



Margin Trading Facility
(MTF) FAQ's

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1. How do I activate Margin Trading Facility?

It's very simple, available online.

Just follow anyone of the below steps:

1. **Email:** Mail to customer.service@ysil.in from your registered email address following below guidelines
 - Subject Line: Activate Margin Trading <Account Code>.
 - (EG: Activate Margin Trading 1234567)
2. **Contact your Equity Dealer:** You need to provide your consent over email initiated by your dealer to start the MTF activation process.
3. **Physical Activation Request:** Customer can sign enrolment form and give the physical acceptance letter of T&C and send to YES Securities (India) Ltd for MTF activation.

2. How long will it take to activate Margin Trading Facility after giving request/consent to enable it?

If you have given your consent by any of the above modes before 3PM (working day), your request will be processed at the end of day and you will be able to use Margin Trading Facility from next working day. Requests received after 3PM (Working day) will be processed on the next working day and you will be able to use the Margin Trading facility on T+2 day onwards.

3. What is the benefit of Margin Trading Facility?

- You can carry equity cash delivery position by maintaining margin only. The margin can be in the form of stocks or cash.
- Up to 4x leverage
- Longer holding period

Eg: As YES Securities India Limited provides funding for the shares bought by you; you need to pay only part of total value of shares bought. E.g. If you buy Infosys shares worth Rs.1, 00,000/-, you are required to pay 25%* i.e.Rs.25000/- and balance Rs.75000/- will be funded by YSL on behalf of you at the time of pay-in. This 25% can also be in the form of stocks collateral.

* % of the Margin may vary from time to time.

4. Do I need to open two Demat accounts to avail Margin Trading Facility?

No.

5. What if the value of stocks under collateral for margin trading appreciates due to market movement?

Your margin from collateral stock will get increased and you can use the same to create further positions under Margin Trading Facility.

6. What if my stocks bought under Margin Trading Facility get appreciated? Will I get additional margin on it?

No! You will not get any benefit in the form of margin for any appreciation of stocks bought under margin trading.

7. What if I receive dividend on collateral stocks?

Dividend will be credited to your linked bank account.

8. What will be the interest calculation?

Interest will be charged on the total debit amount in your trading account. In case if you have sufficient credit under normal segment to cover margin trading debit, no interest will be charged to you.

9. For whom is Margin Trading Facility available?

To all categories of client who are Resident Indian. (NRI/GIB clients are not allowed to participate in MTF as per regulatory guidelines)

10. What is the rate of interest being charged for using Margin Trading Facility?

As applicable in your trading account.

11. What are the margin requirements, while trading under Margin Trading Facility?

MTF is applicable only for equity segment only for eligible stocks and margin requirements varies from stock to stock.

12. What will happen if I do not maintain sufficient margin?

You will not be allowed to buy any securities under Margin Trading Facility. Also, your position will be squared off to the extent of the shortfall if the shortfall continues beyond four days

13. What will happen if a client does not maintain minimum required margin for Margin Trading Facility?

In case margin falls below the minimum required margin, YSL will make a Margin Call and the position can be liquidated.

14. What if I am not able to meet the Margin Call?

YSL will go ahead and liquidate the securities if you fail to meet the margin call made or if you fail to transfer funds. Margin call/ liquidation can be made at any point of time when margins are not in place.

15. How can I check my Margin trading positions?

- Margin Trading positions taken today or before can be seen under Positions for Equity.
- Margin trading positions taken before today are a part of your holdings available under holdings page.
- For specific Margin Trading reports, please visit our reports section on www.yesinvest.in (Coming Soon)

16. How can I take Margin Trading positions? / How can I place an order in the Margin Trading Product?

While placing the order, select product type as 'Margin Trading - MTF' in www.yesinvest.in

17. Is Short-Selling allowed in Margin Trading Facility?

No, Short - Selling is not allowed in Margin Trading Facility.

