 365\}]$

1.12 Transaction Charges

BSE Limited has revised transaction fees in Equity Derivatives segment of the Exchange with effect from February 10th, 2014.

Basis of applicability of transaction fees

For stock futures and index futures, revised transaction fees will be applicable on the value of the transactions (price X quantity).

For stock options and index options, revised transaction fees will be applicable on the Premium value (premium X quantity) at the time of trading.

Definition of Passive Orders and Active Orders

Passive Orders: Passive orders are defined as the orders that are already existing in the order book at the time of matching (trade taking place).

Active Orders: Active orders are defined as the orders that are matched against the orders already existing in the order book at the time of matching (trade taking place)

The following transaction fees are applicable with effect from February 10th, 2014 in Exchange's Equity Derivatives segment:

Particulars	Passive orders	Active orders
Stock Futures and Index futures (on execution)	Nil	Rs.50 per Crore of Trade Value
Stock Options and Index Options (on execution) On which LEIPS Scheme is running	Nil	Rs.50 per crore of Premium Value

Particulars	Passive order (price maker) to receive	Active order (price taker) to pay
Stock Options and Index Options (on execution) on which LEIPS is not running.	Rs.2400 per crore of premium value	Rs.2500 per crore of Premium Value

The above transaction fees will be applicable uniformly across all valid orders executed in the Exchange's Equity Derivatives segment. Executed orders will be identified as passive or active on the basis of their respective time stamps assigned by the BSE system. As per the Exchange trading system design, two orders cannot have the same time stamp.

To know more on the transaction fees, please refer to the FAQs

[FAQ on Transaction Charges](#)

Relevant Notices:

Notice No.	Date
20140203-22	February 03, 2014

2. Trading Hours and Trading Holidays

2.1 Trading Hours

Session	Start Time	End Time
Log-in	7:50 am	9:15 am
Continuous Trading	9:15 am	3:30 pm
Trade Modification and Give up/Take up	-----	4:15 pm

2.2 Trading Holidays

Trading Members are hereby informed that the Exchange shall observe following Trading Holidays during the Calendar Year 2016 for Equity Derivatives Segment:

Sr.No.	Holidays	Date	Day
1	Republic Day	January 26, 2016	Tuesday
2	Mahashivratri	March 07, 2016	Monday
3	Holi	March 24, 2016	Thursday
4	Good Friday	March 25, 2016	Friday
5	Dr.Baba Saheb Ambedkar Jayanti	April 14, 2016	Thursday
6	Ram Navami	April 15, 2016	Friday
7	Mahavir Jayanti	April 19, 2016	Tuesday
8	Id-UI-Fitr (Ramzan Id)	July 06,2016	Wednesday
9	Independence Day	August 15,2016	Monday
10	Ganesh Chaturthi	September 05, 2016	Monday
11	Bakri Id	September 13, 2016	Tuesday
12	Dussehra	October 11, 2016	Tuesday
13	Muharram	October 12,2016	Wednesday
14	Diwali Balipratipada	October 31 ,2016	Monday
15	Gurunanak Jayanti	November 14, 2016	Monday

**** Muhurat Trading shall be held on Sunday, October 30, 2016 (Diwali – Laxmi Pujan).
Timings of Muhurat Trading shall be notified subsequently.**

The Exchange may alter / change any of the above holidays, for which a separate circular shall be issued in advance.

Relevant Notices:

Notice No.	Date
20151207-4	December 7, 2015

2.3 Extension of Market Hours

Trading Members are informed that in the event of any untoward instance or circumstance resulting in members not being able to trade due to loss of access to the trading system, the Exchange may extend the trading hours after carrying out preliminary study/assessment of the problem and for such period as may be deemed necessary, If 25 % of the normally active trading terminals are not able to trade due to loss of access to / non-availability of the trading system of the Equity Segment, then Exchange may extend trading hours of Equity Segment & Equity Derivative Segment, but may not extend the market hours of the Currency Derivative segment.

Relevant Notices:

Notice No.	Date
20140404-41	April 04, 2014

2.4 Market Close for Trading

Trading Members are informed that in the event of any untoward instance or circumstance resulting in members not being able to trade due to loss of access to the trading system, the Exchange may extend the trading hours after carrying out preliminary study/assessment of the problem and for such period as may be deemed necessary, If 40 % of the normally active trading terminals are not able to trade due to loss of access to / non-availability of the trading system of the Equity Segment, then Exchange may close Equity Segment & Equity Derivative Segment but may keep the Currency Derivative Segment open.

Relevant Notices:

Notice No.	Date
20140404-41	April 04, 2014

2.5 Index Based Market-Wide Circuit Breaker Mechanism

According to Exchange Circular issued on October 11, 2013

a. Daily revision of index based market-wide circuit breaker limits:

- The stock exchange on a daily basis shall translate the 10%, 15% and 20% circuit breaker limits of market-wide index variation based on the previous day's closing

level of the index. Additionally, a 15 minutes pre-opening session post each trading halt will be introduced.

b. Resumption of trading after the halt with a pre-open call auction session:

- The index-based market-wide circuit breaker system will apply at 3 stages of the index movement, either way viz. at 10%, 15% and 20%. These circuit breakers when triggered will bring about a coordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the S & P BSE Sensex or the NSE CNX Nifty, whichever is breached earlier.

The trigger limits, respective halt duration and Pre Opening Session duration is given below:

Trigger Limit	Trigger Time	Halt duration	Pre-Opening Session duration post each halt
10 %	Before 1 Pm	45 Minutes	15 Minutes
	At or After 1 PM to 2.30 PM	15 Minutes	15 Minutes
	At or after 2.30 PM	No Halt	-
15 %	Before 1 PM	1 Hour 45 minutes	15 Minutes
	At or after 1 PM before 2 PM	45 Minutes	15 Minutes
	On or after 2 PM	Trading halt for the remainder of the day.	-
20 %	Any time of the day	Trading halt for the remainder of the day.	-

*****Index based market wide circuit breaker from October 14, 2013 onwards***

Relevant Notices

Notice No.	Date
20131011-22	October 11, 2013

2.6 Mock Trading Schedule

Mock trading sessions are conducted by the Exchange from time to time for periodical testing of trading infrastructure and its recovery and response mechanisms. Large scale participation of members is quintessential for the success of such sessions.

In order to enable members to chart out their own testing schedule in line with these mock trading sessions, the Exchange is publishing an indicative schedule of mock trading sessions for the year 2016, as given below. Detailed instructions for each session shall be published through separate notice subsequently.

Sr. No.	Dates of Mock Trading Sessions
1	January 09,2016
2	February 06,2016
3	March 12,2016
4	April 02,2016
5	May 07,2016
6	June 04,2016
7	July 02,2016
8	August 06,2016
9	September 10,2016
10	October 01,2016
11	November 05,2016
12	December 03,2016

Relevant Notices:

Notice No.	Date
20151209-7	December 09, 2015

3. Compliances

3.1 Trade Annulment

Policy for Annulment of trades undertaken on the Exchange

In line with SEBI Circular no. CIR/MRD/DP/15/2015 dated July 16, 2015 following provisions are stated regarding policy for annulment of trades undertaken on stock exchanges.

