

NSE Clearing Limited

Circular

DEPARTMENT: COMPLIANCE

Download Ref No: NCL/CMPL/62689

Date: June 28, 2024

Circular Ref. No: 26/2024

To All Members

Sub: Submission of Associate details by Clearing Members

We refer to SEBI Circular No SEBI/HO/MRD/MRD-PoD-3/P/CIR/2024/65 dated May 29, 2024 relating to Norms for acceptable collaterals and exposure of Clearing Corporations. As per Clause 3.6 of the Circular "*CCs shall not accept collateral including FDs, BGs, equity, or debt securities issued by CMs/TMs themselves or their group or associate entities. A Declaration to that effect will be given by CMs/TMs mentioning all their group/associate entities to CCs.*"

In reference to the SEBI Circular, all Members of Clearing Corporations are required to submit details of group or associate entities in the prescribed format as mentioned in the User manual enclosed as **Annexure**.

The window for submission to Clearing Corporation shall be made available with effect from July 1, 2024.

Further, members are required to ensure that:

1. The complete list of groups and associates entities and the Security or Debt Instrument listed on Stock Exchange by the member are submitted to the Clearing Corporation. **In case of NIL associates, the same is also required to be intimated to the Clearing Corporation.**
2. Member are requested to ensure that they do not submit any collateral including FDs, BGs, equity, or debt securities issued by themselves or their group or associate entities to the Clearing Corporation.
3. Members are required to abide by the restrictions imposed vide SEBI circular no SEBI/HO/MRD/MRD-PoD-3/P/CIR/2024/65 dated May 29, 2024 with respect to acceptance of collaterals as specified under the head prudential norms for exposure of CCs and more particularly with respect to para 3.6 under the said head.

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4. Any change in Clearing Members group or Associate Entities pursuant to the initial submission, shall be informed to the Clearing Corporations within 7 working days of the occurrence of the change. The members shall be required to **re-submit the complete details** after incorporating the changes as guided by the User Manual.

Further, for this purpose, 'associate' shall have the same meaning as defined under Regulation 2 (b) of Securities Contracts (Regulation)(Stock Exchanges And Clearing Corporations)Regulations, 2018.

In case of Non - Submission of data or discrepancies in data submission Clearing Corporations reserves the right to take Regulatory Action on the Members.

The members are required to comply with the above circular.

**For and on behalf of
NSE Clearing Limited**

Jinal Shah
Associate Vice President