National Stock Exchange of India Limited

Circular

Department: FUTURES & OPTIONS	
Download Ref No: NSE/FAOP/71092	Date: November 03, 2025
Circular Ref. No: 184/2025	

All Members,

Introduction of Pre-Open Session in Equity Derivatives (F&O) Segment

This is with reference to SEBI circular No. SEBI/HO/MRD/TPD-1/P/CIR/2025/79 dated May 29, 2025, and Exchange circular no. NSE/FAOP/69898 dated August 28, 2025 regarding Introduction of Pre-Open Session in Equity Derivatives (F&O) Segment

Members are required to note the following w.r.t pre-open session in equity derivatives segment:

A) **Session Timings:**
The pre-open session shall be conducted using call auction mechanism for duration of 15 minutes i.e., from 9:00 am to 9:15 am. The pre-open schedule shall be as follows:

Session	Time	Remark
Order Entry Period	9:00 am - 9:08 am (*)	• Order entry, Modification and Cancellation • (*) System driven Random closure between 7th and 8th minute • Random closure of equity segment preopen & equity derivatives segment preopen will be independent.
Order Matching & trade Confirmation Period	9:08 am (*) – 9:12 am	• (*) Order matching period will start immediately after completion of order entry period. • Opening price determination. • Order matching and trade confirmation.
Buffer Period	9:12 am - 9:15 am	• Transition from pre-open to continuous trading session

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

B) **Eligible contracts**

1. The pre-open session is applicable to current-month futures on both single stocks and indices. In the last five trading days before the current month expiry, this session shall be extended to next-month futures contracts.
2. Illustration with respect to handling of Current month 1 (M1) & Next month 2 (M2) futures for applicability of pre-open session:

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

Trading Date	**M1 - Expiry 30DEC2025**	**M2 - Expiry 27JAN2026**
	Applicability of Pre-Open Session	
01-DEC-2025 to 21-DEC-2025	Yes	No
22-DEC-25	Yes	No
23-DEC-25	Yes	Yes
24-DEC-25	Yes	Yes
25-DEC-25	Holiday	Holiday
26-DEC-25	Yes	Yes
27-DEC-25	Holiday	Holiday
28-DEC-25	Holiday	Holiday
29-DEC-25	Yes	Yes
30-DEC-2025 - Expiry Day	Yes	Yes

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

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

3. Pre-open shall not be applicable in following scenarios:

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

C) **Market parameters**

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

D) **Trading session**

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

1. Order Collection Period:
   - During this period orders can be entered, modified, and cancelled. Order collection period ends by system driven random closure between 7 and 8 minutes.
   - Both Limit and market order are allowed. Special term orders like Stop loss and IOC shall not be allowed.
   - The information like Indicative equilibrium / opening price of contract, total buy and sell quantity of the contract and % change of indicative equilibrium price to previous close price shall be computed based on the orders in order book and will be disseminated during pre-open session.

2. Order Matching Period:
   - Order matching period starts immediately after completion of order collection period.
   - Order will be matched at a single (equilibrium) price which will be open price.
   - The order matching happens in following sequence:
     - Eligible limit orders are matched with eligible limit orders.
     - Residual eligible limit orders are matched with market orders.
     - Market orders match with market orders
   - During order matching period order modification, order cancellation, trade modification and trade cancellation are not allowed.
   - The trade details are disseminated to respective members before the start of normal market. Request for trade cancellation shall not be allowed for these trades.

E) **Determination of Equilibrium / Opening price**

1. The opening price is determined based on the principle of demand supply mechanism.
2. The equilibrium price is the price at which the maximum volume is executable.
3. In case more than one price meets the said criteria, the equilibrium price is the price at which there is minimum order imbalance quantity (unmatched order quantity). The absolute value of the minimum order imbalance quantity is taken into consideration.

4. In case more than one price has same minimum order imbalance quantity, the equilibrium price is the price closest to the previous day's closing price. In case the previous day's closing price is the mid-value of pair of prices which are closest to it, then the previous day's closing price itself is taken as the equilibrium price. In case of corporate action, previous day's closing price is adjustable closing price or the base price.
5. Both limit and market orders reckon for computation of equilibrium price.
6. The equilibrium price determined in pre-open session is considered as open price for the day.
7. In case of only market orders exist both in the buy and sell side, then order is matched at base price. Therefore, Base price is the opening price.
8. In case of no price is discovered in pre-open session, the price of first trade in the normal market is the open price.

