

Securities Lending and borrowing Mechanism (SLBM)



What is SLBM?

- **Stock Lending & Borrowing Mechanism (SLBM)** is a facility which allows long term investors to earn on their idle shares.
- It's a market practice whereby securities are temporarily transferred by the lender to the borrower via an approved intermediary.



Mr. Amit has idle shares in his portfolio.



STOCK EXCHANGE



Mr. Amit receives back his shares and a lending fee

Stock Lending and Borrowing Mechanism (SLBM) is a facility which allows long term investors to earn on their idle shares.

SLBM is facilitated by **National Securities Clearing Corporation of India (NSCCL)**, the clearing corporation of **National Stock Exchange of India (NSE)** as well as by **Indian Clearing Corporation Limited (ICCL)**, the clearing corporation of **Bombay Stock Exchange (BSE)**

All borrowing and lending are Cleared, Settled and Guaranteed.

Why SLBM?



- Incremental return to idle portfolio
- Low risk option
- Also secures your precious holdings

Salient Features

- SLB Contracts up to 1 year (12 monthly contracts)
- Early Recall
- All borrowing & lending are **cleared, settled and guaranteed**
- Fixed rate of Interest