

National Stock Exchange of India Limited

Circular

DEPARTMENT: INSPECTION	
Download Ref No: NSE/INSP/58146	Date: August 29, 2023
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To All Members,

Sub: FAQ on Upstreaming of clients' funds by Stock Brokers (SBs) / Clearing Members (CMs) to Clearing Corporations (CCs)

This is further to Exchange circular NSE/INSP/57959 dated August 11, 2023 on "FAQ on Upstreaming of clients' funds by Stock Brokers (SBs) / Clearing Members (CMs) to Clearing Corporations (CCs)". Based on representations received from Members, clarifications/guidelines on the additional frequently asked questions (FAQs) in addition to the earlier FAQ issued vide aforesaid circular are attached as **Annexure A**.

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

For and on behalf of
National Stock Exchange of India Limited

Naresh Sawana
Chief Manager– Inspection

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

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National Stock Exchange of India Limited**Annexure A****Additional FAQ on Upstreaming of Client's Funds by Stock Brokers (SBs) / Clearing Members (CMs) to Clearing Corporation (CCs)**

- 1) Can member have funds in DSCNB account post upstreaming cut off time for releasing the same to clients?**

Yes, member can have funds in DSCNB account post upstreaming cut off time to transfer the same to client on same day itself thereby ensuring that there is no balance in DSCNB account on EOD basis. On running account settlement days, funds may remain in DSCNB account even beyond EOD, on exception basis, as long as instructions to banks have been given by EOD.

- 2) Whether member is required to upstream the funds received for trades rejected by custodian (i.e. DVP trades) ?**

In case of DVP trades, member may receive funds from custodians in their own account instead of USCNB account and accordingly, member shall not require to upstream these funds to clearing corporations. However, in case such funds are received in the USCNB account, then such funds would need to be upstreamed and withdrawn with appropriate reason code.