

Department: Inspection	Segment: All
Circular No: MSE/INSP/13647/2023	Date: June 15, 2023

Subject: Guidelines/Clarifications on Margin Collection & Reporting

To All Members,

This has reference to Exchange Circular Ref. No. MSE/INSP/13389/2023 dated April 27, 2023, on “Guidelines/clarifications on Margin collection & reporting”, wherein it was clarified as under.

“In respect of sale of shares by a client for which early pay-in (EPI) request via Block mechanism has been accepted by depositories, the same may be considered as margin collected towards peak margin for the said sale transaction. Further, in respect of sale of shares by a client for which early pay-in (EPI) request via Block mechanism has been accepted by depositories and credit entry is posted of the sale value of the shares in the ledger account of the client, EPI value may be considered as margin collected towards subsequent margin requirement of the client. However, the sale value of such securities (EPI value), as reduced by value of the 20% upfront Margin, shall be available as Margin for other positions across all the segments.”

In view of the above, as stated above, it is reiterated that margin may be considered as collected towards peak margin of the sale transactions and the EPI value may be considered as margin collected towards subsequent margin requirement of client **only** upon early pay-in (EPI) request via Block mechanism has been accepted by the depositories and credit entry is posted of the sale value of the shares in the ledger account of the client.

Members are advised to take note of the above and ensure strict compliance.

**For and on behalf of
Metropolitan Stock Exchange of India Limited**

**Mahendra Choudhari
AVP – Inspection and Membership Department**

In case of any query kindly contact Inspection Department on (022) 6112 9000 or mail on compliancemsx@msei.in

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