F) **Unmatched order**

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

G) **Risk Management**

All orders received in pre-open session shall be validated at the applicable margins for sufficiency of available capital prior to acceptance of the orders. If the available capital of the member is insufficient to cover the margin requirement of the order placed, the same shall not be accepted for the pre-open session.

H) **Files and Reports**

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

Report Name	File nomenclature	File Path	Field Number	Field name	Values Provided	ISO Tags
Contract File	contract.txt	Extranet Path- /faoftp/faocommo	15	Trading status(N	Value should be 1 =	-

MII - contract file	NSE_FO_contract_ddmmyyyy.csv.gz	n ; /common/ntneat Website Path- https://www.nseindia.com/all-reports-derivatives	32	ormal mkt)	STOCK_PREOPEN **2 = STOCK_OPEN *(Normal market identifier*)** 3 = STOCK_SUSPENDED 4 = STOCK_PREOPEN_EXTENDED **6 = PRICE DISCOVERY *(Pre-open market identifier)***	TradgSts NrmlMkt

2. There will be no change in the format of trade file, contract file, bhavcopy file. The relevant Pre-open session data will form part of the respective files.

I) **Data Dissemination on website**

Data with respect to Indicative Equilibrium Price, Indicative Equilibrium Quantity shall also be disseminated on website.

J) **Pre-Trade risk controls** applicable for Pre-open eligible Contracts**:**

1. Market Price Protection (MPP) for index futures contracts:

- MPP shall not be applicable during pre-open session.
- At Normal Market Open:
  i. MPP shall be computed using the Equilibrium Price (EP) determined in the pre-open session.
  ii. If there is no EP available i.e. no trade in the pre-open session, market price orders shall not be permitted until first trade in the contract during normal market session as per current mechanism.
  iii. Except above consideration of EP at the start of normal market session, there will be no change in the current MPP mechanism.

2. Limit Price Protection (LPP) for index and stock futures contracts:

- Changes applicable for Reference price at market open:

Current	Revised*
At market open: • It shall be computed theoretically using underlying price as discovered in the cash market pre-	At Normal Market Session Opening (After closure of Pre-Open session): • Equilibrium price (price discovered in Pre-Open session) shall become a reference price

open session, benchmark interest rate as MIBOR rate (for option contracts, Black Scholes model shall be used along with appropriate volatility). • In case underlying price is not available at the time of computation, reference price shall be base price of the contract	for the LPP limits applicable at the start of normal market session at 9:15 am. • In case equilibrium price is not available, reference price shall be computed theoretically as per existing practice. • In case underlying price is not available at the time of theoretical price computation, reference price shall be base price of the contract.

***** *Except for the aforesaid changes for reference price, there will be no other change in current LPP mechanism.*

3. **Prevention of Self-trade (STPC):**

   In addition to normal market the STPC mechanism shall also be applicable to pre-open session.

   On lines of Equity segment, STPC mechanism shall be applicable in pre-open session during order entry/collection period, where on encountering a potential self-trade, the active order shall be cancelled by default irrespective of option set in the active order.

K) **Message broadcasted on NEAT terminals:**

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

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

2. On lines of equity segment, request for trade cancellation shall not be allowed for pre-open trades. An Error message – 'Trade executed during pre-open session not allowed to cancel' shall be displayed on TWS.

Members are requested to note that trading in **Pre-Open Session in Equity Derivatives (F&O) Segment** shall commence w.e.f. December 08, 2025. Further, the functional changes due to implementation of the above shall be available for testing in the mock trading scheduled on December 06,2025.

Members are advised to load the updated contract.gz and NSE_FO_contract_ddmmyyyy.csv.gz file in the trading application before trading on the effective date. This file can be obtained from the directory faoftp/faocommon on the Extranet server. Additionally, members can access the MII contract file - NSE_FO_contract_ddmmyyyy.csv.gz on the website path :- https://www.nseindia.com/all-reports-derivatives

The FAQs related to **Pre-Open Session in Equity Derivatives (F&O) Segment is attached as Annexure.**

For and on behalf of
National Stock Exchange of India Limited

Khushal Shah
Associate Vice President

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

Version 1.0

November 2025

Disclaimer:
*"This document/FAQ summarizes the queries relating to the above topic(s) in a concise manner for the Member's ease of understanding. The information and/ or content (collectively '**Information**') provided herein is general information only and NSE has issued detailed circulars to such effect from time to time. While reasonable care has been exercised to ensure that the Information is adequate and reliable, no representation is made by NSE as to its accuracy, correctness or completeness and NSE, its affiliates and subsidiaries accepts no liability of whatsoever nature for any direct/indirect or consequential loss, including without limitation any loss of profits, arising from reliance on this Information. In the event of any difference/ inconsistencies between the Information as provided herein and in the circulars, the Information in the circulars shall be construed as final and binding. NSE does not in any way control, warrant or provide guarantee on the suitability of the Information for the readers usage. The readers are expected to undertake their own diligence and are advised not to solely rely on this document. Any such reliance shall be at the reader's own risk. Nothing stated herein shall bind NSE, in any manner whatsoever."*

