

NATIONAL SECURITIES CLEARING CORPORATION LIMITED
CAPITAL MARKET CLEARING & SETTLEMENT
Circular No. 353

Download No.: NSE/CMPT/13059

September 10, 2009

Dear Members / Custodians,

Sub: Release of Margins

This is with reference to Item 11 of our consolidated circular no. NSCCL/SEC/2008/0486 dated September 10, 2008 (Download Ref No: NSE/CMPT/11274).

Currently, margins for a settlement are released along with pay-in of funds and securities for the settlement for all the members/custodians. Based on the feedback from the market participants, members/custodians are hereby informed that margins collected for a settlement for a member/custodian shall be released on their individual completion of full obligations of funds and securities by the respective member/custodians after crystallization of the final obligations on T+1 day.

Further, members are provided a facility to provide confirmation from their clearing banks towards their funds pay-in obligations on settlement day before prescribed pay-in time. The procedure for the same is detailed in Annexure.

In case of any clarifications, members are requested to contact Ms. Gayatri Karandikar / Mr.Nagesh Ghadge /Mr. Bhuvnesh Sharma.

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The above circular shall be effective from September 14, 2009.

For National Securities Clearing Corporation Limited

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Manager
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Annexure 1:
Procedure for funds pay-in confirmation

1. Members/Custodians can request for funds pay-in confirmations from the clearing bank on settlement day using the menu 'EMI-Full pay-in' provided in 'Collateral Interface for Members (CIM)' - an online facility provided to Members/Custodians.
2. Members/Custodians shall request for confirmation of full funds pay-in obligations from the clearing bank for the settlement due on the current day. If the members/custodians have already provided any early pay-in of funds prior to settlement day then they shall request for confirmation of balance funds pay-in obligation. The funds pay-in amount (after considering early pay-in, if any) would be automatically populated on selection of settlement number & settlement type.
3. The clearing bank of the members shall be required to confirm the full pay-in amount. On confirmation by the clearing bank it shall be considered as fulfilment of funds pay-in obligation for the purpose of margin release.
4. The clearing bank shall be required to provide the amount confirmed to Clearing Corporation towards funds pay-in at the stipulated time of funds pay-in for the settlement.