18. How long can I carry forward the debit/ outstanding amount in my account?

- Debits can be carried forward, till the time customer is able to maintain the minimum margin required for the margin funding position. In case if the value starts depreciating, you will have to transfer the funds to remain above minimum maintenance margin, else YSL can liquidate the position, held by you to cover the required shortfall % (if any).
- Other condition is that your trading account remains active in 90 days (at least 1 trade in every 90 days)

19. Can I sell 100% shares on the next day, bought on previous day under Margin Trading Facility?

- You can sell 100% shares the next day, of the stock bought on the previous day.
Go to Positions report >> Select the position and place your Sell/Square Off order.
- Product Type needs to be Margin Trading (MTF) to sell stocks bought prior to today.
- Product Type needs to be Margin Trading (MTF) to sell stocks bought today.

20. What are the brokerage charges for buying/ selling using Margin Trading Facility?

There are no separate brokerage charges. Charges remain same as applicable to you currently.

21. Can I trade in Derivatives, even if I am registered for Margin Trading Facility?

Yes. If you have opted for Derivative segment, you can trade in derivatives segment. Derivatives and Margin Trading are separate products/segments and require separate consent to be activated in your trading account. If both are already activated, you can trade in both.

22. Can I use Margin Trading Facility for Derivatives trading?

No. Margin Trading facility is available only for Cash segment.

23. Can I provide stocks as security for availing limits for trading under Margin Trading Facility?

Yes. Limits are given against your eligible stocks as collateral limits and you can use this limits for Margin Trading.

24. Will my limits be released after the square off transaction, and can I use it further to take fresh position?

Limits will be released on T+2 for fresh trading

25. Do I need to pledge stocks as collateral for availing limits as collateral for margin trading?

Yes, you are required to perform MTF pledge to avail limits. Limits are eligible for eligible stocks only

26. Can I sell the margin trading positions on the same day?

Yes you can. Margin Trading positions taken today can be seen under Positions for Equity and can be squared-off from there.

27. How to square-off/exit margin Trading positions?

Visit the Positions report section, Sell the scrip with product code MTF that you wish to square-off.

28. How many types of scrip are allowed for Margin Trading facility?

The eligible scrips varies from time to time and shall be updated on our website accordingly

29. Will I get a separate contract note for the Margin Trading Facility?

No. MTF trades would be marked separately with in the common contract note.

30. Where can I get Margin Trading reports?

- Margin Trading positions taken today or before today can be seen under Positions for Equity.
- For specific Margin Trading reports, Visit Reports section on www.yesinvest.in (Coming Soon)

31. Why there is separate ledger for Margin trading?

This is required and mandatory as per SEBI regulations.

32. Why there is no separate contract note for Margin Trading?

This is not required and mandatory as per SEBI regulations.

33. How to sell in Margin Trading product?

To sell scrips bought in Margin Trading product today or earlier, select product type as “MTF” at the time of selling.

34. I am trying to sell in Margin Trading but my order is getting rejected even when I am having holdings in my account. Why? What should I do?

To sell Margin Trading (MTF) positions bought today or earlier, you need to select product type as Margin Trading (MTF).

35. Is Margin Trading available in both - NSE and BSE exchange?

Yes, Initially YSL will offer Margin Trading facility only in NSE.

36. I have bought stocks in Margin Trading in NSE; can I sell them on BSE?

No. Stocks bought in Margin Trading in NSE, should be should in NSE exchange only.

37. I have a debit in my account in Margin Trading (MTF); will my Margin Trading get blocked?

Margin Trading will not get blocked till the time client maintains minimum margin as per requirements. YSL may liquidate the securities if the client fails to meet the margin call made by YSL within 5 working days from the day of margin call. Also, Margin trading accounts where there will be no transactions for 90 days shall be settled by YSL and the account will remain active for fresh transactions.

38. Where can I see my DPC calculation report?

Daily DPC is posted in the Ledger for ready reference for customers.

39. Can I see my historical MTF book?

Only open positions of MTF can be viewed in trading portal. Currently there is no separate report for historical positions.

40. Will I get daily margin statement for my MTF positions?

There is no separate report margin statement.

41. How will I be communicated for MTF margin shortfall?

Shortfall is sent via daily margin statement and additionally email from desk of Customer service team basis RMS call.

42. By when do I have to provide the shortfall and in which form?

Shortfall has to be cleared by T+1 by providing additional approved collaterals. If shortfall continues for five sessions position will be liquidated on the fifth session to the extent of the shortfall.