NSE Clearing Limited

Circular

Department: CAPITAL MARKET SEGMENT	
Download Ref No: NCL/CMPT/62799	Date: July 05, 2024
Circular Ref. No: 0122/2024	

All Members,

Sub: Short Allocation of Collaterals

This is in partial modification to point 11.2.1 of Part B of our consolidated circular no NCL/CMPT/61800 dated April 29, 2024 regarding monitoring of short allocation.

Members may note that monitoring of short allocation shall be undertaken as under

- Client collateral value in the segment for the purpose of short allocation shall be collateral value allocated by the CM to the client in the segment + value of securities repledged at Clearing Corporation for that client in the segment **(value shall be before applying prudential norms of Clearing Corporation including 50:50 requirement)**.
- The value of collateral above the prudential norms shall be updated under the field "Excess Collateral of other segment" in SA04/SA05/SA06 report.

It is clarified that value of securities (**before applying prudential norms**) shall be only for monitoring of short allocation and not for monitoring of actual margin requirement by Clearing Corporation.

All other requirements of short allocation monitoring shall be as mentioned in the consolidated circular.

Further, the intra-day/end of day short allocation report (SA01/SA02/SA03) shall include data for all clients who have margins or collateral

The above changes shall be applicable from trade date July 08, 2024.
Members are requested to take note of the above.

For and on behalf of
NSE Clearing Limited

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Chief Risk Officer

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