NSE Clearing

Circular

DEPARTMENT: COMPLIANCE	
Download Ref No: NCL/CMPL/46498	Date: November 27, 2020
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All Members,

Sub: FAQ on Peak Margin reporting of Custodian Participant trades in all Derivatives Segment

NCL had issued circular No. NCL/CMPL/46478 dated November 26, 2020 on Peak Margin reporting of Custodian Participant trades in all Derivatives Segment. Based on queries received from Members, frequently asked questions (FAQs) are being issued as Annexure-A.

All members are advised to take note of the same.

For and on behalf of
NSE Clearing Limited

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Annexure A

FAQ for the Peak Margin reporting of Custodian Participant trades in all Derivatives Segment (Interim Process)

1. **What is the responsibility of the Trading Member (executing broker) for margin reporting?**

   The Trading Member will have to report peak margins for CP trades in the MG13 reporting considering collection of margins by the Clearing Member as the penalties shall be levied by the Clearing Corporation on the basis of reporting by Clearing Member

2. **How would the penalty be levied if the Trading Member (executing broker) reports shortage in margin reporting?**

   In the event of Trading Member reports shortage, penalty will be levied to the Trading Member and collected through its Clearing Member as per the existing process.

3. **How would the penalty be levied if the Clearing Member reports shortage?**

   In the event of Clearing Member reports shortage (and executing broker has reported no shortage), penalty will be levied to the Clearing Member based on shortage reported by the Clearing Member

4. **What happens if both Trading Member (executing broker) and Clearing Member reports no shortage?**

   No penalties will be levied.

5. **Will the Clearing Corporation continue with the approach of providing intraday peak snapshots during the interim process?**

   Yes

6. **What is the cut off time for reporting peak margins collection by the Trading Member and the Clearing Member (through email)?**

   T+5 as is being presently followed

7. **Can a revised reporting be accepted in the event of erroneous confirmation on email?**

   Revised reporting will be accepted on best effort basis. Clearing Members are required to ensure proper due diligence before sending the email to CC.