

**NSE Clearing Limited**

(Formerly known as National Securities Clearing Corporation Limited)

**DEPARTMENT : CAPITAL MARKET SEGMENT**

Download Ref No: NCL/CMPT/42029

Date : August 30, 2019

Circular Ref. No: 923/2019

All Members/Custodians/PCM

**Sub: Acceptance of securities as collateral**

This is in continuation and partial modification to Item 9 of Part B of our consolidated circular no. 003/2019 (Download Ref No: NCL/CMPT/39831) dated January 01, 2019.

The following securities shall not be accepted as liquid assets:

- a) Partly paid securities
- b) Securities subject to any lock in period, buy back scheme any charge or lien, encumbrance of any kind, or such other limitations or title is questioned before the court or any regulatory body
- c) Equity shares of clearing member
- d) Corporate bonds issued by clearing member
- e) Equity Shares of associate of clearing member
- f) Corporate bonds issued by associate of clearing member

For this purpose, 'associate' shall have the same meaning as defined under Regulation 2 (b) of SECC Regulations 2018

Clearing members who have provided any of the above securities shall be required to replace the same before November 30, 2019.

Members are requested to take note of the same.

**For and on behalf of**  
**NSE Clearing Limited**  
**(Formerly National Securities Clearing Corporation Limited)**

Huzefa Mahuvawala  
Vice President

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