A. SEBI in Para No. 2.1 of its circular prescribes that;

“2.1. Examination of trade(s) for annulment may be taken up either suo moto by stock exchange or upon receipt of request from a stock broker. Stock exchanges shall define suitable criteria so as to discourage frivolous trade annulment requests from the stock brokers.”

B. In view of the aforementioned and in order to ensure that there are no frivolous requests being referred to the Exchange, the framework of processing the trade annulment requests from trading members for trades executed on the exchange trading platform is being laid down in this circular.

C. However, Trading members are required to take note of the following:

- i. Appropriate risk management checks and due precautions implemented by the trading members at their end to mitigate the need for making such requests.
- ii. Only in exceptional situations requests for trade annulment shall be made by the trading members.
- iii. Trade annulment request once submitted shall not be allowed to recall / cancel and shall be considered as valid trade annulment request for the purposes of the framework suggested herein.
- iv. All trade related charges including statutory charges arising out of the trade/s being requested for annulment shall remain unchanged regardless of final outcome of trade annulment requests.
- v. Each submitted trade annulment request shall be charged with 5 % of the Transaction value of trade/s being requested for annulment or Rs. 1 Lakh whichever higher. The upper cap on such allocation fee shall be Rs. 10 Lakhs. Fees may be reviewed from time to time to discourage frequent / frivolous requests.

- vi. Requests submitted to the Exchange shall not be deemed to surety of annulment of trades by the Exchange.

D. Trade Annulment request - Eligibility Criteria for submission

The trade/s for which annulment is requested shall be called as “**Trade/s in question**” hereafter for brevity and shall have to fulfill all the conditions stated below for the Exchange to accept it for further processing;

- i. Value of such trade/s in question shall be;

Future Contracts - Trade Value in case of Futures Contract is at least Rs. 20 Lac

OR

Option Contract - Trade Premium value is at least Rs. 20 Lacs

Where a trade refers to a single transaction of Rs. 20 Lacs & above or series of transactions emanating out of a single order with aggregate value of Rs. 20 Lac and above.

And

- ii. It shall be the first request for annulment by the trading members during the calendar Quarter in the segment

And

- iii. Trade Annulment request submitted within 30 minutes from the occurrence of the trade.

And

- iv. Trade/s in question are not arising out PAN based wash trades.

E. Processing of Trade Annulment requests made by the Trading members

While examining such requests and the potential effect of such annulment on trades of other stock brokers/investors across the market, including trades that may have occurred as an outcome of trade(s) under question, BSE shall decide to reject, accept such request and may carry out price reset for such trade/s.

Trade Annulment requests accepted based on the conditions specified in Para 4, shall be accepted for further processing & examination w.r.t. following conditions for further decision.

Any request which do not qualify the below criteria shall be rejected. In case where the prescribed criteria is found to be meeting, the Exchange shall undertake price reset for such trade in question:

- i. Minimum 20 trades in the security excluding the trades in question.

And

- ii. **Future Contracts:** Variation of the trade/s being requested for annulment vis-a-vis its immediate preceding trade is at least equivalent to the applicable price band of the respective Future contract.

Option Contracts: Variation of the trade/s being requested for annulment vis-a-vis its immediate preceding trade is at least equivalent to "X%" of difference between the Upper and Lower price band value of the respective option contract.

And

- iii. Counterparty/ies agrees for price reset. For the cases, a trade annulment request is relating to multiple trades arising out of single orders with multiple counterparties, only those trades where the counterparty agrees for trade annulment / price rest shall be considered for the price reset.

Counterparties shall confirm the acceptance or rejection in writing to the Exchange within 30 minutes from the intimation with reasons thereof. In case of no confirmation within the stipulated time, it shall be automatically construed as rejection by the Counterparty.

- F. The Exchange shall expeditiously, not later than start of next trading day, examine and decide upon such requests. While examining such requests, the Exchange shall consider the potential effect of such annulment on trades across market.
- G. The Exchanges shall undertake annulment or price reset only in exceptional cases in the interest of the investors, market integrity, and maintaining sanctity of price discovery mechanism.
- H. As stated in the para 2.6 of the SEBI Circular, the Exchange based on impact of trades being requested for annulment on trades across market, including trades that resulted as an outcome of trade(s) under consideration shall undertake "Price Reset" whereby the prices of trade/s in question shall be adjusted with an appropriate price.
- I. The adjusted price under the price reset mechanism shall be the volume weighted average price of all trades executed during the trading day (excluding the Trade/s in question in the security).

- J. In line with para no. 2.8 of SEBI Circular, the Exchange shall coordinate with the other exchanges to take appropriate inputs at the time of arriving at decision on the trade annulment request received on its platform.
- K. Exchange shall made due arrangements to publish the details of the trade annulment requests as per the para no. 2.4 & 2.9 of SEBI circular.
- L. A mechanism to request a review of the decision taken by the Exchange shall be provided to the trading members and the trading member/s shall submit such request to the Exchange before the payout deadline of the trade/s in question.

A detailed procedure along with the applicable charges for the said review shall be published in due course.

- M. As prescribed in SEBI Circular para no. 4, a framework for penalty for entering erroneous orders shall be published in due course. This shall be in addition to all the processing charges mentioned in this circular so far.
- N. It may be noted that Exchange, can suo moto initiate annulment of trade/s in the events having market wide impact including willful misrepresentation or manipulation or fraud, trade/s may be annulled as provided in the Rules, Bye Laws and Regulations of Exchange.

Further, the Exchange has enabled an online facility for trading members to submit their request for trade annulment in RTRMS-ZT terminal.

Features of this facility are as follows:

- Trade annulment request for each segment can be submitted electronically using a separate menu option provided in RTRMS-ZT system
- Request for trade annulment can be made for same day trades only. Accordingly, trading member can view and select the trade for which the annulment request is required to be submitted to the Exchange.
- Request submitted by a member shall also be sent to the counter-party member of that trade. A new user interface called as “View Trade Annulment Request” shall be provided as a separate menu option for each segment in RTRMS-ZT system to view the request(s) received.
- Counter-party member can update their response as Agree/Disagree for every request received before end of cut-off time of the online facility.
- Cut-off Timings shall be as follows -
 - Equity Derivatives segment: 4:30 pm
- A unique request ID shall be generated for every request submitted.
- An automated email shall be sent to the member on submission of trade annulment request. Similar email shall also be sent to the counter-party member, based on which the member can view the request received in RTRMS-ZT system. This email shall be sent to the email ID of compliance officer of the concerned member (as available in Exchange records).

Mechanism for seeking review of the Exchange's decision on Trade Annulment/Cancellation.

A. Submission of Review Request:

- i. The trading member who had submitted the trade annulment request online in RTRMS-ZT system and whose request was rejected can submit the review request at the designated email id bse.tar@bseindia.com.
- ii. The review request shall be submitted with following particulars:
 - Trade Annulment Unique Request ID (as received from RTRMS-ZT system)
 - Member ID
 - Reasons for Review Request
- iii. The cut-off timings for submission of review request shall be as follows -
Equity Derivatives segment: T Day - 8:00 pm
- iv. The Exchange shall inform the counterparty about the receipt of a trade annulment review request.

