

Department: Membership	Segment: All
Circular No: MSE/MEM/9963/2021	Date : January 07, 2021

Subject: Refund of security deposit

To All Members,

This is in modification to the Exchange Circular Ref. No. MCX-SX/MEM/519/2011 dated February 09, 2011 regarding refund the deposit of the Member with the Exchange after SEBI cancellation of the registration of the Member and retention of deposits of the Member post the surrender of membership.

SEBI has issued circular SEBI/HO/MIRSD/FCR/CIR/P/2021/01 dated January 06, 2021 on the refund of security deposit norms. Copy of the SEBI circular is attached as **Annexure A**.

Accordingly, the refund of security deposits / BMC with the Exchange will be as under:

- A. **For trading members who have engaged in trading on behalf of clients:** On approval of application for surrender of Trading Member's registration by SEBI, the Exchange shall release Security Deposit of the Trading Member after the period mentioned at point a) or b), whichever is earlier:
- (a) After completion of three years from the date of receipt of surrender application by Exchange from the Trading Member, or
 - (b) After completion of five years from the date of disablement of Trading Member's trading terminals by the Exchange.
- B. **For trading members who have engaged only in proprietary trading in last three years prior to the date of application:** On approval of application for surrender of Trading Member's registration by SEBI, the Exchange shall release Security Deposit of the Trading Member after the period mentioned at point a) or b), whichever is earlier:
- (a) one year from the date of receipt of surrender application by exchange from the Trading Member, or
 - (b) three years from the date of disablement of Trading Member's trading terminals by the Exchange

The above guidelines of SEBI will be applicable with immediate effect.

Members are requested to take note of the same.

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

**Hansen Cardoza
AVP-Membership Department**

Metropolitan Stock Exchange of India Limited