NSE Clearing

Circular

DEPARTMENT: COMPLIANCE	
Download Ref No: NCL/CMPL/46334	Date: November 12, 2020
Circular Ref. No: 31/2020	

All Members

Sub: Guidelines for maintaining client & settlement bank accounts by Clearing Members

Members' attention is drawn to Regulation 21.1.5 (c) NCL Capital Market Regulations and Regulation 8.1.5 (c) of NCL Futures & Options Regulations.

Clearing Corporation has observed that some of the Members are maintaining large number of bank accounts named as "Name of Clearing Member - Client Account" and "Name of Clearing Member - Settlement Account". As per Exchange circular NSE/INSP/44478 dated May 27, 2020, members are reporting the bank balance of all bank accounts to the exchange on weekly basis. For the purpose of ease of monitoring of such bank accounts, there is a need for restriction in the maximum number of client and settlement bank accounts to be maintained by members. Further, the restriction on maintenance of such bank accounts will also ease the reporting requirement of the members.

Accordingly, it has been decided that a member can maintain maximum of 30 bank accounts named as "Name of Clearing Member - Client Account" and "Name of Clearing Member - Settlement Account" across all segments and Clearing Corporations at a time.

Further, in case, member has more than 30 such bank accounts, then members are directed to close the excess bank accounts named as "Name of Clearing Member - Client Account" & "Name of Clearing Member - Settlement Account" by November 30, 2020.

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

For and on behalf of
NSE Clearing Limited

Dhawal Shah

Head-Compliance

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