B. Processing of Review Request:

- i. The Exchange shall refer the review request along with relevant particulars to the Exchange's Trading & Surveillance Oversight Committee as constituted under Regulation 29(1) of the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012.
- ii. The pay-out with respect to both securities and funds as may be applicable relating to the settlement of such trades shall be withheld till such review is completed.
- iii. Trading & Surveillance Oversight Committee shall examine the request and provide its recommendations to the Exchange within 30 days of the receipt of the review request.
- iv. On receipt of the recommendation from the Trading & Surveillance Oversight Committee, the Exchange would convey the decision as soon as possible but not later than two working days.

C. The decision taken by the Trading & Surveillance Oversight Committee shall be final and binding on all parties and pay-out shall be released accordingly.

D. The Exchange shall disseminate details of Trade Annulment Review Request and committee's decision thereof on its website www.bseindia.com under Markets/End-of-Day Reports/.

Relevant Notices:

Notice No.	Date
20150814-29	August 14,2015
20151009-10	October 09,2015
20151021-36	October 21,2015

3.2 Proprietary Trading

As directed by SEBI, it is hereby notified that Trading members are required to specify the nature of the order in terms of the order being placed is a Client order or it is on their OWN account at the time of order entry on the trading system.

In accordance with SEBI circular no. SEBI/MRD/SE/Cir-32/2003/27/08 dated August 27, 2003, Exchange is providing the facility of placing of orders on 'proprietary account' through trading terminals.

Accordingly, it has been decided that

- Facility of placing orders on own account through trading terminals is extended only at one location of the members as specified / required by the members
- Trading terminals located at places other than the above location shall have a facility to place orders only for and on behalf of a client by entering client code details as required / specified by the Exchange / SEBI.
- In case any member requires the facility of using own account through trading terminals from more than one location, such member shall be required to submit an undertaking to the stock exchange stating the reason for using the own account at multiple locations and the Exchange may, on case to case basis after due diligence, consider extending the facility of allowing use of own account from more than one location.

A. Process of application for Proprietary Trading

Exchange has provided facility on BSE Electronic Filing System (BEFS) portal to handle proprietary account trading applications electronically. The process has been listed as follows:

- Trading member shall be required to send a request for grant of permission for proprietary trading on a particular terminal id via letter on BEFS portal.
 - default location,
 - additional location (along with Undertaking for Additional Location)**(Formats appended as Annexures below)**
- The address of the terminal id will be verified against the office addresses of the members registered with the Exchange. In case the address is not registered the member will be intimated via BEFS portal to share a copy of the address proof.
- Based on the trading profile of trading member, adequacy of Base Minimum Capital requirements for trading member will also be verified. In case of a shortfall, trading member will be required to replenish the same.

- In case the requested trading terminal is at the default location of trading member, the approval will be sent via auto-generated email from BEFS portal. However, if the requested trading terminal is from an additional location, an approval letter will be made available to trading member on Extranet.
- Pro Enablement Request through BEFS Application

The screenshot displays the BEFS portal interface. The top header includes the BSE logo and user login information: Login Id: 123456, Member Name: DUMMY, Date: Monday, March 14, 2016 3:07:35 PM. A left-hand menu lists various reports and services. The main content area is titled 'ACTIVATION OF TRADING TERMINALS / IML FOR PRO / OWN - ACCOUNT TRADING From Default Location'. It features a form with fields for 'BSE Terminal No. / BSE IML ID No.', 'Location Type' (Default), and 'Address' (Address Line 1, 2, 3, City, State, PIN Code). There are also fields for 'Contact Official Email Id', 'Request Letter', 'Cell No.', and 'Address Proof'. A 'SAVE' button is visible at the bottom of the form.

- Pro Disablement Request through BEFS Application

The screenshot shows the BEFS portal interface for a disablement request. The top header displays the BSE logo and user login information: Login Id: 123456, Member Name: DUMMY, Date: Thursday, March 17, 2016 12:30:22 PM. The left-hand menu is visible. The main content area is titled 'DE - ACTIVATION OF TRADING TERMINALS / IML FOR PRO - ACCOUNT TRADING'. It contains two radio button options: 'We Request The Exchange To Disable ALL The Trading Terminal / IML Enabled For Pro - Account W.e.f' and 'We Request The Exchange To Disable The FOLLOWING Trading Terminal / IML Enabled For Pro - Account / Own Account W.e.f'. A 'BACK' button is located below the options.

Relevant Notices:

Notice No.	Date
<u>20070528-8</u>	May 28, 2007
<u>20070516-4</u>	May 16, 2007
<u>20030909-1</u>	September 9, 2003

Format for Pro Trading from Default location

Pro Account Format to be submitted on member's letterhead
(To be submitted to MEMBERSHIP DEPT.)

Date:

To,
Member Services and Development
BSE Limited
Mumbai

Kind Attn: Deputy General Manager

Sub: Pro-account Trading Terminal

Dear Sir,

I/ we refer to the Exchange Notice **20070516-4 dated Wednesday, May 16, 2007 on** the captioned subject.

In this connection, the details of the trading terminals from where I / we are placing orders on 'Own Account' are as under:

(1)	(2)	(3)	(4)	(5)	(6)
Sr. No	BSE Terminal No./ BSE IML ID No.	User Name with Designation	Postal Address	Name of the Directors, Authorized Persons along with the Designation supervising stationed at the location	Default location Yes or No & Address of Default location

I/ we hereby undertake that I/ we will not place any order on 'Own Account' through any other terminals and location mentioned above without the prior approval of the Stock Exchange, Mumbai.

Thanking you,

Yours faithfully,

Signature

(Director/ Authorized Signatory)

Format for Pro Trading from Additional location

To,
The Membership Operations Dept.
BSE Ltd
P.J.Towers, 14th floor,
Dalal Street,
Fort, Mumbai 400 001.

I/we, a Trading Member of BSE Ltd wish to avail of the facility of placing orders on "Pro-account" through trading terminals from more than one location.

In this regards, I/we are furnishing the following details:-

Name of Trading Member along with SEBI registration no:-

Default location where Pro-account is being availed:-

Sr.N o.	User ID	User Name (employee or not)	Postal Address	Vsat Id No./ Leased Line Id No.		Details of investor Grievances (if any)
				Primary	Back Up	

Details of additional location(s) in respect of which facility of using Pro-account sought

Sr.No.	User Id	User Name (employee or not)	Postal Add- ress	Vsat Id No./ Leased Line Id No.		Name of the Director(s)/ Partners(s) supervising stationed at the location with their designation.	Reason	Details of Investor Grievances (if any)
				Primary	Back Up			

Details of any adverse remarks and/or fines imposed by BSE Ltd pertaining to any inspection (if any):-

Yours faithfully,

(Name of the Trading Member)*

If the Trading Member is an individual, then the application has to be signed by the Member himself. In case of a Corporate Member the application is to be signed by the Designated Director or any Director of the company named as an authorized signatory of the company accompanied by a Board Resolution.

Format for Undertaking for availing Pro Trading from Additional location

UNDERTAKING FOR AVAILING PROPRIETARY ACCOUNT ORDER ENTRY FACILITY

I/We, _____, an individual/ a Company/ body corporate incorporated under the Companies Act, 1956 / _____ Act, _____ and residing at having our registered office at _____ give this UNDERTAKING on this the _____ day of _____ 2006 at _____ IN FAVOUR of Bombay Stock Exchange Limited , 28th floor, Dalal Street, Fort, Mumbai 400 001.

