



ISS Enterprise Limited

(Erstwhile : ISE Securities & Services Ltd.)

Corporate Office : 6th Floor, 601, "Dakshna" Next to Raigad Bhavan, Sector - 11, CBD - Belapur, Navi Mumbai - 400 614, Tel : (022) 61829500, Fax : (022) 61829547, e-mail : helpdesk@iseindia.com
Internet URL : <http://www.isesec.com>, **Investor grievance e-mail :** invgrieviss@iseindia.com
CIN : U67100MH2000PLC123707



Ref.: 20-21/ISS/CNS/ 7512/NK
July 24, 2020

To:
All Registered Intermediaries of ISS

Dear Sir,

Sub.: New pledge system.

Members are requested to note that how new pledge system will work toward Initial Margin (I.M) and Exposure margin (E.M) requirement:

Common Procedure: Shares will be in client demat a/c at all times in below 3 options. Further for all the below 3 options an OTP with hyperlink will be sent to client by CDSL on his registered mobile and email as per CDSL records. On clicking the said link client will be prompted to enter the details viz. BOID, PAN and Date of Birth (Date of Incorporation in case of corporate clients). The Client can verify the securities and their quantity which can be pledged and input the OTP. Once the OTP is confirmed by client shares may be visible in Client Securities Margin Pledge a/c (CSMPL). Pledge can be created even if the securities are not lying in client demat a/c at the time of pledge.

Securities under this margin pledge system shall not be sold unless the same is unpledged and are showing as free balance in clients demat accounts. ISS will not be responsible for any auction if client/A.P sells pledged shares.

Only approved scrips would be taken for margin pledge by ISS. Approved Securities will be intimated to APs/Clients on a regular basis and the same will reflect in NSE website. We will also try to make it available in back office under circular upload.

1. Option-1: POA clients: AP/Client enters the pledge instruction in back office to pledge the shares to ISS. (A.P to send email to cns@iseindia.com till back office is ready). A.P's can also call our CNS team on 022-4194 6316 or 87794 73698 to Mr. Arun and query. (Please call 022-4194 6316 only as it is a recorded line.)
2. Option-2: Clients who have not given POA or if their shares are in outside ISS DP:
 - a. Submit Margin Pledge / Repledge request Form (MRPF) to their DP with the pledgor a/c as (Form enclosed.)
 - b. For un-pledging submit Margin Unpledge Request Form (MURF). (Form enclosed.)

Account	SUB-TYPE	CDSL DP-id	CDSL Client id	NSDL DP-id	NSDL Client id
Client Securities Margin Pledge Account	Corporate TM/CM CMPA	13023400	00581481	IN001019	10011955

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SEBI Registration No. INZ000157633

Registered Office : International Infotech Park, Tower No. 7, 5th Floor, Sector - 30, Vashi, Navi Mumbai - 400 703. Tel. : (022) 2781 2056

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3. Option-3: pledge electronically through EASIEST facility of CDSL or Speed-e of NSDL
4. Tariff payable by client:

Type	CDSL	NSDL (as charged by Bank Of India (BOI) to us)*
Pledge	Rs.24 per ISIN	Rs.60 per ISIN
Un-Pledge	Rs.24 per ISIN	Rs.60 per ISIN

**We have to open a demat account with BOI as inter depository pledge is not allowed as of now , so Clients having NSDL demat a/c will have to pledge through our NSDL a/c with BOI only.*

5. Circular in Detail:

We would like to inform major changes in the way you will be getting limits due to regulatory changes. We request you to refer to the below circulars which we will be quoting below for reference.

