

NSE Clearing Limited

Circular

DEPARTMENT: COMPLIANCE

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To All Members,

Sub: FAQ on Upstreaming of clients' funds by Stock-Brokers (SBs) / Clearing Members (CMs) to Clearing Corporations (CCs)

This is further to NCL circular NCL/CMPL/57962 dated August 14, 2023 on "FAQ on Upstreaming of clients' funds by Stock-Brokers (SBs) / Clearing Members (CMs) to Clearing Corporations (CCs)".

Based on representations received from members, NCL is pleased to issue clarifications on the subject, in the form of additional frequently asked questions (FAQs), attached as Annexure A for your reference.

All members are advised to take note of the contents of the circular and comply.

**For and on behalf of
NSE Clearing Limited**

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Annexure A

Additional FAQ on Upstreaming of Client's Funds by Stock-Brokers (SBs) / Clearing Members (CMs) to Clearing Corporation (CCs)

- 1) Can member have funds in DSCNB account post upstreaming cut off time for releasing the same to clients?**

Yes, member can have funds in DSCNB account post upstreaming cut off time to transfer the same to client on same day itself thereby ensuring that there is no balance in DSCNB account on EOD basis. On running account settlement days, funds may remain in DSCNB account even beyond EOD, on exception basis, as long as instructions to banks have been given by EOD.

- 2) Whether member is required to upstream the funds received for trades rejected by custodian (i.e. DVP trades) ?**

In case of DVP trades, member may receive funds from custodians in their own account instead of USCNB account and accordingly, member shall not require to upstream these funds to clearing corporations. However, in case such funds are received in the USCNB account, then such funds would need to be upstreamed and withdrawn with appropriate reason code.