WHEREAS

1. BSE Ltd provides the BOLT Terminals to enable its Members to trade and in addition BSE Ltd also provides Intermediate Message Layer (IML) connecting facility to Trading Members for order entry, receipt of order and trade confirmation and also for receipt of data relating to its trade quotations.
2. BSE Ltd, has prescribed that the facility of placing orders on “Pro-account” through trading terminals shall be availed by the Trading Members only at one location of the members as specified/ required by the Trading Members; any trading terminals located at a place other than the above location shall have a facility to place order only for and on behalf of a Constituent by entering client code details as required by BSE Ltd/ SEBI; and in case any Trading Member requires the facility of using “Pro-account” through trading terminals from more than one location, such Trading Member shall request BSE Ltd stating the reason for using the “Pro-account” at multiple locations.
3. BSE Ltd has a precondition to the Undersigned being permitted the facility of using “Pro-account” through trading terminals from more than one location required me/us to furnish the undertaking in the manner and on the terms herein below:-

NOW THEREFORE IN CONSIDERATION OF BSE LTD having agreed to allow me/us at my/ our request to avail the Pro-account facility from more than one location, I/we hereby IRREVOCABLY AND UNCONDITIONALLY UNDERTAKE and agree to abide by and be bound by the following terms and conditions:-

1. That I/we undertake to enter proprietary orders only from the Pro-account terminals permitted by BSE Ltd and undertake not to misuse the said “Pro-account” facility and state that the proprietary trades on the Pro-account terminals pertain to proprietary trades and not client trades.
2. That I/we state that our Director(s)/ Partner(s) is/ are based at the location where the “Pro-account” trading terminals are located. The Pro-account facility shall be made available only after obtaining the prior written consent of BSE Ltd and subject to such terms and conditions as may be prescribed by BSE Ltd from time to time.

3. That I/we undertake to take all such steps and/ or precautions to ensure and keep ensured that the “Pro-account” facility is not extended to a location other than the location of the trading terminals where the “Pro-account” facility is permitted by BSE Ltd and the same shall not be extended beyond the location of such permitted trading terminals.
4. That BSE Ltd, at its absolute discretion, may make the Pro-account facility available to me/ us only from the date of my/ our enablement on the Pro-account facility till such time as it may deem fit and further that the Pro-account facility may at any time be withdrawn by BSE at its discretion without giving me/ us any notice or any reasons whatsoever.
5. That I/we shall execute, sign, and subscribe, to such other documents, papers, agreements, covenants, bonds, and/ or undertakings as may be prescribed or required by BSE Ltd from time to time.
6. That I/we undertake to abide by all the provisions of the Rules, Bye-laws and Regulations Circulars/norms and requirements that may be in force from time to time relating to use and operation of the BOLT Trading System and that they shall also mutates mutandis become applicable to the use and operation of the Pro-account facility.
7. That I/we undertake to render all possible assistance and cooperation to BSE Ltd by providing all information in any form as it may require and shall produce such documents, records, accounts, books data howsoever stored including data stored in magnetic tapes, floppy diskettes, etc. and any other information as may be required by BSE Ltd at its discretion.

WITNESS WHEREOF this Undertaking is executed by the undersigned on the day, month, year and the place first mentioned above.

Signed by, for and on behalf of: Before me

Instructions for undertaking

1. The Undertaking is to be executed on a non-judicial stamp paper worth Rs. 100/- if executed in State of Maharashtra. If this Undertaking is executed outside the State of Maharashtra, then it must be executed on a non-judicial stamp paper stamped in accordance to the duty as payable in the place of execution or worth Rs. 100/- whichever is higher.
2. Further this Undertaking (including all annexures/schedules) has to be notarized before a Notary Public.
3. All the pages of this Undertaking (including all annexures/ schedules) have to be signed in full. The persons signing should also sign in full at all places in the Undertaking where anything has been hand-written/ any corrections have been made.

If the member is an individual, then the Undertaking has to be signed by the individual Member himself.

If the trading member is a corporate, then the undertaking has to be signed by the designated director or any two directors of the company named as an authorized signatories of the company. If the trading member is a corporate, the undertaking has to be accompanied with a certified copy of the resolution of the board of directors of the company authorizing the person(s) executing the undertaking to do so.

3.3 Trading Through Other Trading Member

A Stock broker/sub-broker of an exchange cannot deal with brokers/sub-brokers of the same exchange either for proprietary trading or for trading on behalf of clients, except with the prior permission of the exchange. It is reiterated that a stock broker of an exchange can deal with only one broker of another exchange on behalf of clients after obtaining necessary registration as a sub-broker.

SEBI vide their letter SEBI/MIRSD/Cir-06/2004 dated January 13, 2004 has notified the norms relating to trading by members / sub brokers through other brokers/sub brokers of the same Stock Exchange or other Stock Exchanges.

To protect the interests of investors in securities and to promote the development of, and to regulate the securities market. Stock exchanges have been advised to ensure the following:-

- A Stock broker/sub-broker of an exchange cannot deal with brokers/sub-brokers of the same exchange either for proprietary trading or for trading on behalf of clients, except with the prior permission of the exchange. The stock exchanges while giving such permission, shall consider the reasons stated by the brokers/sub-brokers for dealing with brokers/sub-brokers of the same exchange and after carrying out due diligence allow such brokers/sub-brokers to deal with only one stock broker/sub-broker of the same exchange.
- A stock broker/sub-broker of an exchange can deal with only one broker/sub-broker of another exchange for proprietary trading after intimating the names of such stock broker/sub-broker to his parent stock exchange.
- As per Regulation 15(1) (e) of the SEBI (Stock Brokers and Sub-Brokers) Regulations, 1992 a sub-broker shall not be affiliated to more than one stock broker of one stock exchange. It is reiterated that a stock broker of an exchange can deal with only one broker of another exchange on behalf of clients after obtaining necessary registration as a sub-broker.

Relevant Notice:

Notice No.	Date
20040117-8	January 17, 2004

3.4 Eligibility Criteria of Stocks

The eligibility criteria for inclusion of Securities in F&O segment shall be as under:

The stocks would be chosen from amongst the top 500 stocks in terms of average daily market capitalization and average daily traded value in the previous six-month period on a rolling basis.

For a stock to be eligible, the median quarter-sigma order size over the last six months should not be less than Rs. 10 lakh (Rs 1 million). For this purpose, a stock's quarter sigma order size shall mean the order size (in value terms) required to cause a change in the stock price equal to one-quarter of a standard deviation

The Market Wide Position Limit in the stock shall not be less than Rs 300 crore (Rs 3000 million). The Market Wide Position Limit is valued taking into consideration 20% of number of shares held by Non-Promoters (i.e. free-float holdings) in the relevant underlying stock and the closing prices of the stock in the underlying cash market on the date of expiry of contract in the month. Market Wide Position Limit is calculated at the end of every month.

The methodology used for calculating quarter sigma order size is as follows:

Quarter sigma order size is calculated by taking four snapshots in a day from the order book of the stock in the past six months.

The sigma (standard deviation) or volatility estimate is calculated in the manner specified by Prof. J. R. Varma Committee on Risk Containment Measures for Index Futures. This daily closing volatility estimate value is applied to the day's order book snapshots to compute the order size.

The quarter sigma percentage is applied to the average of the best bid and offer price in the order book snapshot to compute the order size to move price of the stock by quarter sigma.