1. SEBI/HO/MIRSD/DOP/CIR/P/2020/28 dated 25.02.2020.
2. SEBI SEBI/HO/MIRSD/DOP/CIR/P/2020/ 88 dated 25.05.2020
3. SEBI press release PR No.29/2020 dated 26.05.2020
4. SEBI/HO/MIRSD/DOP/CIR/P/2020/88 dated 25.06.2020
5. NSE NCL/CMPT/45087 dated 21.07.2020

As per the above circulars w.e.f 01-Aug-2020 , We will have to collect upfront Initial Margin (**I.M**) and Exposure margin (**E.M**) from Clients before order placement in the cash segment just like F&O and CD segments. To avoid cash payment, clients have the option to pledge the securities towards I.M and E.M. Shares will remain in client demat a/c and they will be lien marked in our favour once Client pledge the securities in our favour. We in turn may pledge the securities to the Clearing Corporation in case of Cash segment and F&O. Shares may be pledged to our Clearing Member in case of CD segment. However Market-To Market (MTM) margin has to be paid by NEFT/RTGS only by the client. Cheques if taken should be cleared on T+1 before 12 P.M. (*Avoid cheques please, same day clearance not possible practically*). Cheque deposited after 12 P.M in HDFC bank will get cleared only the next day at 7:30 a.m. T+2 and client may end up getting penalized for MTM

Since the shares will be in Client own demat a/c he/she will get TDS, dividend, rights and other corporate actions faster.

Pledge can be made by ISS through POA -if the client had given the same to us at the time of account opening. Clients can also fill up the Margin Pledge / Repledge request Form (**MRPF**) or pledge electronically through EASIEST facility of CDSL or Speed-e of NSDL. If a client is pledging from a demat account other than ISS Enterprise, then he needs to quote one of the demat a/c no's mentioned above to his DP.

Additional Safety: whether Client chooses to pledge through POA or MRPF or Easiest or Speed-e , he/she will receive an OTP or Pledge Approval Code from CDL\NSDL Refer common procedure subheading paragraph given above.

Hence, clients can be rest assured there is no possibility of mis-use of POA or MRPF.

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Please note that mere presence of shares in client demat a/c with POA will not be considered as margin collected w.e.f 01-Aug-2020.

- Also kindly note that client was getting limits based on your Authorized Person (A.P*) deposits but due to the new exchange rules of margin requirement we will not be able to consider the A.P deposits towards your various margins. However the A.P deposit will be considered for giving limits for intraday so that client gets time till EOD to transfer the margin amount or pay the trade amount in full. It is suggested that you advise the client to keep a cash amount of Rs.20, 000 (approx.) in his ledger at all times towards MTM margin. He can keep securities towards I.M & E.M as explained above. His securities and funds will be released once a quarter towards "Settlement of Funds and Securities" after retaining pay-in and stipulated additional margin retention as per regulatory compliance. *(We are representing the exchange through Brokers Forum to do away with unpledging of shares for quarterly settlement as shares are going to be in client demat account only so why should he/she bear un-pledge and repledge charges every quarter which is not cheap.)*

Failure to provide margin (I.M, E.M and MTM will result in penalty being levied and client trading being suspended till his/her obligations are met.

You can contact CNS or our helpdesk team at 022- 618295- 26/27/28/29 or write mail at helpdesk@iseindia.com, cns@iseindia.com for any further clarification.

Thanking you,

Yours faithfully
For ISS Enterprise Ltd.
(Erstwhile: ISE Securities & Services Limited)

Nayana Karande
Clearing & Settlements.

Encl: As Above.

MARGIN PLEDGE / REPLEDGE REQUEST FORM (MPRF)

- ☐ Setup of Margin Pledge ☐ Setup of Margin Re-Pledge ☐ Confirmation of Margin Pledge
☐ Confirmation of Margin Re-Pledge

ISS ENTERPRISE LIMITED- DPID 13023400

Corporate Office : 6th Floor, 601, Dakshna Building, Next to Raigad Bhavan, Sector-11, CBD-Belapur, Navi Mumbai – 400614
 Tel : (022) 61829518/519/551

Registered Office : International Infotech Park, Tower No. 7, 5th Floor, Sector-30, Vashi, Navi Mumbai-400 703
 Tel : 022 27812056; Investor grievance e-mail : ig@iseindia.com

Please fill all the details in **Block Letters** in English

MPRF No.		Date	D	D	M	M	Y	Y	Y	Y
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I/We request you to **create the margin pledge, re-pledge / confirm the creation of margin pledge / re-pledge** for the following securities. I/We have read and understood the Depositories Act, SEBI Regulations and the Bye Laws in relation to margin pledge of securities and I/We agree to abide by and be bound by the Act, Regulations and the Bye Laws as are in force from time to time for such pledges.

