

RMS Policy Changes w.e.f August 01, 2020

Dear Sir/Madam,

With respect to regulatory changes following are the changes in our RMS Policy Applicable from 01 August 2020 till 31 August 2020.

- 1) Limits will be given to clients only on upfront margins in FAO, CDS and Commodity Segments
- 2) Additional limits will be given based on confirmation on collection of funds (by Cheque / Transfer details) and /or on confirmation of pledge of shares by CDSL and / or on transfer of shares to collateral
- 3) Limit calculation will be as follows, **See Example 1**
 - a. Haircut will be as per current system (PL Haircut)
 - b. T-1 day cash segment sell margin utilization values are adjusted against the available deposits on T-day
 - c. DP-POA, Collateral, CUSA, BTST, POA Pledged & NON-POA Pledged stocks are considered for margins
 - d. Credit for sale benefit will be given after adjusting PL Haircut, **See Example 2**
- 4) End of day Shortage of margins will be checked with available collateral margins, if there is any shortfall shares will be moved from POA to collateral to meet margin requirement
- 5) In MTF, upon sale of MTF collateral stocks credit for sale benefit will be given post stock haircut. **See Example 2.** Rest there is no change in MTF.
- 6) In Options, Credit for Sale (CFS) for carry forwarded option long positions will not be given in Carry forward product but CFS benefit will be given only in intraday Product, **See Example 3.**
- 7) Booked Profits for the day will not be allowed to take fresh positions in Derivative Carry forward

Stock Category

Particulars	Margin Benefit	Sell Allowed	Credit For Sale	HAIRCUT	CFS HAIRUCT
DP-POA Unpledged	YES	YES	YES	PL HAIRCUT	PL HAIRCUT
BTST	YES	YES	YES	PL HAIRCUT	PL HAIRCUT
POA Pledged	YES	YES	YES	PL HAIRCUT	PL HAIRCUT
CUSA	YES	YES	YES	PL HAIRCUT	PL HAIRCUT
PL Collateral	YES	YES	YES	PL HAIRCUT	PL HAIRCUT
MTF - Collateral	YES	YES	YES	PL HAIRCUT	PL HAIRCUT

Example 1:

Ledger Balance (A) : 1,00,000

DP-POA/ Collateral/CUSA / Pledged/BTST Stock Value After Haircut (B): $(2,00,000 - (20\% * 2,00,000)) = 1,60,000$

T-1 Cash segment sell Margin (C) : 40,000

Available Deposit for trading: $A + B - C = 100000 + 160000 - 40000 = 2,20,000$

Example 2:

Gross Stock Value – Rs.2,00,000

PL Haircut – 20%

Stock value After Haircut – $(2,00,000 - (20\% * 200,000)) = 1,60,000$ Upon sale of stock - Credit for Sale Benefit after Adjusting PL Haircut = $(200,000 - (20\% * 200,000)) = 1,60,000$ **Example 3:**

Ledger Balance (A)- 50,000

Carry forwarded Option Long position – 1,50,000

Upon sale of Option long position, Credit for sale of Option positions can be used in following scenarios.

Particular	Cash Intraday	Cash Delivery	Future Intraday	Option Intraday	Future Carry Forward	Option Carry Forward
Option Long CFS	YES	YES	YES	YES	NO	NO
Available Deposit after sale of Option	2,00,000	2,00,000	2,00,000	2,00,000	50,000	50,000

For Prabhudas Liladher Private Limited

Sd/-

Authorised Signatory

Prabhudas Lilladher Private Limited

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DP REGN. NO.: IN-DP-439-2019 [CDSL-ID: 12011300 I NSDL-ID: IN303868] I PMS - INP000001231.

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