The median order size to cause quarter sigma price movement is determined separately for the buy side and the sell side. The average of the median order size for the buy and the sell side is taken as the median quarter sigma order size.

The quarter sigma order size in stock is calculated on the 15th of each month, on a rolling basis, considering the order book snapshots in the previous six months. Similarly, the average daily market capitalization and the average daily traded value is also be computed on the 15th of each month, on a rolling basis, to arrive at the list of top 500 stocks.

3.5 Eligibility Criteria of Indices

The Futures Options Contracts on an index can be issued only if 80% of the index constituents are individually eligible for derivatives trading. However, no single ineligible stock in the index should have a weightage of more than 5% in the index. The index on which Futures and Options contracts are introduced shall be required to comply with the eligibility criteria on a monthly basis.

SEBI has subsequently clarified that "The Exchange may consider introducing derivative contracts on an index if the stocks contributing to 80% weightage of the index are individually eligible for derivative trading. However, no single ineligible stock in the index shall have a weightage of more than 5% in the index."

3.6 Debarred Client

In order to facilitate effective compliance of the various SEBI orders for debarred entities by the trading members of the Exchange, the Exchange has implemented the initiatives wherein the orders entered for debarred entities (wherever PAN available) will be rejected as an invalid order on the Trading System itself and the trading member will receive a message as follows:

Error code: 210**Error Text: Client is debarred for member**

Further, the trading members are advised to take note of the following:

- For providing the above facility, only SEBI orders received up to 6.00 pm on a particular day will be considered. Any SEBI order passed after 6.00 pm., the trading members will have to carry out the necessary due diligence at their end.
- In the event when SEBI has passed specific directions like not to deal in IPO etc., the trading members are advised to ensure that the same is complied with at their end.

Relevant Notices:

Notice No.	Date
20090916-8	September 16, 2009
20090831-12	August 31, 2009

3.7 Self-Trade Prevention Check (STPC) Functionality

The Self-trade prevention check (STPC) functionality has been introduced with the purpose of preventing matching between a buy and a sell order entered in the same order book by a member for the same client code originating from same or different trading terminals of the member.

If an incoming order is likely to match with a passive order belonging to the same member and client code combination in the same order book, the system shall cancel such incoming order thus preventing a self-trade.

The above mentioned check shall be applicable for the same member and client code combination in the same order book where client type is “**OWN**” on both sides of the trade.

The check is performed at the time of matching in continuous session and not at the time when the order is entered. In the continuous session, if an incoming active order is likely to match with a passive order belonging to the same member and client code combination in the same order book, the system shall cancel such incoming order thus preventing a self-trade.

PAN-based Self-trade Prevention Check Functionality for Equity Derivatives segment

As a further enhancement to the above-mentioned functionality, Exchange proposed to perform the self-trade prevention check based on Permanent Account Number (PAN) of clients. Using the PAN details available in the Exchange records, the aforesaid check shall help prevent matching between a buy and a sell order of a client placed by different members in the same order book.

[FAQ on Self-trade Prevention Check for Equity Derivatives segments](#)

Relevant Notices:

Notice No.	Date
20150910-21	September 10, 2015
20150127-30	January 27, 2015
20150116-30	January 16, 2015
20160114-36	January 14, 2016

3.8 Price Reasonability Check

Price reasonability check is developed is on the lines of globally prevalent risk management measures and shall primarily reduce potential instances of market abuse and fat-finger errors and facilitate true price discovery and investor protection.

In PRC functionality, each new (incoming) limit order price shall be validated with the Exchange defined Price Reasonability Range (PRR). PRR shall be dynamically computed and applied by the trading system using a real-time reference price. This shall ensure that the price of an incoming limit order is not too far off from the prevailing market prices.

Salient Features:

- It is applicable to incoming limit orders.
- Price of incoming limit orders is checked with respect to PRR prevailing at that point of time.
- PRR is dynamically computed using a real-time reference price. The Reference price shall be based on Best Bid/Offer prices on each contract/security.
- Incoming orders outside of the PRR at that particular time shall be rejected.
- If best bid/offer price is not available or if the spread between best bid & best offer price is too wide, then the system shall compute PRR using LTP or previous close price as the reference price, as applicable.
- Trading system automatically switches, in real-time, between using the best bid/offer price and LTP (or previous close price) as the reference price to compute PRR, depending upon the order book situation.

The existing risk management feature of price bands shall continue. PRR shall be within the applicable price bands defined for each contract/security.

The PRC functionality shall be applicable for all futures and option contracts of Equity Derivatives segment. It shall not be applicable for calendar spreads and paired option contracts.

Price Reasonability Range (PRR) applicable shall be in absolute value and based on the order price slabs to which the PRR belongs. Following shall be the PRR slabs:-

Index Future

PRR slabs for Index Futures shall be 1% of the reference price.

Index option

SLAB (in Rs.)		
Order Price Range from	Order Price Range To	PRR (in Rs.)
0.05	10.00	1.00
10.05	100.00	5.00
100.05	200.00	15.00
200.05	500.00	25.00
greater than 500.05		50.00

Stock Future

SLAB (in Rs.)		
Order Price Range From	Order Price Range To	PRR in %age (of reference price)
<= Rs.100		4%
>Rs.100	<= Rs.500	3%
Rs.500	<=Rs.5000	2%
>Rs.5000		1%

Stock Option

SLAB (in Rs.)		
Order Price Range from	Order Price Range To	PRR (in Rs.)
0.05	10.00	0.50
10.05	50.00	0.75
50.05	100.00	1.00
100.05	200.00	2.00
200.05	500.00	5.00
greater than 500.05		10.00

The Exchange may relax the applicable Price Reasonability Range and order price slabs depending on prevalent market conditions.

[FAQ on Price Reasonability Check \(PRC\) functionality](#)

Relevant Notices:

Notice No.	Date
20160113-2	January 13, 2016
20160205-15	February 05,2016

3.9 Reversal Trade Prevention Check (RTPC)

This check is being introduced with an intention to prevent potential cases of trade reversal taking place on the Exchange trading platform. In this measure, the second leg (latest leg) of a reversal trade shall be automatically cancelled by the Exchange at the time of order matching in an on-line real time manner in the trading system.

Reversal Trade Prevention Check is a check introduced by the exchange wherein the second leg of a reversal trade is automatically cancelled by the trading system.

After a trade has been executed between two clients on a contract, if the same two clients try to square up this trade against each other, the trading system shall prevent this kind of reversal trade by cancelling the incoming (active) square up order on that contract. This check shall be applicable on trades executed on the same day and at an instrument (contract) level.

It may be further noted that to begin with, RTPC shall be made applicable on all contracts available for trading in the Equity Derivatives Segment except for Stock Futures, Futures contracts on S & P BSE Sensex, Current and near month Options contracts on S & P BSE Sensex

[FAQ on Reversal Trade Prevention Check in Equity Derivatives](#)

Relevant Notices:

Notice No.	Date
20160310-40	March 10,2016
20160308-33	March 08,2016
20151218-30	December 18,2015

4. IT Applications and Facilities

4.1 Online Trade download (OTD)

OTD File facilitates members to receive online trades during trading hours in the form of a separate file generated at a particular machine location as required by the member for each segment subject to trading rights for that segment. This file is provided on real time basis (online trade file) to all trading members (TM) & Clearing members (CM). The file format of online trade file is same as end-of-day trade file.

