Department: Market Operations	**Segment: Capital Market & Equity Derivative**
Circular No: MSE/TRD/19531/2026	**Date: August 10, 2026**

Subject: Modifications to the Pre-Open Auction Session Framework

To All Members,

This is with reference to SEBI circular reference HO/47/11/11(3)2025-MRD-POD2/I/2765/2026 dated January 16, 2026 regarding Introduction of Closing Auction Session (CAS) in the Equity Cash Segment and Equity Derivative Segment and certain modifications in the Pre-Open Auction Session and in partial modification to Preopen session (Regular) in Capital Market Consolidated Circular reference MSE/TRD/18973/2026 and Equity Derivatives Market Circular reference MSE/TRD/18975/2026 dated April 30, 2026.

As per the aforesaid SEBI circular, the framework of existing pre-open session shall be aligned with the CAS framework, and the following modifications will be implemented in the Pre-Open Session in Equity and Derivatives segment.

1. **Revised Pre-Open Session Timings**
The Pre-Open Session shall continue to be conducted from 9:00 a.m. to 9:15 a.m. However, the internal session structure has been revised as follows:

Session	Current Timings	Revised Timings	Activities
Order Entry Period	9:00 a.m. – 9:08 a.m. (*)	9:00 a.m. – 9:05 a.m.	Order entry, modification, and cancellation permitted for both limit and market orders.
		9:05 a.m. – 9:10 a.m. (*)	Only limit orders may be entered, modified, or cancelled. Market orders shall not be accepted, modified, or cancelled. The order entry period shall close at a system-driven random time during the last two minutes.
Order Matching & Trade Confirmation	9:08 a.m. (*) – 9:12 a.m.	9:10 a.m. (*) – 9:12 a.m.	Order matching commences immediately after completion of the order entry period as above. Equilibrium price determination, order matching, and trade confirmation shall take place during this period.

Buffer Period	9:12 a.m. – 9:15 a.m.	9:12 a.m. – 9:15 a.m.	No change. Transition from the Pre-Open Session to the Continuous Trading Session (CTS).

(*) The transition between sessions shall occur at a system-driven random closure within the specified time window.

2. Additional Operational Guidelines

2.1 Order Entry

The following provisions shall apply during the Pre-Open Session:

- Special term orders such as Stop Loss (SL), Immediate or Cancel (IOC), and Disclosed Quantity (DQ) shall not be permitted.
- Algorithmic market orders shall be allowed only during the initial five minutes (9:00 a.m. to 9:05 a.m.), when both market and limit orders are accepted.
- During the period when market orders are not permitted (9:05 a.m. onwards), any market order submitted shall be rejected by the Exchange.

2.2 Trade Cancellation

Trade cancellation requests for trades executed during the Pre-Open Session shall not be permitted.

3. Order Matching Priority During Pre-Open Session

The order matching mechanism during the Pre-Open Session shall follow the sequence below:

- Eligible market orders shall be matched with eligible market orders based on time priority at the determined equilibrium price.
- Residual eligible market orders shall thereafter be matched with eligible limit orders based on price-time priority.
- Remaining eligible limit orders shall be matched amongst themselves based on price-time priority.
- Accordingly, market orders shall receive execution priority over limit orders during the Pre-Open Session.

Members are requested to note that the above changes in pre-open session shall be effective from September 07, 2026. Further, the functional changes resulting from the implementation of the above shall be available for testing in UAT environment and in subsequent mock trading sessions.

For any clarifications, contact Customer Service on 022-61129010 or send email to customerservice@mse.co.in.

For and on behalf of

Metropolitan Stock Exchange of India Limited

Darshan Arwade
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