

**Department: Inspection**

**Segment: All Segments**

**Circular No: MSE/INSP/7572/2019**

**Date : April 23, 2019**

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**Subject: Use of Client collateral by Stock Brokers**

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This has reference to SEBI circular no. MRD/DOP/SEC/Cir-11/2018 dated April 17 2008 and Exchange circular no. MCX-SX/INSP/34/2008 dated November 24, 2008 which inter-alia, provide that client collateral/securities shall not be used for purposes other than meeting clients margin requirements/pay-in or as may be stipulated in "Rights & Obligation Document".

In view of the above, it is reiterated that strict compliance with the provisions relating to use of client collateral should be ensured by Members.

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

Mahendra Choudhari  
Asst. Vice President – Inspection

In-case of any query kindly contact Inspection Department on 6112 9000 or mail on [compliancemsx@msei.in](mailto:compliancemsx@msei.in)