

**Debt Market Segment**

November 02, 2018

Circular No. : MSE/C&amp;S/DMS/6965/2018

Ref. No. : MCCIL/DMS/1151/2018

**Subject: Risk Reduction Mode**

In terms of the provisions of the Rules, Bye-Laws and Regulations of the Clearing Corporation, Clearing Members are hereby notified as under:

Member shall be compulsorily placed in risk reduction mode when the member's margin utilization exceeds 90% of the allowable limits.

When a member moves in to risk reduction mode:

- All unexecuted orders shall be cancelled.
- Fresh orders placed by members shall be checked for sufficiency of margins and orders that do not satisfy sufficiency of margins will be rejected.
- Fresh orders can be placed for immediate or cancel (IOC) only
- Members will be able to trade in normal mode as and when the utilization goes below 85% or as specified from time to time.

This circular shall be effective from November 05, 2018.

Members are requested to take note of the above and ensure compliance.

**For and on behalf of**  
**Metropolitan Clearing Corporation of India Limited**

Roanna Lewis  
Manager

For clarifications, members may contact Risk Team.

Contact No.	022 - 6112 9000 (9990/9071)
Fax No.	022 - 2652 5731
Email ID	<a href="mailto:risk@mclear.in">risk@mclear.in</a>