



**CIRCULAR**

CIR/MRD/DP/27/2010

August 27, 2010

The Managing Director and CEO  
Bombay Stock Exchange Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai - 400001

The Managing Director  
National Stock Exchange of India Ltd.  
Exchange Plaza, Bandra Kurla Complex  
Bandra (E)  
Mumbai - 400 051

Dear Sir,

**Sub: Clarification on Introduction of Call Auction in pre-open session**

This is further to the SEBI Circular No. CIR/MRD/DP/21/2010 dated July 15, 2010 regarding introduction of call auction in pre-open session.

2. It is clarified that para 11 of the aforesaid circular shall read as under:
  - a. In case the equilibrium price is not discovered in the pre-open session, wherein, there are only market orders, the market orders shall be matched at last traded price and all unmatched orders shall be shifted to the order book of the normal market at last traded price following time priority. Last traded price shall be the opening price.
  - b. In case the equilibrium price is not discovered in the pre-open session and there are no market orders to be matched at last traded price, all unmatched orders shall be shifted to the order book of the normal market following price time priority. The price of the first trade in the normal market shall be the opening price.
3. The stock exchanges should bring out this clearly in their communication to brokers, who in turn shall disseminate the information to their clients desirous of placing call auction orders in pre-open session.
4. This circular is being issued in exercise of powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act, 1992 to protect the interests of



## **Securities and Exchange Board of India**

investors in securities and to promote the development of, and to regulate the securities market.

Yours faithfully,

**S V Murali Dhar Rao**  
**Chief General Manager**  
**022 26449370**  
**mdrao@sebi.gov.in**