



PAKISTAN STOCK BROKERS ASSOCIATION

(A company setup under section 42 of the Companies Act 2017)

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PSBA/Notice-225

August 29, 2025

NOTICE FOR MEMBERS

PROPOSED AMENDMENTS IN THE CDC REGULATIONS RELATING TO TRANSITION OF SETTLEMENT CYCLE FROM T+2 TO T+1

This is in reference to the notification CDC/C/N/02/2025 dated August 28, 2025 (attached), whereby the comments have been invited by the CDC:

In this regard, the members are hereby requested to kindly submit your comments, if any, at psamail024@gmail.com latest by **September 02, 2025**, so that a consolidated response is submitted to the authorities for their consideration.

Sd
Akber Ali
Officer - Secretariat

Copy to:

1. PSBA Website



**Central Depository Company
of Pakistan Limited**

Head Office: CDC House, 99-B,
Block 'B', S.M.C.H.S.,
Main Shahra-e-Faisal,
Karachi-74400

Ref. No. CDC/C/N/02/2025

August 28, 2025

Notification No. 02 of 2025

Sub: Proposed amendments in the CDC Regulations relating to Transition of Settlement Cycle from T+2 to T+1

To,
The General Public,

This is to bring to the notice of general public that the Board of Directors of CDC has approved the amendments in the CDC Regulations relating to Transition of Settlement Cycle from T+2 to T+1. For the smooth implementation of the T+1 Cycle, it is recommended to allow Pledge Transaction, off market transaction and Margin Finance Transaction in the Main Account of the Participant in respect of rejected IDSC instruction for custodian clearing members. The amendments are subject to approval of the Securities and Exchange Commission of Pakistan under Section 35(1) of the Central Depositories Act, 1997 (XIX of 1997) read with Section 52(3) of the Securities Act, 2015 (III of 2015).

As required under Section 51(2) of the Securities Act, 2015 (III of 2015), such amendments are placed for public comments which may be submitted, in the manner as suggested in the "Guidelines for Submission of Comments", within 7 days of this Notification i.e. by **Thursday, September 04, 2025.**

Regards,

Hammad Ali Faisal
Chief Compliance Officer

The Director/ HOD (PRDD-SMD)
Securities and Exchange Commission of Pakistan
Islamabad

The Chief Executive Officer
National Clearing Company of Pakistan Limited
Karachi

The Chief Executive Officer
Pakistan Stock Exchange Limited
Karachi

The Secretary General
Pakistan Stock Brokers Association
Karachi

Comparative Statement - Amendments in the CDC Regulations in respect of T + 1 Settlement Cycle

S. #	Regulation #	Existing Regulations	Regulations Proposed by CDC	Rationale for changes
1.	2.11.1	<p>Main Account</p> <p>means an Account maintained on CDR by an Account Holder as, where permissible under these Regulations, a transit Account to be exclusively used by the Account Holder for transiting of the Book-entry Securities Delivered or entered into such Account to other Accounts or Sub-Accounts in accordance with these Regulations;</p>	<p>Main Account</p> <p>means an Account maintained on CDR by an Account Holder as, where permissible under these Regulations, a transit Account to be exclusively used by the Account Holder for transiting of the Book-entry Securities Delivered or entered into such Account to other Accounts or Sub-Accounts in accordance with these Regulations;</p> <p><u>Provided that where any Book-entry Securities Delivered into a Main Account of a Participant pertaining to rejected IDSC instruction, following transactions shall be allowed in respect of such Book-entry Securities:</u></p> <p><u>(a) a Valid Pledge Security Transaction where the Eligible Pledgee in whose favour the Pledge is sought to be effected is a scheduled bank as defined in the State Bank of Pakistan Act, 1956 (XXXIII of 1956) and a Valid Pledge Release Transaction and a Valid Pledge Call Transaction Transmitted by such Eligible Pledgee;</u></p>	<p>Currently, no transaction is allowed in the Main Account as such Account is treated as transitory Account.</p> <p>In order to smooth implementation of the T+1 Settlement Cycle (February 9, 2026), it is necessary to allow the Pledge Transaction, off market transaction / Negotiated Deal Market (NDM) and Margin Finance Transaction in the Main Account for custodian clearing member in respect of rejected IDSC instruction.</p> <p>Accordingly, necessary changes are made to reflect such change.</p>

Comparative Statement - Amendments in the CDC Regulations in respect of T + 1 Settlement Cycle

