

Dear Client,

Sub: New Important Regulatory Changes from 1<sup>st</sup> Aug 2020

SEASON'S GREETINGS!

Kindly note that SEBI is introducing New Upfront Margin System for buying as well as selling of shares in all the segments i.e. Cash Market (both delivery and intra-day trades) as well as F&O with effect from 1st August, 2020.

### **New Margin pledge-repledge system starts from 1<sup>st</sup> August 2020 in parallel with existing margin collateral system**

- POA stock cannot be considered as margin collected.
- Collateral benefit shall be given to clients for existing shares up to 31st Aug 2020.
- **Stocks cannot be moved to Brokers account for collateral after 31<sup>st</sup> Aug 2020.**
- **Existing shares given as collateral by the clients should be returned to clients account before 31<sup>st</sup> Aug 2020 and Margin Pledge be created to avail exposure benefit.**
- In case Client has not given POA or client is having Demat account with Outside DP Margin Pledge can be created through Physical Margin Pledge Request Form or electronic pledge request can be made through CDSL easiest or NSDL Speed-e.
- In case client has given POA, PCS will create Margin Pledge on behalf of client.
- Clients need to authorise the Margin pledge created by PCS DP through OTP (link will be sent to clients registered email and mobile)
- Clients can verify pledge/ re-pledge details in DP statement.
- Clients are requested to confirm their Mobile No and email Id with their concerned Sub-Broker/ Branch or with HO and update the same if there is any discrepancy as OTP and further communication will be sent only to registered mail id and mobile number.

### **Cash Segment Margin Reporting**

- In case of Buy order or Intra-day ensure credit is available in the clients ledger or shares are pledged to the extent of VAR+ELM of the Order Value after haircut. Click "Shift+F7" in Odin terminal to get the values of VAR+ELM Or click the below links to calculate the VAR+ELM

[NSE Cash Segment Margin Calculator](#)

[Bse Var+ELM link](#)

- Shares bought today and sold on next trading day (BTST) margin benefit will not be given.
- Mark to Market Margin (MTM loss) and additional margins shall be collected up to T+2 Working days.
- The penalty provision for short-collection / non-collection of upfront margin in cash segment shall be implemented with effect from September 01, 2020.
- Margin benefit will be given for Buying against shares Sold on same day if shares are available in Demat account of Client (With POA) to enable early pay-in (EPI) of shares.
- For Clients who have DP Accounts with PCS without POA, they need to transfer the shares to PCS Pool Account first and then only they will be able to sell. The same is case with Clients who have Demat accounts with other Depositories.
- Cheques received on or before Trading day and deposited on Trading +1 day (excluding bank holiday, if any), will be considered for upfront Margin, provided the same is cleared within T+5 working days.
- Client(s) are advised to use online payment gateway provided on mobile trading app, online trading login as well as link provided on our website.
- If shares in Collateral are given to CM or CC and the same is sold then the Margin benefit will not be given as shares pay-in will be done on T+2 days.
- In case of sale of shares available in Demat account of client (With POA), upfront margin is not required as early Pay-in (EPI) of shares will be done.
- Intraday realized profit will not be available for Margin on Trading Day as same will be realized on T+2 Days.

We sincerely request for your co-operation in meeting your trading needs in the ever changing environment.

For any clarification, if any, please contact your branch or RMS at HO on 040-49457704 or mail to [pcsrms@pcssecurities.co.in](mailto:pcsrms@pcssecurities.co.in)

Thanking You  
For PCS Securities Limited

Authorised Signatory

Also refer below Link

- 1) SEBI circular dated 25.2.2020: [https://www.sebi.gov.in/legal/circulars/feb-2020/margin-obligations-to-be-given-by-way-of-pledge-re-pledge-in-the-depository-system\\_46082.html](https://www.sebi.gov.in/legal/circulars/feb-2020/margin-obligations-to-be-given-by-way-of-pledge-re-pledge-in-the-depository-system_46082.html)