

February 06, 2012

Collection of Margin from Clients

<p>Requirement</p>	<p>The Member shall buy/sell future contracts on behalf of his constituents only on receipts of margin of minimum such percentage as the Exchange may decide from time to time, on the price of the future contracts proposed to be purchased/sold unless the client already has an equivalent credit with the member.</p> <p>Margin deposits received by members from their clients in any form shall be accounted for and maintained separately in segregated accounts and shall be used solely for the benefit of the respective client’s positions.</p> <p>Margin collected from clients should be liquid in nature and in the beneficial ownership of the depositing client. The margin collected from clients may include cash, fixed deposits, credit balances, bank guarantees, approved securities, warehouse receipts, etc.</p>
<p>Benefits</p>	<p>To safeguard constituents and member of the Exchange from the risks associated with trading in Commodity market thereby increasing healthy trading in the market.</p>
<p>Reference</p>	<p>Bye Laws 8 Business Rule 27 (r) Circular No. MCX/012/2006 dated January 10,2006 Circular No.MCX/COMP/250/2009 dated June 09, 2009 Circular No. MCX/COMP/113/2010 dated April 05, 2010 Circular No. MCX/COMP/429/2010 dated December 04, 2010</p>
<p>The Bye-Laws, Rules, Business Rules and Circulars are available on our website www.mcxindia.com under the link Downloads. Members can also refer to all the volumes of the Compliance Awareness Series on our Website www.mcxindia.com under the link Membership>Compliance>Compliance Awareness Series.</p> <p>We also request members to read the FAQs available under the link Membership on our website.</p>	