NSE International Exchange

NSE IFSC Limited

Circular

Department: TRADING	
Download Ref No: NSEIFSC/TRADE/794	Date: February 26, 2022
Circular Ref. No: 014/2022	

All Members,

Sub: Introduction of NSEIFSC Receipts on US Stocks

This has reference to Exchange circular No. NSEIFSC/REG/792 dated February 26, 2022, regarding NSE IFSC Receipts on US Stocks (in the form of Unsponsored Depository Receipts) permitted to trade and admitted to dealings on the Exchange and Exchange consolidated circular No. NSEIFSC/TRADE/510 dated July 01, 2020.

Trading parameters for NSEIFSC Receipts on US Stocks shall be as follows:

- **Parameters:**

Order type/Order book/Order attribute

- Regular lot order
- Stop loss order
- Immediate or cancel

Price Band

There will be no fixed price band applicable for these contracts. However, in order to prevent erroneous order entry, Exchange will have a mechanism of dynamic price bands (commonly known as dummy filters or operating range) which prevents acceptance of orders for execution that are placed beyond the price limits set by the Exchange. In the event of a market trend in either direction, the dynamic price band shall be relaxed in the direction of the price movement during the day.

For the NSE Receipts on US Stock, the dynamic price band will be set at 10% of base price.

Relaxation in dynamic price band during the day

In the event of a market trend in either direction, the dynamic price bands will be relaxed by 5% at a time in the direction of price movement as follow:

- At the initial stage a minimum of 10 trades have been executed with 2 different UCC on each side of the trade at or above 9.90%/14.90%/19.90% or more of the base price OR
- When there is spurt in the price of the underlying security or based on market conditions Exchange may flex the price band of the contracts at its discretion anytime during the day, including before market open.

Trade Execution Range (TER)

Trade Execution Range shall not be applicable for NSEIFSC Receipts on US Stocks.

Daily Closing Price

Closing price is calculated only for securities traded for the day. The closing price is last half an hour value weighted average price. In case security is not traded in last half an hour, last traded price of the day is the close price. In case security is not traded for the day, the latest available close price is considered as the close price for that day.

Quantity freeze

All orders entered in the trading system having quantity more than the specified freeze quantity limit for securities shall be suo moto cancelled by the Exchange. The Exchange shall revise the quantity freeze limit on a periodic basis and members are informed that details of quantity freeze limits shall be made available in a file named "qtyfreeze.xls" on NSE IFSC Limited website under 'All products' section (https://www.nseifsc.com/products/all-products.html).

Currency –

NSEIFSC Receipts on US Stocks will be traded in US Dollars.

Tick Size –

Minimum price movement in NSEIFSC Receipts on US Stocks in either direction shall be set as one cent (US $ 0.01)

Trading Hours:

In pursuance of clause 2.4 of Regulation, Trading hours applicable to NSEIFSC Receipts on US Stocks is given below:

Trading Hours	**Timings ***
NSEIFSC Receipt Open Time	20:00 hrs
NSEIFSC Receipt Close Time	2:30 hrs (Next Day)
Position Limit/Collateral value Set up cut off time	2:45 hrs (Next Day)
Trade modification end time	2:45 hrs (Next Day)

The trading shall be conducted over the span of two calendar days and such trading cycle shall be considered as one single business day.

*Time will be adjusted based on Day Light Saving changes, as applicable.

Trading Holidays

Trading holidays for NSEIFSC Receipts on US Stocks will be as per US Trading Holidays as well as Trading Holidays at the Exchange as communicated through circular from time to time.

Trading Holiday for NSEIFSC Receipts on US Stocks for the year 2022 shall be as follows:

Holiday	2022
Washington's Birthday	Monday, February 21
Good Friday	Friday, April 15
Memorial Day	Monday, May 30
Juneteenth National Independence Day	Monday, June 20 (Juneteenth holiday observed)

Independence Day (USA)	Monday, July 4
Independence Day (India)	Monday, August 15
Diwali-Laxmi Pujan	Monday, October 24
Labor Day	Monday, September 5
Thanksgiving Day	Thursday, November 24
Christmas Day	Monday, December 26 (Christmas holiday observed)

For Trading Holidays in other instrument types at the Exchange for year 2022, please refer to Exchange circular no NSEIFSC/TRADE/763 dated December 16, 2021.

Other Provisions

The various other provisions and regulations regarding extension of market hours, trade modification request, trade annulment request, as applicable currently for other products shall be applicable mutatis mutandis to securities and as mentioned in the Exchange circular ref. no. NSEIFSC/TRADE/510 dated July 01, 2020 and as amended from time to time.

The Risk Management and Clearing & Settlement procedure for NSEIFSC Receipts shall be intimated separately by NSE IFSC Clearing Corporation Limited (NICCL).

Members are advised to load the updated ni_contract.gz file in the trading application before trading on March 03, 2022. This file can be obtained from the directory /gtftp/gtcommon on the Extranet server.

For and on behalf of
NSE IFSC Limited

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