

Detailed process note on Margin Pledge / Unpledge for clients having POA & Non POA Demat Accounts with LKP Securities Ltd., and outside demat accounts with other depositories -

- ❖ At LKP Securities Ltd., we have opened following TCM - Client Margin Pledge Accounts wherein clients need to pledge securities for exposure \ limit and margin obligation purpose.

Sr. No.	Description	Depository	TCM - CMA Demat ID
1.	Customer having CDSL Demat Account	CDSL	1203000001353725
2.	Customer having NSDL Demat Account	NSDL	IN303622/10038514

- ❖ At LKP Securities Ltd., Pledge and Unpledge process will be executed in two batches during a day -

Sr. No.	Batch Timings	Remark
1.	Request Received till 1.00pm	Will be executed on same working day
2.	Request Received after 1.30pm	Will be executed for next working day

- ❖ **Clients Having POA Demat Accounts with LKP Securities Ltd. -**

In software we have developed the options to enter pledge request as under -

- Client can give pledge request from client level back office software (LKP BOSS - <https://bo.lkp.net.in/ldclientlevelh/#Login>).
- LKP Zonal office employee can enter request on behalf of clients from Zone \ Branch back office software login.
- LKP can enter request on behalf of clients from HO back office software login.

- ❖ **Screen shots to enter Margin Pledge Request :-**

- **Pledge request by client from Client Level Back Office Software (LKP BOSS - <https://bo.lkp.net.in/ldclientlevelh/#Login>)**



- Pledge request from HO and Zone \ Branch Back Office Software (Option → Day To Day → Demat Stock Transfer → POA Margin Pledge Request)

Poa Margin Pledge Request | Current Pledge Status

Search Criteria
 Client Code: [] Scrip Code: [] Pledgee DP ID: IN301604 Transaction Date: 06/07/2020 Market Rate Date: 05/08/2019

Details

Client Code	Client Name	Scrip Code	Scrip Name	ISIN Code	POA DP Code	POA DP ID	Product Code	Free Quantity	Emark Quantity	Net Free Quantity	Market Rate	Valuation factor	Emark Value	Quantity to Pledge	Value Pledged
		37001	ASHAPURA MINECHEM	INE348A01023				0	1.00	0.00	1.00	30.05	0.6000	0.00	0.00
		209	INFOSYS LTD	INE009A01021				0	75.00	0.00	75.00	776.70	0.6000	0.00	0.00
		32868	DLF LTD	INE271C01023				0	100.00	100.00	0.00	164.90	0.6000	9,894.00	0.00
		32754	GMR INFRASTRUCTURE	INE776C01039				0	1,000.00	100.00	900.00	14.75	0.6000	885.00	0.00
		33519	L&T FINANCE HOLDINGS	INE498L01015				0	200.00	0.00	200.00	94.80	0.6000	0.00	0.00

❖ Margin Pledge request - only for POA clients

Once pledge creation is initiated by Client or by LKP on behalf of clients -

- LKP will send required file to depository team (DP) towards initiated pledge request and data will be submitted to CDSL depository.
- CDSL will send a message along with a link on client's registered mobile number and email id which is mapped in his\ her demat account.
- The aforesaid link mentioned in above will remain valid till OTP authentication for 15 minutes or EOD of the Execution Date of the Margin pledge transaction as the case may be. On clicking the said link client will be redirected to Depository webpage and prompted to enter his PAN or BOID / Demat A/c No. (Mandatory in case of PAN exempted clients).
- Once the valid PAN / BOID / Demat A/c No. is entered by the client, list of all Margin Pledge transactions pending for authentication will be displayed to the client. After verifying the details, client will be allowed to select single or multiple Margin Pledge transactions with a facility of 'Select All' option.

- On selection, a provision to generate OTP will be given to client. On clicking 'Generate OTP' button, OTP will be generated and sent on registered Mobile Number and registered Email ID of the client.
- OTP will remain valid for 15 minutes. On expiry of OTP, client will again be required to follow process of selecting the Margin Pledge transactions and re-generate OTP.
- Once OTP is received by client, he \ she needs to enter OTP on given screen and need to submit it.
- Once OTP is submitted, respective depository will ask customer to confirm pledge acceptance \ creation.
- Once confirmation is agreed by customer, he \ she will receive message from CDSL depository as "Selected transaction verified successfully".
- In turn CDSL depository will send confirmation file towards pledge acceptance by customer to member (LKP) within approximately 30 minutes.

❖ Margin Pledge Process -NON-POA/ Outside DP clients:

- Pledge process for Clients who have not given POA will have to visit their respective depository's website/App to initiate pledge on stocks.
- Stocks need to be pledged in favor of: LKP Client Securities Margin Pledge.
- Once the pledge is initiated in favor and acknowledged by LKP, they will get limits against stocks collateral and their pledged stocks will be considered for exchange margin reporting.
- Pledge can be initiated via CDSL Easiest or NSDL Speedy applications.

❖ Unpledge Process -POA clients /NON-POA/Outside DP clients -

a. For Clients with POA Demat Account :

- If clients have sold securities which they have pledged, software will identify such instances and will be unpledged on T+1 day. On T+2 day morning **ON MARKET** pay in instruction will be submitted to DP to fulfill clients sell obligations if any.
- If clients want to transfer shares to any other Demat A\c through **OFF MARKET** which they have pledged, he \ she needs to send an email (before one working day) to respective zonal office team \ to HO. Once it is approved by respective approver \ risk team at HO, securities will be unpledged within one working day.

b. For Clients with NON POA Demat Account :

- If client wish to sell any securities which are pledged with LKP, he \ she will have to unpledge securities **prior to 1 working day before selling.**
- If client wish to transfer shares which are pledged with LKP through off market \ inter depository to settle their outside obligations, he \ she will have to send an email (before one working day) to respective zonal office team \ to HO. Once it is approved by respective approver \ risk team at HO, securities will be unpledged within one working day.