

July 10, 2018

Circular No.: MSE/C&S/EDS/6542/2018

Ref. No.: MCCIL/EDS/1079/2018

Sub: Additional Surveillance Margin

This circular is issued in continuation to our circular no. MSE/C&S/EDS/6485/2018 dated June 25, 2018, on additional surveillance margin for derivatives segment.

Additional Surveillance Margin (ASM) shall be levied on following clients subject to a minimum of 50% of cumulative projected loss across all clients is covered.

1. For a market fall scenario as specified in abovementioned circular, Additional Surveillance Margin shall be levied for clients having loss of around Rs. 1 crores after considering available margins.
2. For a market rise scenario as specified in abovementioned circular, Additional Surveillance Margin shall be levied for clients having loss of around Rs. 5 crores after considering available margins and underlying portfolio.
3. In case a client meets both the above criteria for ASM, then the maximum amount computed in (1) and (2) above shall be collected as Additional Surveillance Margin.
4. Additional Surveillance Margin as above shall be blocked from the collaterals of clearing member on T+1 day basis.

Members may note that ASM framework shall be in conjunction with the prevailing surveillance measures being imposed by Exchanges/ Clearing Corporation.

Members may collect the above mentioned margins from their trading member/clients.

For clarifications, members may contact Risk Team on 022 – 61129000 (Extension 9990/9071) or send an email at risk@mclear.in

For and on behalf of
Metropolitan Clearing Corporation of India Ltd.

Roanna Lewis
Manager