S. #	Regulation #	Existing Regulations	Regulations Proposed by CDC	Rationale for changes
			<p><u>(b) off market transaction reported to the Securities Exchange through the Participant;</u></p> <p><u>(c) MF Transaction to the MF House Account in accordance with the NCCPL Regulations; and</u></p> <p><u>(d) crediting of Book-entry Securities made pursuant to Regulation 8AA.3.5, Chapters 8C and 8D, sub-clauses (e) to (h) of clause (i) of Regulation 8F.1 and Regulation 12.4.6 into such Account.</u></p>	
2.	2.11.1	<p>Pledge</p> <p>means the movement of Book-entry Securities to a Pledge Position in a Holding (not being a main account) in accordance with Regulation 11.1;</p>	<p>Pledge</p> <p>means the movement of Book-entry Securities to a Pledge Position in a Holding (not being a main account <u>with the exception as provided in the Regulation 2.11.1</u>) in accordance with Regulation 11.1;</p>	<p><i>These changes are consequential to changes made above for clarification.</i></p>
3.	9C.1.1	<p>MF Designated Account</p> <p>means a normal Sub-Account of a customer of an Margin Financier (as defined in the NCCPL Regulations) maintained with any Participant, as identified by CDC in accordance with</p>	<p>MF Designated Account</p> <p>means a normal Sub-Account of a customer of an Margin Financier (as defined in the NCCPL Regulations) maintained with any Participant <u>or Main Account only for rejected IDSC</u></p>	<p><i>These changes are consequential to changes made above for clarification.</i></p>

Comparative Statement - Amendments in the CDC Regulations in respect of T + 1 Settlement Cycle

S. #	Regulation #	Existing Regulations	Regulations Proposed by CDC	Rationale for changes
1		the Procedures (on the basis of the data provided by the Clearing House to CDC) to which any Margin Financed Securities are to be moved from an MF House Account or, as the case may be, MF Sub-Account under Regulation 9C.5.1(c) and from which the same Margin Financed Securities are to be moved back to such MF House Account and MF Sub-Account under Regulation 9C.5.1(d);	<u>instruction</u> , as identified by CDC in accordance with the Procedures (on the basis of the data provided by the Clearing House to CDC) to which any Margin Financed Securities are to be moved from an MF House Account or, as the case may be, MF Sub-Account under Regulation 9C.5.1(c) and from which the same Margin Financed Securities are to be moved back to such MF House Account and MF Sub-Account under Regulation 9C.5.1(d);	

Guidelines for Submission of Comments

1. CDC invites the interested parties to provide their comments and views, with specific reference to the subject matter of the proposed amendments to CDC Regulations notified via notices, through any of the following modes.

Email	comments@cdcpak.com
Mail	The Chief Compliance Officer, Central Depository Company of Pakistan Limited CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahra-e-Faisal, Karachi-74400, Pakistan

2. At the time of submission of comments, respondent is advised to provide the information, as per **Table-A** below, so that CDC may contact him/her for clarification or deliberation on the comments, if needed. Anonymous responses may be disregarded by CDC.

Table A

To Be Filed By The Respondent	
Name of respondent	
Account No.	
Name of company (if applicable)	
Designation (if applicable)	
Contact Number	
Email Address	

3. The respondent may request confidential treatment for his/ her identity and all or any part of comments due to their proprietary, confidential or commercial nature, by clearly marking the information in **Table-B** below:

Table B

Disclosure of Identity and Comments

Please check the box(es) if you wish to be remain confidential:

- ☐ I wish to have my identity remain confidential.
- ☐ I wish to keep all or any part of my comments confidential.

If respondent wishes to keep any part(s) of comments confidential, then he/she is required to clearly specify such part(s) of comments.

4. To ensure quality and promote transparency, CDC will publish the relevant comments of respondents and its management's response thereon in the form of a Response Paper on its website, within a reasonable timeframe, after close of public consultation session, unless the respondent has made a confidentiality request.
5. Any policy or rule amendment may be subject to regulatory concurrence. For this purpose, respondents should note that notwithstanding any confidentiality request, CDC will share all their response(s) with the Securities and Exchange Commission of Pakistan (Apex Regulator).
6. By submitting comments, respondents are deemed to have consented to the collection, use and disclosure of data that is provided to CDC, unless respondents wish to have their identity or comments remain confidential.