

Margin Collection and Reporting & Actual Settlement Policy

Objective of Margin collection and reporting policy is to set a procedure and guidelines for collection of Margin from both, Clients as well as from Trading members, and reporting it to relevant Exchanges.

Margin Collection:

- 1. All margins for trades done in any Exchange, Will be collected upfront.*
- 2. All margins SPAN, INITIAL, EXPOSURE, etc. as applicable on T+1 days basis/ as per exchange file will be collected from the clients. In any case only T+1 day margin amount will be collected from the clients. Margin requirement from the clients is not related or cannot be reduced to T day margin if we pay margin to the respective exchange on T+0 day basis. Margin report shall be reported to the clients on T+1 day margin requirement basis.*
- 3. Margin will be accepted in the form of Funds through Account Payee Cheque, Account Payee Demand Draft/ Pay Order, NEFT, Electronic Fund Transfer, FDR in favor of Exchange, Interest bearing fixed margin and Securities.*
- 4. No Margin will be accepted through third party cheque and in case of Demand Draft / Pay Order, a declaration signed by client, must be accompanied.*
- 5. In case of securities, Only liquid securities, received from registered DP ID of client or lying with us under running account authorization will be accepted. Illiquid or securities from Z category as specified by any stock exchanges from time to time will not be considered towards margin obligation of respective clients.*
- 6. In case of securities a hair cut as per exchange VAR will be applied in points of exchange requirement. Additionally ELM margin will also applied to the clients as per our RMS policy .*

Reporting

1. *Reporting of short collection of margin will be done on the basis of T+0 day span margin. In case of securities a hair cut as per exchange VAR will be applied.*
2. *Free balance of funds and/or securities in other segment/exchanges (after adjustment of margin requirement of respective segment/exchange) will be also considered of respective client if required to meet out client's margin requirement.*
3. *If Shortage of margin collected, same must be reported to the respective exchange along with clients.*
4. *In case of short margin, Follow up for collection will be done. If client paid shortfall of margin and same receipt of funds get credited in our bank account with in stipulated time as given by exchange, revised margin collection report will be submitted to the respective exchange.*
5. *If margin is not received from client then same must be report to RMS team and position will be squared off proportionally.*
6. *Penalty on margin shortfall to be forwarded to the account department for debiting the same to client account and same will be intimated to the respective clients.*

Actual settlement of account

Account of the clients shall be settled on every calendar month or calendar quarter as per client preference. Current day (T day) and future margin and funds and securities obligation will be retained. In case of securities considered towards meeting out client's funds and/or margin obligation, a hair cut as per exchange VAR and ELM will be applied and balance amount will be considered towards retention. Balance funds and/or securities will be transferred/paid to the clients at the time of settlement of account after retaining following applicable current/future margin and funds/securities obligation

T Day Funds Pay in obligation

T-1 Day Funds Pay in obligation

T Day Securities Pay in obligation in CM segment

T-1 Day Securities Pay in obligation in CM segment

225% of T Day Margin Requirement in Derivatives segment

T Day turnover in CM segment

In addition to the above Rs. 10,000/- will be retain if client give the consent for the same.