Pledgor's Details													
DP ID										Client ID			
UCC													
CMID													
CMID/CC CODE													
STOCK EXCHANGE					CLEARING CORPORATION					SEGMENT			
Pledgor's Name	1								2				
	2								3				
	3												

Pledgee's Details													
DP ID										Client ID			
Pledgee's Name	1.												
	2.												
	3.												

Details of Securities: ☐ Free Securities ☐ Locked-in Securities

Details of Securities offered for Margin Pledge/Margin Repledge							
Sr. no	ISIN	Company Name	Quantity	Date of Release (lock-in)	PSN (System Generated)	Accepted / Rejected by Pledgee	Pledged value

Attach an annexure duly signed by the account holder(s), if the space above is insufficient.

Pledge Execution Date	D	D	M	M	Y	Y	Y	Y
Pledge Expiry Date	D	D	M	M	Y	Y	Y	Y
Total Pledge Value (Rs.)								
Agreement No.								
Date of Pledging	D	D	M	M	Y	Y	Y	Y

Note : As a pledgor and pledgee, We are aware that the margin pledge / re-pledge recorded in the system only prohibits the Pledgor from dealing with securities until redemption/maturity/expiry date of the securities margin pledged and that the records of margin pledged securities may be removed from the system as a result of redemption/maturity/expiry of the securities.

To be filled and signed in case of Set-up of ☐ Margin Pledge ☐ Re-pledge by Pledgor BO

Signature of the Pledgor		
First/ Sole Applicant	Second Applicant	Third Applicant

To be filled in case of acceptance of ☐ Margin Pledge ☐ Re-pledge by Pledgee BO

Signature of Pledgee(s)

First Holder	Second Holder	Third Holder

Depository Participant Seal and Signature

Margin Unpledge Request Form (MURF)

☐ Margin Pledge release by Pledgor ☐ Margin Pledge release by Pledgee ☐ Margin Repledge release by Pledgor ☐ Margin Repledge release by Pledgee

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Please fill all the details in **Block Letters** in English

MURF No.		Date	D	D	M	M	Y	Y	Y	Y
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I/We request you to set up margin **Unpledge** request on my / our behalf. I / We have read and understood the Depositories Act, SEBI Regulations and the Bye Laws in relation to margin unpledge of securities and I / We agree to abide by and be bound by the Act, Regulations and the Bye Laws as are in force from time to time for such margin unpledge requests.

Pledgor's Details														
DP ID								Client ID						
UCC														
CMID														
CMID/CC CODE														
STOCK EXCHANGE				CLEARING CORPORATION					SEGMENT					
Pledgor's Name	1													
	2													
	3													

Pledgee's Details													
DP ID								Client ID					
Pledgee's Name	1.												
	2.												
	3.												

Date of Execution	D	D	M	M	Y	Y	Y	Y
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Sr. No	PSN	ISIN	Name of the Security	Total Quantity pledged	Quantity to be unpledged	Accepted / rejected by Pledgee

Attach an annexure duly signed by the account holder(s), if the space above is insufficient.

The ☐ Margin Pledge release ☐ Margin Repledge release request is being set up for the reasons mentioned hereunder: -

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I / We declare that the above particulars given by me/ us above are true to the best of my/ our knowledge.

To be filled and signed in case of Set-up of pledge release by Pledgee BO

Signature of the Pledgee		
First/ Sole Applicant	Second Applicant	Third Applicant

To be filled and signed in case of Set-up of pledge release by Pledgor BO

Signature of the Pledgor		
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First / Sole Applicant	Second Applicant	Third Applicant

Depository Participant seal and signature