A. OTD File Activation

- i. Trading member/ Clearing member to provide following details for connecting Online trade file application with BSE Trading System on email: - bsehelp@bseindia.com
 - **Trading member code:** For example 9018
 - **Trading member type:** For example TM/ CM/ PCM / TCM (For Equity Segment value to be provided as TM)
 - **Mode of connection:** Lease line / Internet
 - In case of Lease line: Lease line IP address of machine connected to BSE Exchange. For Example IP address in range of 10.xxx.xxx.xxx
 - In case of Internet: Static IP of machine where OTD set-up will be installed.
 - **Segment:** Equity / Derivatives /Currency Derivatives
- ii. Exchange will map details provided by trading member and provide configuration file (settings.ini) via e-mail. Trading member to copy same in the folder where Online Trade file (OTD.exe) is installed.

B. OTD File Installation guild

Prerequisites:-

- .Net Frame Work 4.0.
- Lease Line connectivity on the machine
- 512MB RAM and above

Installation steps:-

- Download the Online trade file application available on following link: - <http://www.bseindia.com/boltpluslivesetup.aspx>
- Double click on set up.exe (otd->otd->release->setup)
- Click on next button during the installation process
- Exe will be installed on default path c:\program files\bse\otd\otd.exe or provided path during installation
- On clicking upon "Release" folder, setup.exe would be seen.

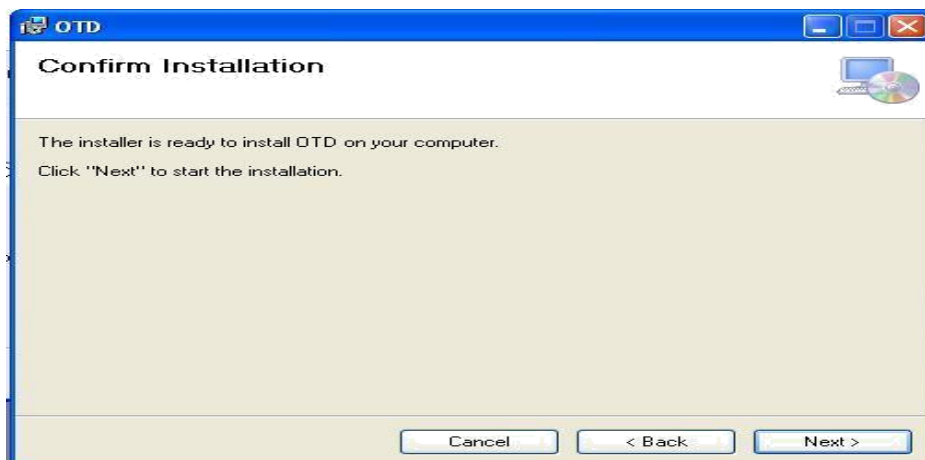
- Double click on setup.exe and complete the steps as mentioned in the set-up wizard window.



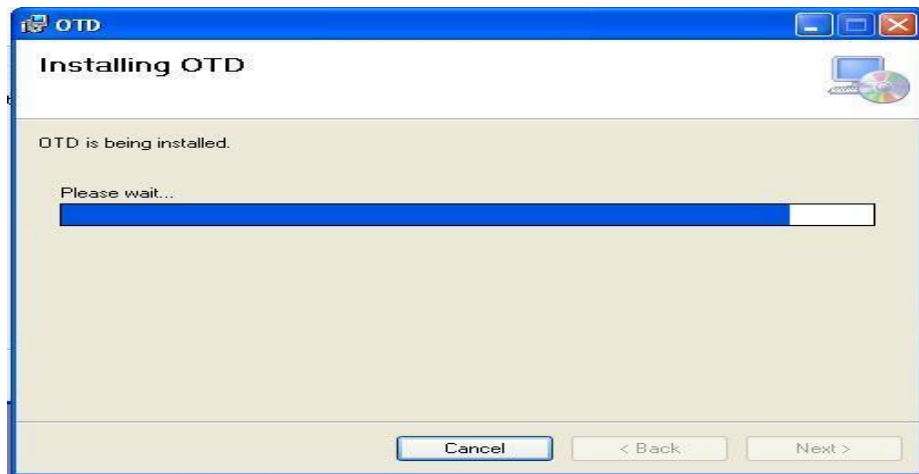
- Click on “next” to install the application on the machine. Is shown below.



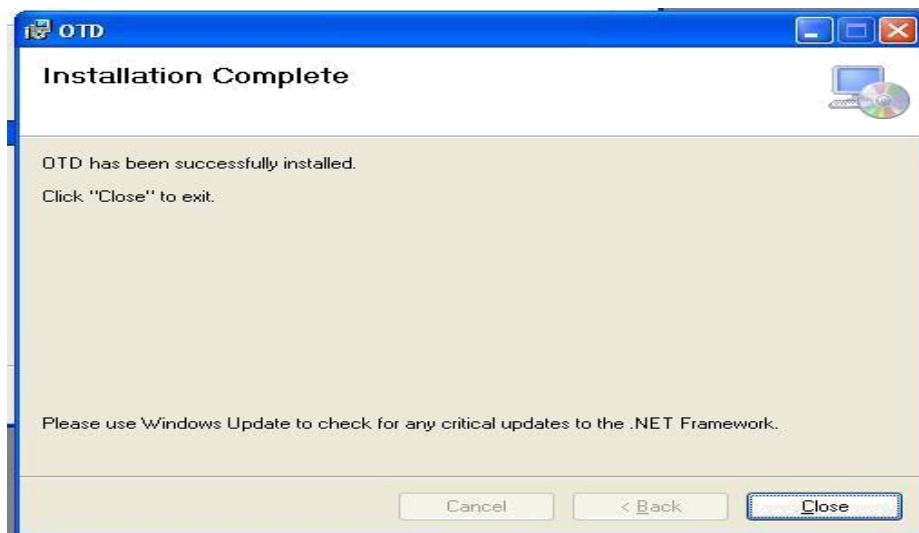
- On clicking on “Next” the following screen is displayed.



- Click “Next”
- The next screen available to the member states that “OTD” is being installed as shown below



- Once “OTD” has been successfully installed into the system, the following screen appears



- Click on “close”
- The member can view a quick icon "OTD.exe" on desktop.
- For delta download of trades, ALLOWDOWNLOAD flag in settings.ini file should be "Y". This file will be available in the application folder.
- If User Credentials are matched then following screen will be displayed indicating that connectivity has been established.



- In case of incorrect user credentials, following screen will appear.



C. How to use Online Trade file

- i. Trading member to e-mail requested detail mentioned in point 1(A) to bsehelp@bseindia.com.
- ii. Once the necessary mapping is completed members is provided configuration file (settings.ini) from Exchange, which needs to be copied within the OTD folder where 'OTD.exe' is installed.
- iii. Trading member to check ALLOWDOWNLOAD flag in settings.in file. User to click on 'OTD.exe' installed in his machine which will be connected to Exchange with message 'REMOTE SERVER STATUS: CONNECTED WITH REMOTE SERVER' and auto Trade file generation will start.
- iv. The online trade file shall be generated in CSV format in the same folder where OTD.exe is present.

