

**NSE Clearing Limited**

(Formerly known as National Securities Clearing Corporation Limited)

**Department : FUTURES AND OPTIONS**

Download Ref No: NCL/CMPT/40549

Date : March 26, 2019

Circular Ref. No: 042/2019

All Members,

**Sub: Initial Margins for BANKNIFTY contracts**

This is with reference to our circular no 105/2018 (Download reference no NCL/CMPT/38768) dated September 01, 2018. It was inter-alia informed that “Clearing Corporation shall monitor the open interest in derivatives based on sectoral indices (particularly where top 3 stocks collectively constitute more than 50% of the weightage in the index), and, if required, may impose higher margins as may be deemed necessary”

Accordingly, the initial margins for futures and options on BANKNIFTY contracts shall be revised as under:

The Price Scan Range applicable for computation of initial margins for futures and options on BANKNIFTY contracts shall be as under

Effective date of Implementation	Current	05-Apr-19	12-Apr-19	22-Apr-19
<b>Revised PSR for BANKNIFTY Index Futures and Options</b>	Higher of 3 sigma scaled up by square root of 2 or 5% of underlying value scaled up by square root of 2 (i.e 7.07% of underlying value)	Higher of 3 sigma scaled up by square root of 2 or 5.50% of underlying value scaled up by square root of 2 (i.e 7.78% of underlying value)	Higher of 3 sigma scaled up by square root of 2 or 6% of underlying value scaled up by square root of 2 (i.e 8.49% of underlying value)	Higher of 3 sigma scaled up by square root of 2 or 6.50% of underlying value scaled up by square root of 2 (i.e 9.19% of underlying value)

Members are requested to take note of above

**For and on behalf of  
NSE Clearing Limited  
(Formerly known as National Securities Clearing Corporation Limited)**

Huzefa Mahuvawala  
Vice President

Telephone No	Fax No	Email id
1800 266 0057	022-26598242	<a href="mailto:risk_ops@nsccl.co.in">risk_ops@nsccl.co.in</a>