
NATIONAL STOCK EXCHANGE OF INDIA LIMITED

DEPARTMENT : INVESTIGATION	
Download Ref. No.: NSE/INVG/38270	Date: July 07, 2018
Circular Ref. No.:- 101/2018	

To All NSE Members,

Sub: Withholding of sale proceeds of securities in which unsolicited messages being circulated - update.

This is in continuation with the Exchange circular download ref. no. NSE/INVG/37765 dated May 15, 2018 inter alia cautioning the trading members / market participants against unsolicited messages (“SMS Stocks”) being circulated by unregistered / unauthorized entities and advising trading members/ market participants having significant selling concentration of clients in the SMS Stocks to withhold the sale proceeds of the clients and transfer the same to the designated Bank Account earmarked for this purpose.

In this regard, during the meeting of SEBI with Stock Exchanges, it has been decided as under:

1. Trading Members/ market participants may provide the amount required to be withheld in form of cash or cash equivalents or in form of securities forming part of NSE 500 or BSE 500 with applicable VaR based haircut or a higher haircut as decided by the Stock Exchanges.
2. Operational modalities for maintaining / monitoring of securities by the trading members/ market participants shall be intimated separately.

Trading members/ market participants are advised to take note of the above and ensure compliance with aforementioned requirements, as may be applicable.

In case of any further queries, members are requested to contact the following officials:
Mr. Chirag Jain (Extn:22480), Mr.Binoy Yohannan (Extn:24332), Mr Hiren Thakkar (Extn:22399).Direct No: 022-26598417/18 Fax: 022-26598195

For National Stock Exchange of India Limited

Avishkar Naik
Vice President