

National Stock Exchange Of India Limited**Department :**

Download Ref No: NSE/INSP/43180

Date : January 10, 2020

Circular Ref. No: 1/2020

To All Members,

Sub: Closure of Client Securities Account maintained by Trading Members.

Member's attention is drawn to SEBI circular CIR/HO/MIRSD/DOP/CIR/P/2019/75 dated June 20, 2019 and SEBI/HO/MIRSD/DOP/CIR/P/2019/95 dated August 29, 2019 on "Handling of Client Securities" wherein it was stipulated that all the existing client securities accounts other than Pool account, Client Margin Trading Securities account and Client collateral account shall be wound up on or before September 30, 2019. Exchange had also issued clarifications on the same, vide its circular NSE/INSP/42229 dated September 27, 2019.

Members were advised to return the securities to the respective clients or dispose all the securities as directed under the aforesaid circulars. It has, however, come to the notice of the Exchange that some of the Members have neither closed their client securities accounts as required by aforesaid SEBI circulars nor marked them for closure/disabled the standing instructions for credits.

In view of the above, all the members are directed to close the client securities accounts latest by **January 16, 2020**, failing which the Exchange will issue suitable directions to freeze such accounts for both debits & credits (except for corporate actions). It may also be noted that as provided in Exchange circular dated September 27, 2019 (Ref no. NSE/INSP/42229), the securities shall not be transferred directly from the Client Securities Account to Client Collateral/ Collateral account.

Notwithstanding the above, Exchange may also initiate appropriate disciplinary actions for non-compliance of the said SEBI circular with respect to the closure of the client securities accounts by the due date.

For and on behalf of**National Stock Exchange of India Limited****Srijith Menon**
Chief Manager-Inspection

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

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