

National Stock Exchange Of India Limited
Department : SURVEILLANCE

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To All NSE Members
Sub: Exposure margin of security under MWPL

In the joint meeting of Exchanges and SEBI it has been decided that markets should be alerted at different levels of MWPL utilization so that investors can take an informed decision on whether to hold or square off his existing positions well before regulatory /surveillance actions sets in.

This policy lays down the framework on handling securities moving in ban period.

Combined MWPL utilization at End of Day across Exchanges	Applicable Exposure Margin of the Security
Less than 70%	No Additional Margins
70% to less than 75%	To be increased by 50% of the normal applicable Exposure margin from next trading day
75% to less than 80%	To be increased by 100% of the normal applicable Exposure margin from next trading day
80% to less than 85%	To be increased by 150% of the normal applicable Exposure margin from next trading day
85% to less than 90%	To be increased by 200% of the normal applicable Exposure margin from next trading day
90% and above	To be increased by 300% of the normal applicable Exposure margin from next trading day

In case a security is in Ban Period then the applicable rate of margin in Equity segment shall also be increased by 15%, subject to maximum rate of margin capped at 100%.

Further, in case the security is already covered under Additional Exposure Margin on Securities under MWPL. (Ref.: NSE/INVG/40472 dated March 18, 2019) or under Additional Margins (Ref: NCL/CMPT/39743 dated December 21, 2018) the applicable rate of Exposure Margin shall be higher of the Exposure margin computed as per provision of the aforesaid circulars or Exposure margin computed as per combined MWPL utilization at End of Day across Exchanges.

The change in exposure margin shall be applicable from next trading day and shall be applicable till the open interest in the security reduces to below 70% of MWPL at end of the day.

It has been decided that the policy shall be effective April 26, 2019. The same shall be reviewed on a periodic basis.

For National Stock Exchange of India Limited

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