



CIRCULAR

SEBI/HO/CDMRD/CDMRD\_DRM/P/CIR/2021/689

December 16, 2021

To

The Managing Directors / Chief Executive Officers

Of All Clearing Corporations having Commodity Derivatives Segment

Sir / Madam,

**Sub: Cut-off Time for generation of last Risk Parameter File (RPF) for client's margin collection purpose and modification in framework to enable verification of upfront collection of margins from clients in commodity derivatives segment**

1. Reserve Bank of India (RBI) in its '*Statement on Developmental and Regulatory Policies*' dated October 09, 2020 had announced that the Real Time Gross Settlement System (RTGS) will be available round the clock on all days of the year from December 2020. The National Electronic Funds Transfer (NEFT) system is also made available round the clock since December 2019 by RBI.
2. SEBI vide Circular no. [SEBI/HO/CDMRD/DRMP/CIR/P/2019/149](#) dated November 29, 2019 had mandated that the cut off time for the purpose of determining minimum threshold of margins (Initial Margin/Extreme Loss Margin) to be collected by Members from their clients shall be 5:00 PM for commodity derivative contracts having trading hours beyond 5:00 PM due to the limitations with availability of banking channels beyond 5:00 PM.
3. As both RTGS and NEFT facilities are now functional round the clock on all days, SEBI Circular no. [SEBI/HO/CDMRD/DRMP/CIR/P/2019/149](#) dated November 29, 2019 stands withdrawn. Consequently, the Risk Parameter Files currently used by the Clearing Corporations for collecting margins from the Members shall also be used for generating margin obligations from the clients throughout the trading hours in the commodity derivatives segment.
4. Accordingly, in the framework prescribed for enabling verification of upfront collection of margins from clients vide SEBI Circular no. [SEBI/HO/MRD2/DCAP/CIR/P/2020/127](#) dated July 20, 2020, para 2 of clause (i) of Annexure to the circular is modified as under:



**भारतीय प्रतिभूति और विनिमय बोर्ड**  
**Securities and Exchange Board of India**

*“Further, for commodity derivatives segment, clearing corporations shall send an additional minimum two snapshots for commodity derivative contracts which are traded till 9:00 PM and additional minimum three snapshots for the commodity derivatives contracts which are traded till 11:30/11:55 PM. Margins/EOD margins shall be determined as per the relevant Risk Parameter Files.”*

5. The circular shall be effective from **January 15, 2022**.
6. This circular is issued in exercise of the powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act, 1992, to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.
7. This circular is available on SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in).

Yours faithfully,

**Priyanka Mahapatra**  
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