



**Policy/Terms and Conditions prescribed by Dayco Securities Private Limited (DSPL)
for Margin Trading Facility**

- a) The initial margin payable by the client to DSPL shall be in the form of cash, cash equivalent or Group I equity shares, with appropriate hair cut as specified in SEBI Master circular no. SEBI /HO/MRD/DP/CIR/P/2016/135 dated December 16, 2016. Such Margin can be changed from time to time as may be decided by the Management of DSPL. Such Margin prescribed by DSPL may be higher than the quantum prescribed by regulatory provisions. The client shall pay applicable initial margins or such other margins as are considered necessary by the stock broker or as may be directed by SEBI / Exchange(s) from time to time as applicable to Margin Trading segment in which the client trades.
- b) Eligible Scrips under facility: The Margin Trading facility is applicable to Group I scrips or as specified by SEBI / Stock Exchange(s) from time to time. DSPL shall have its own discretion to permit margin trading facility for any of the particular scrip so specified.
- c) In order to avail margin trading facility, minimum initial margin required shall be as under:

Category of Stock	Applicable margin
Group I stocks available for trading in the F & O Segment	VaR + 3 times of applicable ELM*
Group I stocks other than F&O stocks	VaR + 5 times of applicable ELM*

*For aforesaid purpose the applicable VaR and ELM shall be as in the cash segment for a particular stock. DSPL may demand additional margin for any particular scrip or from a particular client as per its own discretion.

- d) Leverage & Exposure: DSPL shall provide exposure to client based on exposure limit as prescribed by SEBI/Exchange(s) from time to time. However, based on market conditions and the risk perception about the market, DSPL may set the Exposure limits on the basis of available collaterals which may comprise of Ledger balance and stocks (after suitable margin haircut). In case overall position in particular scrip or across all scrips has reached the particular limit, then client may not be allowed to take further position. Collateral provided by client towards Margin shall be free from any lien and be totally unencumbered.
- e) The margin requirement of client may be changed due to but not limited to, the following factors —, market volatility, risk management policy of DSPL. DSPL will communicate / advise the parameters for the calculation of the margin / collateral requirements as rate(s) /percentage(s) of the haircut and/or as VAR / ELM requirement, through any one or more means or methods such as by messaging on the computer screen of the client's computer; by informing the client through employees / agents of DSPL; by publishing / displaying it on the website of DSPL making it available as a download from the website of DSPL or any other suitable or applicable mode or manner. The client shall monitor his / her / its position (including



valuation of collaterals) on his / her / its own and provide the required / deficit margin / collateral as required from time to time whether or not any margin call or such other separate communication to that effect is sent by DSPL to the client and / or whether or not such communication is received by the client to avoid any liquidation.

- f) The client agrees and understands that the exposure allowed under this facility can be continued only till a maximum of 90 days. However, DSPL may in its discretion allow to continue the exposure beyond the period of 90 days if it deems fit.
- g) DSPL may sell the stock or liquidate the existing position of a client in full / partial if the available margin falls short of minimum prescribed margin as specified by SEBI / Exchange(s) / DSPL. In case of any shortfall in the margin or debit remains even after liquidating the open position or the collaterals provided by client shall also be liquidated to recover the debits / margin shortfall or sell shares lying in demat account of client to recover outstanding dues.
- h) The client agrees that DSPL shall not be responsible for variation, reduction or imposition or the client's inability to create any position through DSPL's trading system on account of any such variation, reduction or imposition of limits. The client further agrees that DSPL may at any time, at its sole discretion and without prior notice prohibit or restrict the client's ability to create position in securities through DSPL or it may liquidate the position/sell shares or subject any position by the client to a review before its creation and may refuse to create position due to the reason of lack of margin/ collateral, market perception and any other such reasons which DSPL may deem appropriate in the circumstances. The client agrees that the financial charges and losses, if any on account of such refusal, liquidation or due to delay caused by such review under MTF or otherwise, shall be borne exclusively by the client alone.
- i) In addition to powers granted by way of Power of attorney executed at the time of account opening, the client hereby authorise DSPL to transfer or pledge the stock held in the demat account with DSPL. DSPL has a right to lien and / or pledge the Securities / collaterals and its corporate benefits, if any, lying in demat account of client, or the securities bought by the client under the Margin Trading Facility and shall continue to hold / pledge till the amount due in respect of the said transaction including the dues to DSPL is paid in full by the Client.
- j) In addition to what the client has agreed to the terms and conditions governing the trading and broking services, DSPL may terminate or close this facility at any time by giving 5 days notice to client without assigning any reasons or in case of regulatory or legal requirement.
- k) Any disputes arising between the client and DSPL in connection with the margin trading facility or anything incidental or ancillary therewith, the client shall raise/report the same to DSPL no later than within 24 hours of execution of the transaction under dispute or within 24 hours of receipt of contract note for the disputed transactions, shall have the same treatment as normal trades and will be covered under the investor grievance redressal mechanism, arbitration mechanism of the stock exchange.



- l) Client agrees to pay Interest at the rate as applicable. (Plus taxes, if any applicable) on debit arising out of the exposure availed by the client (i.e. the amount financed by DSPL), compounded monthly and any changes as mutually agreed from time to time. GST will be levied on interest for Margin Trading Facility.