NSE Clearing Limited
(Formerly known as National Securities Clearing Corporation Ltd.)

DEPARTMENT: SECURITIES LENDING & BORROWING SCHEME	
Download Ref No: NCL/CMPT/65183	Date: November 22, 2024
Circular Ref. No: 143/2024	

All Members,

Sub: Penalty and penal charges for Margin Violation

This is in partial modification to Item 17-VI, Item 17 "PENALTIES", Part B of NCL Consolidated Circular reference no. 051/2024 (Download Reference no. NCL/CMPT/61810) dated April 29, 2024.

In respect of margin violations, penalty shall be levied on a monthly basis based on slabs as mentioned below or such other amount as may be specified for Clearing Corporation from time to time.

Instances of margin violations	**Penalty to be levied**
1st instance	0.07% per day
2nd to 5th instance of disablement	0.07% per day + Rs.5,000/- per instance from 2nd to 5th instance
6th to 10th instance of disablement	0.07% per day + Rs. 20,000 (from 2nd to 5th instance) + Rs.10,000/- per instance from 6th to 10th instance
11th instance onwards	0.07% per day + Rs.70,000/- (from 2nd to 10th instance) + **Rs. 50,000/-** per instance from 11th instance onwards. Additionally, the member will be referred to the Member Committee for suitable action.

Instances as mentioned above shall refer to all disablements during market hours in a calendar month.

The circular shall come into effect from **January 01, 2025**.

Members are requested to take note of the above.

For and on behalf of
NSE Clearing Limited

Huzefa Mahuvawala
Chief Risk Officer

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