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NSE Clearing

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NSE Clearing Limited

DEPARTMENT: CAPITAL MARKET SEGMENT	
Download Ref No: NCL/CMPT/59952	Date : December 26, 2023
Circular Ref. No: 457/2023	

All Members/Custodians,

Sub: Cash Release towards Funds Pay-in Obligations

This is with reference to SEBI circular no SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/84 dated June 08, 2023, and our circular no 237/2023 (Download Ref No NCL/CMPT/57396) dated June 30, 2023.

A facility to adjust the cash collateral deposits towards funds payin obligation is being provided. Further the current facility for release of cash towards payin shall be revised. The details are of these provisions are as follows:

A. Cash release towards funds payin

- Clearing Member shall be provided with a facility to request for adjustment of cash collateral deposits allocated to clients/CP/TM Prop /CM Prop in a segment towards their respective funds payin obligation in such segment.
- The facility shall be provided in "NMASS-Cash Release towards funds payin" module (details provided in the user manual enclosed) for requests placed within the cut off time for cash release i.e. up to 8:00 PM.
- The amount eligible for adjustment against funds payin for CM segment shall be lower of:
  - Requested amount for adjustment of cash collateral
  - Cash collateral to the extent of margins for the settlement due
  - Cash collateral allocated in the segment
  - Funds pay-in obligation.
- The aggregate of cash available for adjustment as above across all clients/CP/TM Prop /CM Prop shall be allowed to the extent of the available cash collateral deposits of the Clearing member across all clearing segments.
- The releasable amount shall be debited from the cash balance in the respective segment and if sufficient amount is not available then it will be debited from the cash balance of other segments in the below order:
  - Futures & Options segment
  - Currency Derivatives segment
  - Commodity Derivatives segment
  - Securities Lending and Borrowing Scheme
- The cash allocated amount released as above shall be reduced in collateral details reported in CC01/02 reports. However, the same shall be considered for the purpose of monitoring of short allocation.

- An illustration to explain the above provision is as below:

	Cash Allocation	Total Margins Blocked	Funds Pay-in Obligation	Release Request	Amount to be released
CM Prop	1000	1000	900	800	800
TM Prop	50	200	100	200	50
TM Client 1	100	100	50	100	50
Total Amount Releasable					**900**

	CM	F&O	Currency	Commodity	SLB	
Segment wise Balance	300	500	50	40	10	-
Amount to be released for Clearing Member	300	500	50	40	10	900

B. Value Date Release

1. Currently clearing members may request for unutilized collateral (i.e. collateral in excess of margin blocked) lying with NCL in cash form, towards fund pay-in requirements within the segment by requesting cash release using Value Data release option in CIM

- Clearing members can now use this facility to release unutilised cash towards funds pay-in requirement in other segment.
- Such value date release shall be credited in the settlement account of the respective segment and can be used to meet the funds pay-in requirement in the target segment.
- Accordingly the requirement to send the mail to **cash_collaterals@nsccl.co.in** for adjustment of release towards payin is henceforth shall be discontinued

The effective date of the Circular shall be January 01, 2024.

For and on behalf of
NSE Clearing Limited

Huzefa Mahuvawala
Senior Vice President

Telephone No	**Fax No**	**Email id**
1800 266 0050	022-26598242	collaterals_ops@nsccl.co.in