NATIONAL STOCK EXCHANGE OF INDIA LIMITED

DEPARTMENT : INSPECTION	
Download Ref.No.: NSE/INSP/29662	Date : May 8, 2015
Circular Ref.No.: 232/2015	

To All Members

Sub : Clarification on Client funding

This has reference to Exchange circular NSE/INSP/20638 dated April 26, 2012.

In partial modification to the above mentioned circular, it is clarified that the Member may grant further exposure to the clients beyond fifth trading day reckoned from pay-in date to the extent of availability of excess of client's fully paid securities over his debit balance, deposited with the Member.

On the date of further exposure, such securities shall be valued at the previous day closing rate as reduced by the appropriate haircut at a rate not less than the VAR margin rate of the security on that day(i.e. previous day).

While granting exposure, Members shall ensure that the securities are free and unencumbered in all respects and are not utilized for margin purposes in any segments of Stock Exchange/s. Such Securities should be in dematerialized form actively traded on the National Exchanges and are not declared as illiquid securities by any of the Exchanges.

Members are requested to take note of the same.

In case of any clarifications, Members may contact our below offices:

CENTRE	CONTACT NO.	E MAIL ID
Ahmedabad	079-49008632	inspectionahm@nse.co.in
Chennai	044-28479915 / 17	Inspection_CRO@nse.co.in
Delhi	011-23459143/146	Delhi_Inspection@nse.co.in
Kolkata	033-40400411 / 406	Inspection_Kolkata@nse.co.in
Mumbai	022-25045224 / 227	compliance_wro@nse.co.in

For and on behalf of
National Stock Exchange of India Limited

Dr. Dinesh Kumar Soni
Assistant Vice President

Telephone No	Fax No	Email id
1800 2200 51	+91-22-26598194	compliance_assistance@nse.co.in