

National Stock Exchange Of India Limited**Department : Inspection**

Download Ref No: NSE/INSP/45565

Date : September 02, 2020

Circular Ref. No: 53/2020

To All Trading Members,

Sub: Investor Awareness regarding the revised guidelines on margin collection.

This has reference to SEBI circular no. SEBI/HO/MIRSD/DOP/CIR/P/2020/28 dated February 25, 2020, read with SEBI circular no. SEBI/HO/MIRSD/DOP/CIR/P/2020/143 dated July 29, 2020 and Exchange circular no. NSE/INSP/45191 dated July 31, 2020 regarding Margin obligations to be given by way of pledge / re-pledge in the Depository system, which has been implemented with effect from August 01, 2020 and discontinuation of title transfer of securities collateral with effect from August 31, 2020.

Attention is also drawn towards SEBI circular no. CIR/HO/MIRSD/DOP/CIR/P/2019/139 dated November 19, 2019 read with SEBI circular no. SEBI/HO/MIRSD/DOP/CIR/P/2020/146 dated July 31, 2020 and NSE/INSP/45534 dated August 31, 2020 on Collection and Reporting of Margins by Trading Member (TM) / Clearing Member (CM) in Cash Segment.

Members are requested to create awareness amongst clients / investors with regard to procedure of pledge/ re-pledge of securities and placing them as collateral with their Trading Member (TM) / Clearing Member (CM) only by way of 'margin pledge' created in the Depository system and collection of upfront margin in cash market segment in accordance with the guidelines prescribed by the aforementioned circulars. Member are also advised to display the following messages on their respective websites:

“Attention Investors

1. Stock Brokers can accept securities as margin from clients only ***by way of pledge in the depository system w.e.f. September 1, 2020.***
2. ***Update your mobile number & email Id*** with your stock broker/depository participant and receive OTP directly from depository on your email id and/or mobile number to create pledge.
3. ***Pay 20% upfront margin*** of the transaction value to trade in cash market segment.
4. Investors may please refer to the Exchange's ***Frequently Asked Questions (FAQs) issued vide circular reference NSE/INSP/45191 dated July 31, 2020 and NSE/INSP/45534 dated August 31, 2020*** and other guidelines issued from time to time in this regard.

5. Check your Securities /MF/ Bonds in the consolidated account statement issued by NSDL/CDSL every month.

..... Issued in the interest of Investors"

All members having websites are hereby advised to display the above messages on the homepage of their respective websites at a prominent place.

For and on behalf of

National Stock Exchange of India Limited

Pranav Tanna

Chief Manager-Inspection

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

Regional Office	CONTACT NO.	E MAIL ID
Ahmedabad (ARO)	079-49008632	inspectionahm@nse.co.in
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Kolkata (KRO)	033-40400411 / 06	inspection_kolkata@nse.co.in
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NOTICES

Notice No.	20200903-1	Notice Date	03 Sep 2020
Category	Compliance	Segment	General
Subject	Investor Awareness regarding the revised guidelines on margin collection		
Content			

This has reference to SEBI circular no. SEBI/HO/MIRSD/DOP/CIR/P/2020/28 dated February 25, 2020, read with SEBI circular no. SEBI/HO/MIRSD/DOP/CIR/P/2020/143 dated July 29, 2020 and Exchange notice no. 20200731-7 dated July 31, 2020 regarding Margin obligations to be given by way of pledge / re-pledge in the Depository system, which has been implemented with effect from August 01, 2020 and discontinuation of title transfer of securities collateral with effect from August 31, 2020.

Attention is also drawn towards SEBI circular no. CIR/HO/MIRSD/DOP/CIR/P/2019/139 dated November 19, 2019 read with SEBI circular no. SEBI/HO/MIRSD/DOP/CIR/P/2020/146 dated July 31, 2020 and 20200831-45 dated August 31, 2020 on Collection and Reporting of Margins by Trading Member (TM) / Clearing Member (CM) in Cash Segment.

Members are requested to create awareness amongst clients / investors with regard to procedure of pledge/ re-pledge of securities and placing them as collateral with their Trading Member (TM) / Clearing Member (CM) only by way of 'margin pledge' created in the Depository system and collection of upfront margin in cash market segment in accordance with the guidelines prescribed by the aforementioned circulars. Member are also advised to display the following messages on their respective websites.

Attention Investors:

1. Stock Brokers can accept securities as margin from clients only by way of pledge in the depository system w.e.f. September 1, 2020.
2. Update your mobile number & email Id with your stock broker/depository participant and receive OTP directly from depository on your email id and/or mobile number to create pledge.
3. Pay 20% upfront margin of the transaction value to trade in cash market segment.
4. Investors may please refer to the Exchange's Frequently Asked Questions (FAQs) issued vide notice no. 20200731-7 dated July 31, 2020 and 20200831-45 dated August 31, 2020 and other guidelines issued from time to time in this regard.
5. Check your Securities /MF/ Bonds in the consolidated account statement issued by NSDL/CDSL every month.

Issued in the interest of Investors

All members having websites are hereby advised to display the above messages on the homepage of their respective websites at a prominent place.

All members are requested to take note of the same and comply.

In case of any queries/clarifications, you may contact us on the below nos.

Name of the Official	Contact Nos.	Email Id
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For and on behalf of BSE Ltd.

Kiran Sawant
Asst. Gen. Manager
Broker Supervision