Values provided in settings.in file by Exchange

```
REMOTESERVERIP=10.1.101.102
REMOTESERVERPORT=9011
MEMBERID=XXX (Member code)
BBSID=BAG89
LOGINID= XXX (Member code)
PASSWORD=BSE@98
ALLOWDOWNLOAD=Y
TIMESTAMP=08:00:00
RECONNECT=10000
INTERVALFORSENDDATA=30
MEMBERTYPE= (CM / TM) 1=EQ
2=EQD
3=BFX
4=SLB
0=OTHERS
```

1.ALLOWDOWNLOAD flag to be kept as 'Y' before starting of online trade file (OTD exe) first time in a day.

2.Once the OTD exe. is started and connected to Exchange. The flag status is auto updated and changed to 'N'. The full trade file is generated in OTD folder thereafter incremental trade download will start and latest Trade records will be auto updated at the bottom of the trade file.

If OTD.exe is disconnected during trading hours. Please close the exe. & change the ALLOWDOWNLOAD flag to 'Y' then save the changes and re-start the OTD.exe again. Once OTD.exe is connected, OTD set-up creates back-up of existing trade file and when new file is generated in same folder. This functionality helps to download all the trades from start of the day in file and then latest Trade records will be auto updated at the bottom of the trade file.

D. DO's and DON'Ts

- Users should not keep online trade file open else auto Updation of Trade file will not happen.
- To view trades, user should copy trade file from OTD Folder and save the trade file in different location. It is recommended to take the copy of file rather than reading file directly from the location where we are writing data in file.
- Do not close OTD.exe once the online trade file is downloaded. If OTD.exe is closed, auto Updation of trades in online trade file will not happen.

Relevant Notices:

Notice No.	Date
20140207-28	February 07,2014

4.2 RTRMS Zero Terminal (ZT) System

The RTRMS-ZT for the Equity Derivatives segment is an enhanced version of the Admin terminal providing greater flexibility and control to the Admin user of a trading member firm to perform various admin and risk management functions. RTRMS-ZT has been integrated as a module within Real Time Risk Management System (RTRMS) which is already used by trading members. Being web based, RTRMS-ZT module provides ease of access to all trading members and can be accessed with authorized login credentials. Trading members can use their existing login credentials of RTRMS to access the RTRMS-ZT module. This will facilitate the trading member to simultaneously control his order level and post-trade level risk management activities through a single system.

Following admin functionalities are currently available as a part of RTRMS module for Equity Derivatives Segment:

A. View All Trades

- In 'List Trades' screen, trading member shall be able to view all trades performed by all his trading users.
- The trades done through both API based terminal and exchange offered TWS terminal shall be available.
- Rectified trades shall also be updated in this screen.
- Following details of trades shall be available as part of the 'List Trades' view: User Id, Series Id, Buy/Sell, Qty, Rate, Series Code, Client Id, Client Type, Trade Id, Trade Time, etc.
- Trading member can filter the trades on the basis following parameters:
 - User Id
 - Series Id
 - Trade Id
 - Order Id

- Client Id
- Client Type

B. View All Pending Orders

- In 'Pending Order' screen, trading member shall be able to view all orders entered by all his trading users which are either fully or partially unexecuted.
- Orders entered through both API based terminal and exchange offered TWS terminal shall be visible in the 'Pending Order' screen.
- Modified orders shall also be updated in this screen.
- Following details for pending orders shall be available as part of the 'Pending Order' view: User Id, Order Id, Buy/Sell, Pending Qty, Rate, Trigger Rate, Series Id, Series Code, Client Id, Client Type, Time, etc.
- Trading member can filter the pending orders on the basis following parameters:
 - User Id
 - Series Id
 - Order Id
 - Client Id
 - Client Type

C. Cancel All Pending Orders

Trading member shall have the facility to perform mass cancellation of all pending orders. On mass cancellation, pending orders for all the trading users under the trading member shall be cancelled.

D. Single Order Quantity Limit

- Single order quantity limit specifies the maximum allowed quantity for each order.
- Trading member shall be allowed to set single order quantity limit for all its trading users.
- Trading member can enter separate single order quantity limit for Simple Instruments (Futures & Options) contracts and Complex Instruments (Calendar Spreads) contracts.
- Trading member shall also be allowed to edit the already existing Single Order Quantity Limit.
- Any addition/updates in the single order value limit done by the trading member shall be effective from the next business day.
- Once the single order quantity limit is set by the trading member, BOLT plus trading system shall not allow that user to enter order quantity greater than the set single order quantity limit.

Note: If the single order quantity limit set by the trading member for a user is more than the exchange level order quantity limit, then the validation in BOLT plus trading system for the order quantity shall be done against the exchange level quantity limit.

E. All Trade Limit

Trading member can set Gross Buy, Gross Sell, Net Value, Net Buy Qty and Net Sell Qty through RTRMS – ZT system.

All the above limit Updation (viz all trade limit, single order Qty limit and single order value limit) can be done on intra-day basis.

F. 'Dealer Position' Report and 'User Role Assignment' in RTRMS ZT system

- **'Dealer Position' report in Equity derivatives segment** – New report has been made available in RTRMS ZT to view Trader ID wise scrip wise positions for 'T' day.
- **User Role Assignment for functionalities in ZT** -In the existing 'User role' functionality, new roles has been added for all functionalities available in RTRMS-ZT system for Equity Derivatives segments.

G. Trading member can refer to the following matrix for features that shall be available RTRMS-ZT.

Features	Equity Derivatives
View All Trades	Available Intra day
View All Pending Orders + Single Order cancellation	Available Intra day
Cancel pending orders for 'Selected User IDs' and 'All User IDs'	Applicable Intra day
Single Order Limit (Quantity & Value limit)	Applicable Intra day
All Trade Limit	Applicable Intra day
Dealer Position	Available Intra day
User Role Assignment	Applicable Intra day

Relevant Notices:

Notice No.	Date
20151009-10	October 09, 2015
20150114-31	January 14, 2015
20141008-26	October 08, 2014
20140903-27	September 03, 2014
20140523-23	May 23, 2014
20140208-1	February 08, 2014

4.3 Connection parameters

Trading Members using BOLT TWS / IML / API shall be required to have relevant connection parameters configured to be able to connect to the BOLT PLUS trading system.

The below hyper link provides the connection parameters for connecting to the PR site / DR site / Simulation Environment of the BOLT PLUS trading system.

[Boltplus Configuration Parameters](#)

4.4 Market Data

Exchange disseminates market data broadcast through various types of streams in Equity Derivatives Segment to its ETI-API/ IML users as follows:

- EOBI (Enhanced Order Book Interface) – BSE Order by Order market data stream
- EMDI (Enhanced Market Data Interface) -
- MDI (Market Data Interface)
- NFOCAST (Level 1 MDI)

Relevant Notices:

Notice No.	Date
20150605-3	June 05, 2015
20150605-9	June 05, 2015
20150423-25	April 23, 2015
20141010-39	October 10, 2014
20140828-3	August 28, 2014

4.5 Colocation and BSE Technology Programme

Over last few years, algorithmic trading has become important in all major markets internationally. In order to provide high speed execution venue to latency sensitive clients for algo trading, Exchanges across the world provide colocation facility to its members. Under the colocation facility, members can host their algo trading server at a data center in Exchange premises for reduction in trading network latency.