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

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

2. **What are the session timings?**

The pre-open session shall be conducted using call auction mechanism for duration of 15 minutes i.e., from 9:00 am to 9:15 am. The pre-open schedule shall be as follows:

Session	Time	Remark
Order Entry Period	9:00 am - 9:08 am (*)	• Order entry, Modification and Cancellation • (*) System driven Random closure between 7th and 8th minute. • Random closure of equity segment preopen & equity derivatives segment preopen will be independent.
Order Matching & trade Confirmation Period	9:08 am (*) – 9:12 am	• (*) Order matching period will start immediately after completion of order entry period. • Opening price determination. • Order matching and trade confirmation.
Buffer Period	9:12 am - 9:15 am	• Transition from pre-open to continuous trading session

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

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

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

Illustration to the above is given herewith:

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

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

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

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

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

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

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

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

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

Pre-open shall not be applicable in following scenarios:

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

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

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

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

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

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

1. Order Collection Period
2. Order Matching Period

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

- During this period orders can be entered, modified, and cancelled.
- Order collection period ends by system driven random closure between 7 and 8 minutes.
- Both Limit and market order are allowed.
- The information like Indicative equilibrium / opening price of contract, total buy and sell quantity of the contract and % change of indicative equilibrium price to previous close price shall be computed based on the orders in order book and will be disseminated during pre-open session.

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

- Order matching period starts immediately after completion of order collection period.
- Order will be matched at a single (equilibrium) price which will be open price.
- The order matching happens in following sequence:
  - ✓ Eligible limit orders are matched with eligible limit orders
  - ✓ Residual eligible limit orders are matched with market orders
  - ✓ Market orders match with market orders
- During order matching period order modification, order cancellation, trade modification and trade cancellation are not allowed.
- The trade details are disseminated to respective members before the start of normal market. Request for trade cancellation shall not be allowed for these trades.

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

- The opening price is determined based on the principle of demand supply mechanism.
- The equilibrium price is the price at which the maximum volume is executable.
- In case more than one price meets the said criteria, the equilibrium price is the price at which there is minimum order imbalance quantity (unmatched order quantity). The absolute value of the minimum order imbalance quantity is taken into consideration.
- In case more than one price has same minimum order imbalance quantity, the equilibrium price is the price closest to the previous day's closing price. In case the previous day's closing price is the mid-value of pair of prices which are closest to it, then the previous day's closing price itself is taken as the equilibrium price. In case of corporate action, previous day's closing price is adjustable closing price or the base price.

- Both limit and market orders reckon for computation of equilibrium price.
- The equilibrium price determined in pre-open session is considered as open price for the day.
- In case of only market orders exist both in the buy and sell side, then order is matched at base price. Therefore, Base price is the opening price.
- In case of no price is discovered in pre-open session, the price of first trade in the normal market is the open price.

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

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

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

All orders received in pre-open session shall be validated at the applicable margins for sufficiency of available capital prior to acceptance of the orders. If the available capital of the member is insufficient to cover the margin requirement of the order placed, the same shall not be accepted for the pre-open session.

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

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

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

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

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

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

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

Yes, the Self Trade Prevention Check (STPC) mechanism will be applicable during the pre-open session in the equity derivatives segment, in addition to its application in the normal market.
The STPC mechanism will be active during the order entry/collection period of the pre-open session. If a potential self-trade is detected, the active order will be cancelled by default, regardless of the STPC option set in the order.

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

The details of changes applicable for Market Price Protection (MPP) for index futures contracts and Limit Price Protection (LPP) for index and stock futures contracts are provided in circular reference no. NSE/FAOP/71092 dated November 03, 2025.

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

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

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

19. What error message is displayed on the TWS when a trade cancellation request is made for a trade executed during the pre-open?
When a trade cancellation request is made on TWS for a pre-open trade, the system will not allow the cancellation. Instead, the following error message will be displayed:
"Trade executed during pre-open session not allowed to cancel"
The trade cancellations for pre-open session trades are restricted.

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

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

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

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

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