NSE Clearing

Circular

NSE Clearing Limited

(Formerly known as National Securities Clearing Corporation Limited)

Department : DEBT SEGMENT	
Download Ref No: NCL/DS/39625	Date : December 12, 2018
Circular Ref. No: 45/2018	

All Members

Sub- Introduction of Risk Reduction Mode

To enhance the risk management capabilities of the members and to avoid a situation of disablements, member shall be compulsorily placed in risk reduction mode when 90% of the member's capital is utilised towards margins.

When a member moves in to risk reduction mode –

1. All unexecuted orders shall be cancelled
2. Fresh orders placed by members to reduce open positions shall be accepted.
3. Fresh orders placed by members that increase open positions shall be checked for sufficiency of margins and orders that do not satisfy sufficiency of margins will be rejected
4. Fresh orders can be placed for immediate or cancel (IOC) only
5. Members will be able to trade in normal mode as and when the utilisation goes below 85%.

This circular shall be effective from December 17, 2018.

Members are requested to take note of the same

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

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Vice President

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