



S. A. DESHPANDE & CO.



SHARE & STOCK BROKERS

MEMBER OF BSE LTD.

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Policy on Margin Collection and Reporting

In case of Capital Market segment, Members should have a prudent system of risk management to protect themselves from client default. Margins are an important element of such a system. The risk management system should be well documented and be made accessible to the clients and the Exchange.

Margin Collection

- Upfront margin for trades done will be collected upfront.
- All margins SPAN, INITIAL, EXPOSURE, etc. as applicable on T days basis/ as per exchange file will be collected from the clients.

Members collect margins from its respective client, in any of the following forms, after taking into account their risk management policy and liquidity aspects.

- Free and unencumbered Balances (funds) available with the member of respective client in different segments of the Exchange.
- Liquid Securities in dematerialized form actively traded on the Exchanges, not declared as illiquid securities by any of such Exchanges (List of illiquid securities are declared on a regular basis by the Exchanges) which are pledged with member with appropriate hair cut.
- Margin will be accepted in the form of Funds through Account Payee Cheque, Account Payee Demand Draft/ Pay Order, NEFT, Electronic Fund Transfer, and pledge Securities.
- No Margin will be accepted through third party cheque and in case of Demand Draft / Pay Order please refer to the prefunded instrument policy of the company.

Reporting

If Shortage of margin collected, same must be reported to the respective exchange. Reporting of short collection of margin will be done as per exchange.

- 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 within stipulated time as given by exchange, revised margin collection report will be submitted to the respective exchange.