

## **Consultation Paper: Review of Block Deal Framework**

1. Based on the feedback received from various stakeholders, a Working Group of Stock Exchanges (BSE & NSE), Clearing Corporations (NCL & ICCL), AMFI, ANMI and BBF was constituted to review the existing Block Deal Framework.
2. Taking into account the recommendations of the WG and subsequent internal deliberations, an agenda was placed before the Secondary Market Advisory Committee (SMAC).
3. Considering the deliberations of SMAC, a draft circular containing suggested modifications to the existing block deal framework is placed at **Annexure-A** for public comments.
4. Please submit your comments/suggestions by September 15, 2025, through the following link:  
  
<https://www.sebi.gov.in/sebiweb/publiccommentv2/PublicCommentAction.do?doPublicComments=yes>
5. In case of any technical issues with the web-based public comments form, you may send your comments via email to [aditya@sebi.gov.in](mailto:aditya@sebi.gov.in), [verasiv@sebi.gov.in](mailto:verasiv@sebi.gov.in), and [mrd\\_pod3@sebi.gov.in](mailto:mrd_pod3@sebi.gov.in). Please use the subject line: “**Draft Circular on review of Block Deal framework**” in comments.

**Issued on: August 22, 2025**

**DRAFT CIRCULAR**

**To**

**All Recognized Stock Exchanges**

**All Recognized Clearing Corporations**

**All Depositories**

Sir/Madam,

**Subject: Review of Block Deal Framework**

1. Paragraph 1.2 of Chapter 1 of SEBI Master Circular No. SEBI/HO/MRD-PoD2/CIR/P/2024/00181 dated December 30, 2024 for “Stock Exchanges and Clearing Corporations” contains provisions with respect to the Block Deal Framework.
2. Based on the feedback received from various stakeholders, recommendations of the Working group, deliberations in Secondary Market Advisory Committee (SMAC) and subsequent internal deliberations, it has been decided to modify the existing Block Deal framework. Accordingly, the provisions under Paragraph 1.2 of Chapter 1 of the above mentioned Master Circular stand modified as under:
  - 2.1. Block deal is execution of large trades through a single transaction without putting either the buyer or seller in a disadvantageous position. For this purpose, stock exchanges are permitted to provide a separate trading window.
  - 2.2. Block deal will be subject to the following conditions:
    - 2.2.1. Block Deal Windows:
      - 2.2.1.1. Morning Block Deal Window: This window shall operate between 08:45 AM to 09:00 AM. The reference price for execution of block deals in this window shall be the previous day closing price of the stock.

- 2.2.1.2. Afternoon Block Deal Window: This window shall operate between 02:05 PM to 2:20 PM. The reference price for block deals in this window shall be the volume weighted average market price (VWAP) of the trades executed in the stock in the cash segment between 01:30 PM to 02:00 PM. Between the period 02:00 pm to 02:05 pm, the stock exchanges shall calculate and disseminate necessary information regarding the VWAP applicable for the execution of block deals in the Afternoon block deal window.
- 2.2.2. Price Range: The orders placed shall be as per the following price ranges:
- 2.2.2.1. For F&O Stocks: Within  $\pm 1\%$  of the applicable reference price in the respective windows.
- 2.2.2.2. For other than F&O Stocks: Within  $\pm 3\%$  of the applicable reference price in the respective windows and subject to surveillance measures, if any.
- 2.2.3. Order Size: The minimum order size for execution of trades in the block deal windows shall be Rs. 25 Crores. Every trade executed in the block deal windows must result in delivery and shall not be squared off or reversed.
- 2.2.4. The stock exchanges shall disseminate the information on block deals such as the name of the scrip, name of the client, quantity of shares bought/sold, traded price, etc. to the general public on the same day, after the market hours.
- 2.2.5. Stock Exchanges, Clearing Corporations and Depositories shall ensure that all appropriate trading and settlement practices as well as surveillance and risk containment measures, etc., as applicable to the normal trading segment, shall be applicable and implemented in respect of Block Deal windows also.
3. Applicability: The provisions of the circular shall be applicable from the **30<sup>th</sup> day** of issuance of the circular.

Yours faithfully,