Participant Services
Circular

Circular No.: NSDL/POLICY/2022/121 August 31, 2022

Subject: Charges in respect of Margin Trading Funding Pledges.

Attention of Participant is invited to SEBI Circular no. SEBI/HO/MIRSD/DOP/CIR/P/2020/28 dated February 25, 2020 and SEBI/HO/MIRSD/DOP/CIR/P/2020/143 dated July 29, 2020 regarding Implementation of SEBI circular on ‘Margin obligations to be given by way of Pledge / Re-pledge in the Depository System and NSDL Circular no.: NSDL/POLICY/2020/0101 dated July 28, 2020 regarding additional operational guidelines on margin obligations to be given by way of Pledge/ Re-pledge in the Depository System.

At point no. 11 of aforesaid SEBI circular dated February 25, 2020, it is stated that *“Funded stocks held by the TM / CM under the margin trading facility shall be held by the TM / CM only by way of pledge. For this purpose, the TM / CM shall be required to open a separate demat account tagged ‘Client Securities under Margin Funding Account’ in which only funded stocks in respect of margin funding shall be kept/ transferred, and no other transactions shall be permitted. The securities lying in ‘Client Securities under Margin Funding Account’ shall not be available for pledge with any other Bank/ NBFC.”*

Participants are requested to note that as clarified by SEBI, *“No re-pledge shall be permitted from CSMA account, however, depositories may use the same OTP mechanism for validating margin funding transaction by client as used for margin pledge.”*

Currently, NSDL is levying charges in respect of Margin pledge / Re-pledges (including MTF Pledges) as per NSDL Business Rule no. 21.2.2.4 viz., Fees for Margin Pledge. Participants are informed that the following revised charges will be levied in respect of Margin Trading Funding pledges in line with Normal Pledges instructions as per NSDL Business Rule no. 21.2.2.2. The aforesaid revised charges will be incorporated in the monthly DP billing in respect of MTF pledges effective from **October 1, 2022.**

Margin Trading Funding	Charges
Margin Trading Funding Pledges (For creation of Margin trading Funding pledge. No fee for closing/invoking pledge)	₹ 25/- per instruction

Participants are requested to take note of the same.

For and on behalf of
National Securities Depository Limited

Arockiaraj
Manager

FORTHCOMING COMPLIANCE			
Particulars	**Deadline**	**Manner of sending**	**Reference**
Investor Grievance Report (Monthly)	By 10th of the following month.	Through e-PASS	Circular No. NSDL/POLICY/2015/0096 dated October 29, 2015

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