

National Stock Exchange of India Limited

Circular

DEPARTMENT: INSPECTION	
Download Ref No: NSE/INSP/56512	Date: April 26, 2023
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To All Members,

Sub: Guidelines/clarifications on Margin collection & reporting

This has reference to Exchange Circulars NSE/INSP/45191 dated July 31, 2020 and NSE/INSP/46485 dated November 27, 2020, with respect to Guidelines/clarifications on Peak Margin collection and reporting.

In view of the implementation of block mechanism and representations received from members associations, Members are requested to note that Question no. 1 and clarification with respect to the same mentioned in Annexure A of the aforesaid circular dated November 27, 2020 has been partially modified as under

1. Whether early pay-in (EPI) of securities accepted by depository during the day can be considered as upfront/peak margin for the said sale transaction?

Yes, in respect of sale of shares by a client for which early pay-in (EPI) request via Block mechanism has been accepted by **depositories**, the same may be considered as margin collected towards peak margin for the said sale transaction.

Further, Clarifications with respect to EPI, as mentioned in the 1st bullet point of question no. 03 in Annexure A of the Exchange circular NSE/INSP/45191 dated July 31, 2020 has been partially modified as under:

In respect of sale of shares by a client for which early pay-in (EPI) request via Block mechanism has been accepted by **depositories** and credit entry is posted of the sale value of the shares in the ledger account of the client, EPI value may be considered as margin collected towards subsequent margin requirement of the client. However, the sale value of such securities (EPI value), as reduced by value of the 20% upfront Margin, shall be available as Margin for other positions across all the segments. Illustration is mentioned below:

Day	Transaction	Scrip	Value	Upfront Margin
T day	Sell	ABC Ltd.	100	20

Note: In this case, member can utilize, maximum, 80 (100-20) as margin towards subsequent margin requirement.

Members are requested to take note of the contents of the circular and comply.

National Stock Exchange of India Limited

For and on behalf of
National Stock Exchange of India Limited

Naresh Sawana
Senior Manager

In case of any clarifications, Members may contact our below offices:

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