

To

27.08.2022

All Clients/Terminal Holders/Authorised Persons/Branch Heads

Greetings of the day

We are sending this communication to inform you about 2 (Two) new guidelines issued by SEBI.

1. Running Account Settlement

As you all know that clients have an option to maintain a Running account with its Broker. Such Running accounts are required to be Settled at least once in every 30/90 days as per the choice of the client. As per new guideline issued by SEBI such running accounts are to be settled mandatorily on first Friday of the Calender Month/Calender Quarter as per the choice of the Client. This new guideline will be applicable from 01.10.2022.

2. Allocation of Client Collateral

SEBI has made it mandatory to allocate the funds at client level on daily basis. As a result, each client has to maintain the sufficient margin before placing the order. Such Margin can be in the form of Cash or Collateral i.e. Pledge of Shares in the manner that at least 50% of the required margin is in the form of Cash. This guideline is applicable w.e.f. 01.06.2022.

Further SEBI has given a relaxation that any shortfall in the cash component of required margin can be replenished by the broker from his own fund, subject to the full margin obligation is fulfilled by the client by the way of pledge of shares or any other approved collateral.

Hence FAST has decided to give exposure to its clients to the tune of margin money deposited by the said client in the form of shares or any approved form, regardless of the cash/non cash ratio and FAST will replenish the fund required to maintain the cash/non cash Ratio. Such fund will attract an interest @ 15% P.A. on day to day basis. In this connection please note that unclear cheques will not be considered as margin deposit as per exchange guidelines. So we encourage to make payments online.

Please take a note of both the requirements and make necessary arrangements to avoid any non-compliance/penalty.