

NATIONAL STOCK EXCHANGE OF INDIA LIMITED**DEPARTMENT : CAPITAL MARKET SEGMENT**

Download Ref No : NSE/CMTR/32648

Date : June 24, 2016

Circular Ref. No : 38/2016

All Members,

Prevention of Self-Trade

This is further to Exchange Circular Reference No. NSE/CMTR/30879 regarding “Prevention of Self-Trade” dated October 01, 2015.

Based on members’ feedback and to strengthen the Self-Trade Prevention Mechanism further, the applicable provisions are being revised. Members are requested to kindly take note of the following:

- Member shall have option to stipulate at the time of order entry whether to cancel passive order or active order resulting in self-trade.
- If an active order is likely to match with a passive order belonging to the same member-client or same member-proprietary combination in the same order book, then active or passive order (full or partial as the case may be) as per the option set in order entry shall be cancelled by the exchange with rejection message “Order cancelled by the System – The order could have resulted in Self-trade”.
- The mechanism shall be applicable to Proprietary (PRO) and Client (CLI) – non custodial participant orders.
- The mechanism shall be applicable for orders entered only in continuous session (Normal market, Block deal session).
- The mechanism shall be applicable only during matching. Member shall take due precaution to prevent self-trade while performing trade modification.

The above provisions would be effective from **July 11, 2016**.

**For and on behalf of
National Stock Exchange of India Limited**

**Khushal Shah
Chief Manager**

Toll Free No	Fax No	Email id
1800-266-00-53	+91-22-26598155	msm@nse.co.in