

NSE Clearing Limited

(Formerly known as National Securities Clearing Corporation Limited)

Department : FUTURES AND OPTIONS SEGMENT

Download Ref No: NCL/CMPT/46465

Date: November 25, 2020

Circular Ref. No: 165/2020

All Members/Custodians/PCM

Sub: Review of regulatory measures introduced by SEBI

We draw your attention to SEBI press release no. 59/2020 regarding review of regulatory measures introduced by SEBI vide press release dated March 20, 2020 in view of then ongoing market volatility (**Annexure 1**). This shall also be with reference to our circular ref no. 044/2020 (Download Ref No: NCL/CMPT/43967) dated March 20, 2020 and our circular ref no. 149/2020 (Download Ref No: NCL/CMPT/46126) dated October 22, 2020.

Accordingly, the regulatory measures introduced with effect from March 23, 2020 shall be revised as under;

1. The revision to Market wide Position Limits (MWPL) to 50% of existing MWPL, for stocks in F&O segment meeting the criteria as specified in press release dated March 20, 2020, shall stand withdrawn. The position limits that shall be applicable for stocks that had met the aforesaid criteria are mentioned in **Annexure 2**.
2. Monitoring of Market Wide Position Limit (MWPL) violation as specified in our circular ref no. 044/2020 (Download Ref No: NCL/CMPT/43967) dated March 20, 2020 shall continue to remain applicable as follows;
 - Clearing Corporation, at the end of each day during which the ban on fresh positions is in force for any security, shall identify client including proprietary account who have increased the existing positions or has created a new position in that security based on the monitoring of peak intraday positions. (**refer scenarios as per Annexure 3**)
 - In the event of violation, the following penalty would be charged to the clearing members for every day of violation:
 - a. 1% of the value of the quantity in violation (i.e., excess quantity over the allowed quantity, valued at the closing price of the security in the normal market of the Capital Market segment of the Exchange) per client or
 - b. Rs.1,00,000 per client, whichever is lower, subject to a minimum penalty of Rs. 5,000/- per violation / per client.
3. The minimum total margin of 40% applicable in Cash Market Segment for stocks in F&O segment meeting the criteria as specified in press release dated March 20, 2020, shall stand withdrawn.

4. The above shall be applicable with effect from November 27, 2020.

Members are requested to take note of the 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	022-26598243	risk_ops@nscl.co.in