NATIONAL SECURITIES CLEARING CORPORATION LIMITED

DEPARTMENT : CURRENCY DERIVATIVES SEGMENT	
Download Ref No : NSCCL/CDS/37750	Date :May 14, 2018
Circular Ref. No : 31/2018	

All Members,

Sub: Client Margin Reporting

This is with reference to SEBI circular no: SEBI/HO/MRD/DRMNP/CIR/P/2018/75 dated May 02, 2018 and in modification to Item no. 13 on client margin reporting of the consolidated circular no. 787/2017 (Download Ref No: NSCCL/CD/34654) dated April 17, 2017.

- Clearing/Trading members shall be required to collect initial and extreme loss margins from their trading member/ constituents/clients on an upfront basis.
- Clearing/Trading members shall be required to collect mark to market losses from their trading member/ constituents/clients by T+1 day. For currency futures contract members shall collect the final settlement amount by T+2 day.
- Clearing /trading members shall be required to report details of initial margin, extreme loss margin and mark to market losses collected from their trading member/ constituents/clients
- The existing margin files (MG12, MG13 and MG18) provided to members for client margin reporting shall include their trading member/ constituents/clients level initial margin, buy premium, extreme loss margins and mark to market losses for reporting purpose. Revised file formats for margin files have been provided in **Annexure.**
- In case of a mark to market profit for a trading member/ constituents/clients the value for mark to market losses shall be populated as zero.
- Clearing/trading member shall be required to report a single consolidated value comprising of initial margin, buy premium, extreme loss margin and mark to market losses collected
- Clearing/trading member shall be permitted to report client margins upto T+5 working days as per current mechanism.
- The penalty for short/non reporting by clearing/trading member shall be as currently applicable and stipulated in abovementioned consolidated circular.
- The provisional margin files downloaded during the day shall not include mark to market losses and values shall be populated as zero.
- All other process with respect to client margin reporting shall be as currently applicable and stipulated in abovementioned consolidated circular.

The provisions of the circular shall come into effect from June 01, 2018.

Members may note that the revised file format as mentioned above shall be effective from trade date June 01, 2018 only. **Client margin reporting for trade date prior to June 01, 2018 should be done as per existing file formats only**. Members are advised to take due care in reporting and check the return files for any errors to avoid any non/short reporting of margins.

Members are requested to take note of the above.

For and on behalf of
National Securities Clearing Corporation Limited

Huzefa Mahuvawala
Vice President

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1. **Detailed margin file for clearing member (MG12)**
Naming convention –
CUR_MG12_<MEMBER CODE>_DDMMYYYY.CSV.gz
IRF_MG12_<MEMBER CODE>_DDMMYYYY.CSV.gz
X_MG12_<MEMBER CODE>_DDMMYYYY.LIS.gz
X_PROV_MG12_<MEMBER CODE>_DDMMYYYY.LIS.gz

File location: /CDSFTP/X<MEMBER CODE>/REPORTS
File details and format:
The file for a clearing member shall contain the following values
Trade date
Trading member /Custodial participant code
Initial margin
Net buy premium
Extreme Loss Margin
MTM Loss
Total margin (Initial margin +Net Buy Premium + Extreme Loss Margin + MTM Loss)

Provisional Margin Files for Clearing Member (X_MG12_P) The MTM Loss in provisional file shall be zero
MTM Loss in CUR_MG12 shall be in respect of currency futures contract on INR pairs
MTM Loss in IRF_MG12 shall be in respect of interest rate futures contract
MTM Loss in X_PROV_MG12 shall be in respect of interest rate futures and currency futures contract on INR pairs
MTM Loss in X_MG12 shall be in across all futures contracts

2. **Detailed margin file for trading member (MG13)**
Naming convention –
CUR_MG13_<MEMBER CODE>_DDMMYYYY.CSV.gz
IRF_MG13_<MEMBER CODE>_DDMMYYYY.CSV.gz
X_MG13_<MEMBER CODE>_DDMMYYYY.LIS.gz
X_PROV_MG13_<MEMBER CODE>_DDMMYYYY.LIS.gz

File location: /CDSFTP/X<MEMBER CODE>/REPORTS
File details and format:
The file for a trading member shall contain the following values
Trade date
Client Code
Initial margin
Net buy premium
Extreme Loss Margin
MTM Loss
Total margin (Initial margin +Net Buy Premium + Extreme Loss Margin + MTM Loss)
Client/Proprietary Flag

Provisional Margin Files for Trading Member (X_MG13_P) The MTM Loss in provisional file shall be zero
MTM Loss in CUR_MG13 shall be in respect of currency futures contract on INR pairs
MTM Loss in IRF_MG13 shall be in respect of interest rate futures contract

MTM Loss in X_PROV_MG13 shall be in respect of interest rate futures and currency futures contract on INR pairs

MTM Loss in X_MG13 shall be in across all futures contracts

3. **Detailed margin file for clearing member (MG18)**

Naming convention –
CUR_MG18_<MEMBER CODE>_DDMMYYYY.CSV.gz
IRF_MG18_<MEMBER CODE>_DDMMYYYY.CSV.gz
X_MG18_<MEMBER CODE>_DDMMYYYY.LIS.gz
X_PROV_MG18_<MEMBER CODE>_DDMMYYYY.LIS.gz

File location: /CDSFTP/X<MEMBER CODE>/REPORTS
File details and format:
The file for a clearing member shall contain the following values
Trade date
Trading member /Custodial participant code
Initial margin
Net buy premium
Extreme Loss Margin
MTM Loss
Total margin (Initial margin +Net Buy Premium + Extreme Loss Margin + MTM Loss)

MTM Loss in CUR_MG18 shall be in respect of currency futures contract on INR pairs

MTM Loss in IRF_MG18 shall be in respect of interest rate futures contract

MTM Loss in X_PROV_MG18 shall be in respect of interest rate futures and currency futures contract on INR pairs

MTM Loss in X_MG18 shall be in across all futures contracts