At BSE, Colocation services are provided and managed entirely by NTT - Netmagic Solutions Pvt. Ltd., who provides Servers Hosting, Racks and Connectivity to BSE members for trading from Netmagic colocation data center.

In order to provide technical support to members for trading on BSE, Exchange offers hardware infrastructure for on-boarding on colocation platform and algo trading software to the members

under 'BSE Technology Programme'. This Programme is applicable to all BSE trading segments with effect from 01st April 2015

Relevant Notices:

Notice No.	Date
20160114-17	January 14, 2016
20151008-11	October 08,2015
20150526-24	May 26, 2015

4.6 Extranet facility for Members

Exchange provides a web based facility, viz. EXTRANET to the members to access common and member specific data. This facility also enables members to upload / submit relevant member specific data as per Exchange requirements.

The salient features of the Extranet System are as below:

- Web based download and upload system
- Accessible through Internet and Intranet (i.e., leased lines)
- Availability of 30 days history file downloads

The URL for accessing the Extranet System:

Internet URL	https://member.bseindia.com
Leased Line URL	https://10.1.101.98

In addition to the Extranet System, BSE is also providing an Auto download application called "**Extranet Plus**". This application needs to be installed at the members end. The member has to login to the application only once and the files will be downloaded to the local disk automatically as and when BSE provides the files for download. Extranet Plus application is currently accessible only on the private network (LAN, WAN, VSAT) and not on internet.

Relevant Notices:

Notice No.	Date
20151016-12	October 16, 2015
20140613-4	June 13,2014
20140318-41	March 18,2014
20140312-33	March 12,2014

4.7 Master Data Files

Production File and File Formats

On daily basis Exchange provides following master files to trading member

Sr. No.	File Name	Descriptor
1	EQD_COddmmyy.csv	Contract Master
2	EQD_SPDddmmyy.csv	Spread Contract Master
3	EQD_DPddmmyy	Daily Price Range

File structures of above mentioned files is available in PART C (attached)

The above mentioned files are available on Extranet Common Folder and BSEIndia webpage on daily basis.

Relevant Notices:

Notice No.	Date
20150715-20	July 15,2015
20140115-26	January 15,2014

5. SUPPORT

5.1 Help Desk

In an endeavor to enhance trading experience and to improve member services, Exchange supports its members through a dedicated Help Desk.

Members can call at Help Desk on tel. no. 022 61363100 (hunting line) between 8:00 am to 7:30 pm on all trading days for their queries. Members may alternatively write to Help Desk on email Id: bsehelp@bseindia.com for their queries.

Help Desk supports all queries including the following areas:

1. Trading System
2. Connectivity related
3. Clearing and Settlement
4. Membership related
5. Various Product related
6. General Queries

5.2 Trading Operations Desk

This desk caters to Member requirements pertaining to User Id management for various Exchange systems.

Members can call at Trading Operations Desk on tel. no. 022 2272 8215 / 8005 between 8:00 am to 7:30 pm on all trading days for their queries or they may alternatively write to Trading Operations Desk on email Id: user.trdops@bseindia.com for their queries.

5.2.1 Creation of Trading User Ids

Checklist for documentation requirements for Creation of User Ids on BOLT PLUS trading system:

BOLT TWS ID	IML ID and ETI ID	New IML Id & ETI with existing Vendor	BOW ID
<ol style="list-style-type: none">1. Activation form2. NISM certificate per Id (Series VIII)	<ol style="list-style-type: none">1. Activation Form2. IML Undertaking3. Board resolution copy4. NISM certificate per Id (Series VIII)5. Annexure B	<ol style="list-style-type: none">1. Activation Form2. IML Vendor declaration Form3. NISM certificate per Id (Series VIII)	<ol style="list-style-type: none">1. Apply through BEFS

Process Flow for User ids creation

- Trading Operations receives BOLT TWS / IML/ ETI/BOW id creation request for equity derivatives from Member.
- If the member request is as per format, the request is authorized and acted upon post verification.
- If the member request is not as per format, the member is communicated about the same and is asked to resend the request as per requisition format.

If the member's application for creation of User Id is not as per the requisition form, it is liable for rejection (for the indicative reasons mentioned below)

Indicative reasons for Rejection of Activation form

1. NISM certificate missing
2. Date is missing
3. Annexure B missing
4. Tick not present on Activation/ Deactivation & segment
5. IDs not mentioned
6. Trading segment not ticked
7. Designated Director's name & contact details missing
8. Authorized person's designation not mentioned
9. Member's stamp is not properly affixed
10. Tick not present on 3rd point of undertaking.
11. Date on last page of Undertaking should be same as date mentioned on Board Resolution copy
12. Undertaking should be on 100Rs. Stamp paper/Franking/e- Stamp paper
13. Activation form should be on company letter head
14. IML undertaking not present for IML id 201 or any other IML id with vendor change
15. Board resolution required for IML id 201 or any other IML id with vendor change

5.2.2 Deactivation of Trading User IDs

Process Flow for deletion of User ids in all segments

- Member will require to send an application form for deactivation of User Id in a soft copy on an email (user.trdops@bseindia.com) to
- If the member's request is not as per the requisition format, it is rejected and a pro-active call is made to the member for the same. Further, member is requested to resend with necessary changes to Trading Ops team.
- If the received request is authorized by anyone other than director/proprietor but above Manager Level, then Trading Ops team verifies the authenticity of the person authorizing the request with the firm's director/proprietor.

Attachment

1. Activation Form



Act-Deact.doc

2. IML Undertaking



IML Undertaking (TPS).doc

3. Annexure B



Annexure B.DOCX

Relevant Notices:

Notice No.	Date
20151218-2	December 18,2015

5.2.3 Process for Creation of User id and passwords (for other applications / systems)

One day prior to business commencement day, User Ids of following applications / systems are created by the Exchange and password is emailed to member, on their registered email id.

- SSO
- UCC/Extranet
- BEFS
- LEIPS
- iBBS
- Star MF
- SME market maker

5.2.4 Process for resetting of Passwords (for other applications / systems)

Members can reset their passwords for various applications / systems in the following manner:

- By clicking on 'Forgot Password' option to receive password on their registered mail ids where 'Forgot password' option is enabled.
- Alternatively by sending an email to user.trdops@bseindia.com from their registered email id mentioning Clg no. and name of respective applications / systems.
- In the event member requires to change the registered email id for an application / system, they can email their request to user.trdops@bseindia.com, mentioning the Clg no. and the name of respective application / system.

Relevant Notices:

Notice No.	Date
20151218-1	December 18,2015

5.3 Contingency Pool Operations

Exchange provides a contingency pool area for trading facility from its premises at P. J. Towers, Mumbai. Members can avail of this facility in the event of a contingency where trading member is not able to trade from own office due to technical issues or otherwise. In such cases, trading member can send the request in writing to the Exchange seeking permission to trade from Exchange's premises. Once Exchange receives such request from the trading member, it verifies the details and permits the representative of the trading member to use the trading facility in the contingency pool area in its premises. The facility is available on a first come first serve basis. Trading member is granted permission to use trading facility in the contingency pool for a particular day only.

For any query about Contingency Pool access, members can contact Help Desk on tel. no. 022 6136 3100.

Relevant Notices:

Notice No.	Date
20150602-4	June 02, 2015