

## **FAQ – Block deal**

### **1. What is a Block Deal?**

A. A single trade having quantity greater than or equal to 500,000 or value greater than or equal Rs. 5 crores, executed through Block deal window.

### **2. What are timings to enter Block Deal at BSE?**

A. The traders are allowed to enter the Block Deal Orders only during the first 35 minutes of the continuous trading session i.e. from 9:15 am to 9:50 am.

### **3. In which segment Block Deal is allowed?**

A. Block Deal is allowed only in Cash segment.

### **4. How to place block deal in BOLT TWS system & through third party / in-house developed Trading application?**

A. BOLT TWS user has to place normal order by using “Block Deal” button (Alt + B) in order entry window. All third party / in-house developed Trading applications based on IML are required to support appropriate block deal order type available for BSE and make appropriate order type available on trading application front end.

### **5. How to recognize a block deal order on the BOLT TWS?**

A. Block Deal orders are displayed in the pending order window with ‘K’ appended at end of Order Id.

### **6. Can one enter market order as block deal order?**

A. No, only limit order is allowed.

### **7. What is the applicable price range for block deal order?**

A. Block deal order for scrip should be within range of (+/-) 1% from the ruling market price (i.e. last traded price) or the previous closing price (if there is no trade executed in the scrip before entering of the block deal order) subject to the applicable price band for the scrip.

### **8. How does order matching happen for block deal orders?**

A. For block deal order to get traded, the quantity and rate should be exactly the same as opposite-side block deal order. Block deal orders will be matched against the counter order with same quantity and rate on a time priority basis. Block deal order remains valid in the system for 90 seconds only, after which it gets killed if remains unexecuted.

## **Order matching**

### **Case 1**

Example:

1. Buy block deal order of 500000 quantity @55.50 price.
2. Sell block deal order of 500000 quantity @55.50 price.

In above case, buy block deal order will match with the sell order as the quantity and rate of both the orders are same.

#### Case 2

Example:

1. Client ABC enters buy block deal order of 1000000 quantity @187 price.
2. Client WYZ enters sell block deal order of 500000 quantity @187 price.
3. Client PQR enters sell block deal order of 500000 quantity @187 price.

In above case, buy block deal order will not match with either of the sell orders as the quantities do not match although rate is same.

#### **9. Can block deal orders be partially traded?**

A. No, block deal orders cannot be traded partially. If not traded fully, the order is cancelled.

#### **10. Can order modification /deletion allowed for block deal orders?**

A. Only Rate, Quantity & Client code modification is allowed. Modification of other order attributes such as retention type, conversion from limit to market is not allowed. However, trader can delete pending block deal order and can re-submit fresh order.

#### **11. How can a member assign block deal rights to his traders?**

A. Member can assign block deal rights to his trader through TWS admin terminal (0 or 200 trader ID).

#### **12. Can the block deal order be entered for any client type?**

A. Yes

#### **13. Can a trader enter revealed quantity / stop loss /odd lot orders for block deal?**

A. No

#### **14. In case of very liquid scrip if the LTP of the scrip changes in such a way as to make the already entered block deal order ineligible in terms of the +/-1% LTP criterion, what will happen to the pending block deal order?**

A. In such cases, pending block deal order will not match with the counter block deal order although rate & quantity of both orders match with each other. The trader has to modify price of the pending block deal order to make it eligible for execution. If price is not modified within 90 seconds of order entry time, order will be killed.

e.g. LTP of scrip – Rs.100/- the member can execute a block deal in the range of 99/- to 101/- In between if a trade takes place in the normal market at Rs. 105/-, in this case, trading member has to modify price of pending block deal order from 99/101 to 105 (+/- 1%) to make it eligible for execution.

#### **15. How is the block deal trade settled?**

A. All the block deal trades, have to be settled on a trade-to-trade basis (e.g. as trades are settled in "T" Group). Every trade executed must result in delivery and cannot be squared off or reversed.

#### **16. Can a block deal pending order be viewed in the Market watch?**

A. Pending block deal orders are not shown in Market watch.

#### **17. Do the order Level limits applicable for block deal orders?**

A. Yes, all order level limits such as Gross Buy, Gross Sell, Net value, Single order quantity & single order value set from BOLT Admin terminal to Trader are applicable for block deal orders similar to any other regular order.

**18. What are STT charges for Block Deal?**

A. STT shall be charged on the block deal transactions on similar lines as being charged on delivery based transactions.

**19. Is 6A/7A facility available for settlement of block deal transactions?**

A. Yes.

**20. How does reporting & information dissemination happen for block deal?**

A. Exchange will be providing an indicative report of block deals to members on a daily basis after market hours through Dload32. Further, members should verify each and every record in the file downloaded. In case of any mismatch, member should fax the entire bulk details to the Exchange with corrections within 30 minutes from the time the indicative block deal report is downloaded. If no mismatch is reported by member to the Exchange, data downloaded will be considered for dissemination on the Exchange's website directly. Block deal details are available on BSE website under path mentioned here (Home-->Markets-->Equity-->Historical Data-->Bulk Deals / Block Deals)

**21. Whether block deal is used in the calculation market picture data?**

A. Block deal is considered for displaying day high, day low, total traded quantity, value and number of trades. However, block deal transactions executed in scrip are not considered for updating of LTP, opening price & closing price.

**22. What margins are applicable for block deals transactions?**

A. Scrip level VAR & ELM margin currently applicable for normal equity order will be applicable for block deal transactions by non-institutional client types. However, there are no margins for block deal trades by any of institutional client types.

**23. What will happen to block deal order if member goes in RRM?**

A. In case if member goes in RRM, all pending orders including block deal order will be returned and displayed in returned order window.

**24. Which retention type support block deal orders?**

A. Only End of Today and End of Session retention type support block deal orders.

**25. How Trader can enter block deal orders through batch order window in BOLT?**

A. Traders can download CSV format by using "SAVE" option in batch order screen in BOLT (Shift + F2). Trader can submit block deal orders by uploading CSV file keeping order type as "K" along with other details as mentioned in CSV format.

Format for CSV upload file is given below.

Buy/Sell	Qty	Rev. Qty	Scrip Code	Rate	Short/Client ID	Retention Status [for block order]	Institution ID	Order Type [for block order]
[B/S]				[In paisa]		[ EOTODY or EOESS ]		K

In the CSV format, "Rev Qty" field is optional.

**26. How member can enter block deal order using third party trading platform of empanelled vendors or in-house developed systems connected through IML.**

A. All Trading members using In-house developed or BSE empanelled Vendor trading application can enter Block deal order by developing block deal messages / structures mentioned in the IML APIs of BSE.

**27. How will IML user enter and identify block deal transactions?**

A. IML user can enter block deals via message type 1071 for Buy Block Deal Order and message type 1072 for Sell Block Deal Order while entering orders.

Similarly, when a trade occurs, User identifies the type of trade as Block Deal by checking the 'Transaction type' field value as 'K' within the sub-structure of the Trade confirmation message.

Separate message types have been provided in IML for each of the actions – addition / modification /deletion of Block Deals in order to avoid message conflicts, reduction in latency as well as providing convenience to track log files in case of issues.

The below message types mentioned are used for specific actions performed on Block Deals.

- 1071 – Add Buy Block Deal
- 1072 – Add Sell Block Deal
- 1073 – Update Buy Block Deal
- 1074 – Update Sell Block Deal
- 1075 – Delete Buy Block Deal
- 1076 – Delete Sell Block Deal

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