



## Notices



Notice No	20130401-39	Notice Date	01 Apr 2013
Category	Trading	Segment	Equity
Subject	Introduction of Periodic Call Auction for illiquid scrips		
Content			

To

All Trading Members of the Exchange

### **Sub: Introduction of Periodic Call Auction for illiquid scrips**

Trading members were advised vide Exchange notice no 20130328-12 dated March 28, 2013 regarding introduction of Periodic Call Auction for illiquid scrips w.e.f. April 8, 2013. Stock exchanges identify illiquid scrips at the beginning of every quarter and move such scrips to periodic call auction mechanism.

As per SEBI circular no. CIR/MRD/DP/6/2013 dated February 14, 2013, a scrip is shortlisted as illiquid if all the following conditions are met:

1. The average daily trading volume of a scrip in a quarter is less than 10000;
2. The average daily number of trades is less than 50 in a quarter;
3. The scrip is classified as illiquid at all exchanges where it is traded.

Trading in Illiquid Scrips in the equity market shall be conducted only through periodic call auction sessions.

Scrip will be moved out from periodic call auction mechanism to normal trading session if the following criteria are met

1. The scrip has remained in periodic call auction for at least two quarters
2. It is not classified as per illiquid criteria mentioned above.

A list of illiquid securities for which periodic call auction will be conducted with effect from April 8, 2013 is enclosed as Annexure. The list of illiquid securities is based on trading activity during the quarter January-March 2013.

Trading members are advised to exercise additional due diligence while trading in these securities either on own account or on behalf of their clients.

Trading Members are requested to note the penalty criteria for certain trades :

In the event where maximum of buy price entered by a client (on PAN basis) is equal to or higher than the minimum sell price entered by that client and if the same results into trades, a penalty shall be imposed on such trades. The penalty shall be calculated and charged by the exchange and collected from trading members on a daily basis. Trading members may recover such penalty from clients. The penalty so collected shall be deposited to Investor Protection Fund.

Penalty for each such instance per session will be higher of the following:

- a. 0.50% of the trade value for sale and 0.50% of trade value for the buy, resulting in 1% penalty for the client on PAN basis.

OR

- b. 2500 /- for the buy trade and 2500 /- for the sell trade, resulting in penalty of 5000/- for the client on PAN Basis

For any clarifications, members are advised to contact Ms.Shaila Valsan on 022-2272 8316 or Mr.Rajesh Kumar Dubey on 022-2272 8350.

**Asst. General Manager  
Surveillance & Supervision**

**Associate Manager  
Surveillance & Supervision**

**Date: April 1, 2013**

**Encl: As above**

Attachments

[Annexure.pdf](#)

[Annexure.xls](#)