

SEBI Extends Margin Pledge System Deadline

The Securities and Exchange Board of India (SEBI) vide its **Circular No. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/118 dated August 18, 2025**, has extended the timeline for the implementation of its new circular on margin obligations. The circular, originally set to take effect on September 1, 2025, now has a new implementation date of October 10, 2025.

The SEBI's decision came in response to representations from both the Central Depository Services (India) Limited (CDSL) and the National Securities Depository Limited (NSDL), which requested additional time. According to the depositories, the extension is necessary to complete system developments, conduct thorough end-to-end testing, and ensure a seamless transition for all market participants and investors.

The Circular, titled "*Margin obligations to be given by way of pledge/Re-pledge in the Depository System*," aims to protect investors and regulate the securities market. Accordingly, the SEBI has directed all stock exchanges, clearing corporations, and depositories to inform their members and participants of the new timeline, make necessary system and procedural changes, and amend their by-laws, rules, and regulations to ensure compliance with the new provisions.

Link - https://www.sebi.gov.in/legal/circulars/aug-2025/extension-of-timeline-for-implementation-of-sebi-circular-margin-obligations-to-be-given-by-way-of-pledge-re-pledge-in-the-depository-system-dated-june-03-2025_96126.html