



Securities and Exchange Board of India vide circular dated April 28, 2025, has issued timelines for collection of Margins other than Upfront Margins –Alignment to settlement cycle

- Securities and Exchange Board of India vide circular dated April 28, 2025, has issued timelines for collection of Margins other than Upfront Margins –Alignment to settlement cycle.
- The below given paras of the Master Circular for Stock Brokers dated August 09, 2024 shall be modified as follows:

Para 39.1.2: "Henceforth, like in derivatives segment, the TMs/CMs in cash segment are also required to mandatorily collect upfront VaR margins and ELM from their clients. The TMs/CMs will have time till settlement day to collect margins (except VaR margins and ELM) from their clients. (The clients must ensure that the VaR margins and ELM are paid in advance of trade and other margins are paid as soon as margin calls are made by the Stock Exchanges/TMs/CMs. The period till settlement has been allowed to TMs/CMs to collect margin from clients taking into account the practical difficulties often faced by them only for the purpose of levy of penalty and it should not be construed that clients have been allowed time till settlement day to pay margin due from them)."

Para 39.1.3: "If pay-in (both funds and securities) is made by settlement day, the other margins would be deemed to have been collected and penalty for short / non collection of other margins shall not arise."

Para 39.1.5: "If client fails to make pay-in by settlement day and TM / CM do not collect other margins from the client by settlement day, the same shall also result in levy of penalty as applicable."

- The circular shall come into force from the date of its issuance.
- The circular is attached herein.

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