

Reference SEBI circular No. CIR/MRD/DP/18/2013 dated May 30, 2013 regarding review of the Securities Lending and Borrowing (SLB) framework.

2.1. Eligible scrips for SLB: In addition to the scrips on which derivatives contracts are available,

scrips that fulfill the following criteria shall be considered eligible for SLB:

(a) Scrip classified as 'Group I security' as per SEBI circular MRD/DoP/SE/Cir-07/2005 dated February 23, 2005;

AND

(b) Market Wide Position Limit (MWPL) of the scrip, as defined at para 12 (a) of Annexure 2 of the MRD/DoP/SE/Dep/Cir-14/2007 dated December 20, 2007, shall not be less than Rs.100 crores;

AND

(c) Average monthly trading turnover in the scrip in the Cash Market shall not be less than Rs.100 crores in the previous six months.

2.2. Stock exchanges shall review the scrips eligible for SLB on a half-yearly basis. In the event a scrip fails to meet the eligibility criteria, no new SLB transaction shall be allowed in the scrip from the next trading day. However, the existing contracts in such scrips shall be allowed to continue till expiry.

2.3. The collateral to be accepted for meeting margin obligations related to SLB transactions shall be in the same form as applicable in the Cash Market.