National Stock Exchange of India Limited

Circular

Department: SURVEILLANCE	
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To All Members,

Sub: Standard Operating Procedure for Intraday monitoring of MWPL utilization for single stocks on Future Equivalent (FutEq) basis

In accordance with the SEBI circular SEBI/HO/MRD/TPD-1/P/CIR/2025/79 dated May 29, 2025, on Measures for Enhancing Trading Convenience and Strengthening Risk Monitoring in Equity Derivatives.

Members may please find the SOP as per Annexure 1 and Annexure 2 for their necessary action and compliance.

For National Stock Exchange of India Limited

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Annexure 1

Standard Operating Procedure for Intraday monitoring of Market Wide Position Limits (MWPL) utilization for single stocks on Future Equivalent basis (FutEq OI) applicable from November 03,2025

1. This has reference to the SEBI Circular No SEBI/HO/MRD/TPD-1/P/CIR/2025/79 dated May 29, as required in SEBI circular (para 5.4), the SOP regarding Intraday monitoring of MWPL utilization for single stocks is as under:

1.1. Monitoring of MWPL utilisation shall be carried out 4 times in a day based on random snapshots. The MWPL computation shall be as per Point 5.2.3 of SEBI circular ref no SEBI/HO/MRD/TPD-1/P/CIR/2025/79 dated May 29,2025 and shall be published by the Clearing Corporations from time to time.

1.2. Positions in both futures and options shall be considered for monitoring for single stocks.

1.3. Based on the snapshot taken, Exchanges shall calculate the MWPL utilisation based on Future Equivalent (FutEq) OI at security level.

1.4. Exchanges shall broadcast MWPL utilisation message on the Exchange provided trading terminals once the Future Equivalent (FutEq) open interest in the futures and options contract in a security exceeds 60% of the MWPL specified for such security. Such alerts may be displayed as per the 4 random snapshots taken by the Exchanges.

Annexure 2

Delta Computation SOP

2. Delta Computation:
   - 2.1. Real time underlying value of the security at time of snapshot will be used for underlying price.
   - 2.2. Volatility of the underlying on Previous day EOD i.e. T-1 day will be used for the computation of Intraday Volatility.
   - 2.3. Delta (FutEq) computation methodology:
   - 2.4. FutEq of a call option contract is equal to N(d1)
   - 2.5. FutEq of a put option contract is equal to N(d1) – 1
   - 2.6. FutEq of a futures contract is equal to 1
   - 2.7. The computation methodology for d1 of an option contract:
   - 2.8. d1 = {ln(S/K) + (Rf + 0.5 * Vol_Annual ^2) * T} / (Vol_Annual * sqrt(T))

     where: ln = natural log
     S = Underlying Price at the time of snapshot
     K = Strike Price
     Rf = Risk-Free Interest Rate (Rf value is fixed at latest RBI Repo rate)
     Vol_Annual = Annualized Applicable Volatility (Underlying Annualised volatility)
     T = Prorated Time to Expiry as defined in Exchange circular ref no NSE/SURV/70553 dated September 30,2025.

   - 2.9. N(d1) is the cumulative probability distribution function.