

RMS Policy

1) Trading exposure:-

Trading exposure will be margin based and will be a combination of F&O, Currency & cash segments. Margin will be applied on each segment as following:

Cash Segment -3 Times

F&O Segment -1 time of Span + Exposure Margin

Currency Segment - 1 time of Span+ Exposure Margin

Margin Available	Cash		FnO Margin (Span + Exposure)	Currency Margin (Span+Exposure)	Total Margin Used
	Margin Used	Exposure Taken			
50000	10000	30000	35000	5000	50000
50000	50000	150000	0	0	50000
50000	0	0	50000	0	50000
50000	25000	75000	20000	5000	50000

- 2) Deposit available will be calculated considering the following:
- a) Credit Balance in account.
 - b) Value of shares in Collateral account, Beneficiary account, DP account (provided the client has DP account with the company & Power of Attorney is given with respect to that) and also the value of the shares in transit after applicable haircut.
 - c) Hair-cut will be applied at the rate of 50% in the normal market conditions. However depending upon the market conditions the hair-cut rate may be changed.
 - d) If the value of the shares after hair-cut is less than the debit, buying exposure will be blocked.
 - e) Where a client is in debit & value of stock after haircut is higher than the debit, exposure will be available for the difference between outstanding amount and the value of the stock after hair-cut.
 - f) It is advised to transfer the shares to the collateral account for getting benefit of the stock for trading exposure.
 - g) Cheques under clearance will not be considered for available margin in the FnO & Currency Segment.
 - h) In normal cases one time exposure will be given in the cash market segment for the cheques under clearing.

Client	Ledger Balance (A) (Negative for Debit & Positive for Credit)	Stock Value after Hair-cut (B)	Available Margin (A+B)	Remarks
A	1000	1000	2000	
B	0	1000	1000	
C	-500	1000	500	
D	-1000	1000	0	
E	-2000	1000	0	

- 3) Short selling of Options by default would not be available for any client. Option selling would be available on specific request and would be given on a case to case basis. Short selling of Deep-in-the money options would not be allowed.
- 4) FnO & Currency margin shortage if any is to be cleared by 1PM on T+1 basis.
- 5) If the value of the stock held by the client is at least 2 times the amount due from the client, the dues would be allowed to carry for a maximum of 3 days from the date of transaction. On the fourth day from the date of transaction client would not have any trading exposure other than for delivery selling.
- 6) RMS would have the right to sell the stock in the clients account up to the ageing amount if the same is not cleared up to 1.30 PM on the 4th day. However in cases where the value of the stock is enough to cover 3 times the amount due from the client, positions can be allowed to carry up to 5th day from the date of trading. Similarly RMS would have the right to liquidate the positions in F& O & Currency segment where the T+1 margin shortage is not cleared within the cut-off time or when the M2M loss on the open positions would create the account to uncovered status.

- 7) Stocks in Trade-for-Trade group will be available for delivery based trading. Clients will not be allowed to trade in Z Group Scrip's except for delivery selling that too when the shares are transferred to the respective pool account. Non-dematerialized shares can be sold only after getting approval from the Clearing & Settlement Dept.
- 8) Any deviation from the available margin will not be allowed in the case of FnO & Currency Segment as we have to report the margin collected from clients to the exchange. Any penalty charged by the Exchange for short collection in FnO & Currency margin would be debited to the client.
- 9) Any amount due from the client should be cleared by T+2 day.
- 10) It is the responsibility of the officer-in-charge of the dealing office to collect the amount due within the time limit.
- 11) The officer in charge of the dealing office should send the debit status of each of the clients with the cheque details etc. on a daily basis before 12.30 PM in the specified format.
- 12) If any request for Client Code modification of the trades should reach the RMS before 4 PM.
- 13) Payout of fund will be released only if the client has not taken any excess position on that day.
- 14) If the client account has outstanding amount, payout of securities would be done for the value after blocking the securities for the value of 2 times the outstanding amount.
- 15) Depending upon the market conditions necessary changes would be made in the above policies to safeguard the company.