



Central Depository Services (India) Limited

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COMMUNIQUÉ TO DEPOSITORY PARTICIPANTS

CDSL/OPS/DP/POLCY/2020/382

September 07, 2020

MARGIN PLEDGE / MARGIN RE-PLEDGE IN THE DEPOSITORY SYSTEM

DPs are advised to refer CDSL Communique nos. **CDSL/OPS/DP/POLCY/2020/234** dated May 22, 2020 and **CDSL/OPS/DP/POLCY/2020/309** dated July 16, 2020 regarding operational modalities and various file formats for implementation of the SEBI Circular no. **SEBI/HO/MIRSD/DOP/CIR/P/2020/28** dated February 25, 2020 regarding Margin Obligations to be given by way of Margin Pledge (MP) / Margin Re-pledge (MRP) in favour of Trading Members (TM) / Clearing Members (CM) and Clearing Corporations (CC) respectively. CDSL further issued communique no. **CDSL/OPS/DP/POLCY/2020/328** dated July 30, 2020 regarding SEBI circular **SEBI/HO/MIRSD/DOP/CIR/P/2020/143** dated July 29, 2020 with respect to Margin obligations to be given by way of MP/ MRP in the Depository system which has been implemented effective from August 01, 2020 and discontinuation of title transfer of securities collateral mechanism effective from August 31, 2020.

DPs are hereby informed that SEBI vide its email dated August 31, 2020 has advised to create awareness among investors with regard to procedure of pledge / re-pledge of securities and placing them as collateral with their Trading Member (TM) / Clearing Member (CM) and TM / CM shall, inter alia, accept collateral from clients in the form of securities, only by way of 'Margin Pledge', created in the Depository system.

DPs are advised to take note of the same and ensure compliance.

Queries regarding this communiqué may be addressed to: **CDSL – Helpdesk** on (022) 2305-8642, 2305-8663, 2305-8624, 2305-8640 or 2305-8639. Emails may be sent to: helpdesk@cdslindia.com.

sd/-

Prashant Kokate
Asst. Vice President – Operations