Vardhaman Capital Private Limited
Member: NSE, BSE & NSDL (DP)
SEBI Regd. No.: INZ000204533
CIN: U67120WB1995PTC068108

Request to avail the Margin Trading Facility (MTF)

MTF Activation Form – Trading Account (NSE)

To,
Vardhaman Capital Pvt. Ltd.
25, Swallow Lane, Wardley House, 2nd Floor,
Kolkata - 700001

Date
DD / MM / YYYY

Sub: Request to avail the Margin Trading Facility (MTF)

Dear Sir/Madam,

On the captioned subject, I/We request you to activate Margin Trading Facility (MTF) in my/our account.

I/we do hereby understand the terms and conditions of Margin Trading Funding provided by Vardhaman Capital Pvt. Ltd. and agree to be bound by such provisions and act in accordance with the same while availing the margin trading funding.

I/we confirm and agree to receive all the communication such as confirmation of orders/trades, margin calls, decisions/calls to liquidate the collateral/ positions / security on my registered email address or registered mobile number.

I/we understand that by availing the funding to trade under Margin Trading, I/we authorize you to treat all my/our trade in group I securities, which are not covered by 100 % margin (i.e. Cash in ledger) as trades under Margin Trading Funding and accordingly I/we authorize you to report all such trades to the exchange(s) on next day as Margin Trading Trades.

I/we understand and acknowledge that Vardhaman Capital Pvt. Ltd. would consider entire clear ledger credit balance in normal trading ledger for adjustment against the margin trading funding trades (Ledger) and would levy the interest on the net debit balance in the MTF Ledger.

I/we understand and agree that the interest would be calculated and levied on a daily basis at the rate mutually agreed. I/We confirm to receive Rights & Obligations of Stock Brokers & Clients for Margin Trading Facility (MTF).

Name of the Client			
Signature of the Client		**Trading Code**	

Client's Signature

TERMS AND CONDITIONS OF VARDHAMAN CAPITAL PVT. LTD. FOR TRADING IN MARGIN TRADING FUNDING

SECURITIES ELIGIBLE FOR MARGIN TRADING:

Equity Shares that are classified as 'Group I security' as per SEBI Master circular No. SEBI/HO/MRD/DP/CIR/P/2016/135 dated December 16, 2016, shall be eligible for Margin Trading Funding and as amended from time to time. Vardhaman Capital Pvt. Ltd. reserves the right to offer or not to offer MTF on such list of securities as specified from time to time.

MARGIN TRADING FUNDING:

Vardhaman Capital Pvt. Ltd. at all times shall have the liberty to exercise its right in its sole discretion to determine the extent to which the MTF be made available to the Client.

Vardhaman Capital Pvt. Ltd. shall not be bound to grant MTF to the client and shall not be required to provide any reasons thereof nor shall be liable for any damages (whether direct or consequential or whether Financial or non-Financial) to the Client by reason of to grant MTF refusal to the Client.

MARGIN REQUIREMENT:

In order to avail margin trading Funding, 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 *

** The applicable VaR and ELM shall be as in the cash segment for a particular stock.*

The client shall ensure maintenance of the aforesaid margin at all times during the period that the margin trading Funding is being availed by the client. The client shall ensure to place the aforesaid margin in the form and manner as may be specified by Vardhaman Capital Pvt. Ltd. from time to time.

Vardhaman Capital Pvt. Ltd. may, at its sole and absolute discretion, increase the limit of initial and/or maintenance margin, from time to time. The Client shall abide by such revision, and where there is an upward revision of such margin amount, agree to make up the revised margin immediately, not later than 5 working days from the day of margin call, failing which Vardhaman Capital Pvt. Ltd. may exercise its discretion / right to liquidate the security/ collateral and/or close out the position immediately. It may however, be noted that the initial/ maintenance margins will/shall never be lower than that prescribed by Stock Exchange/SEBI.

In case of short fall in margins, Vardhaman Capital Pvt. Ltd. will make necessary margin calls. On receipt of 'margin call', the client shall make good such deficient margin / margin call by placing the further margin immediately, failing which Vardhaman Capital Pvt. Ltd. may exercise its discretion / right to liquidate the security /collateral and / or close out the position immediately depending upon the market conditions and /or the volatility.

COLLATERALS:

The initial margin payable by the client to Vardhaman Capital Pvt. Ltd. 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.

By agreeing to avail Margin Trading Funding with Vardhaman Capital Pvt. Ltd., client is deemed to have authorized Vardhaman Capital Pvt. Ltd. to retain and/or pledge the securities provided as collateral or purchased under the

Client's Signature

Margin Trading Funding and any corporate benefit thereon, if any, till the amount due in respect of the said transaction including the dues to Vardhaman Capital Pvt. Ltd. is paid in full by the client.

Client have a right to change the securities collateral offered for Margin Trading Funding at any time with prior notice in writing to Vardhaman Capital Pvt. Ltd. so long as the securities so offered are approved for margin trading Funding.

Vardhaman Capital Pvt. Ltd. will hold and / or will appropriate the credit lying in the Client account and/or any unutilized/unpledged shares/ securities lying in demat account along with all other demat accounts / Mutual Funds / IPO account of the Client towards the repayment of the outstanding dues thereof under MTF.

Vardhaman Capital Pvt. Ltd. is at its discretion to identify the eligible/excess securities available with the client and mark such securities as collateral towards MTF.

EXPOSURE & MAXIMUM PERMISSIBLE EXPOSURE:

In case of increase in the value of Collaterals, Vardhaman Capital Pvt. Ltd. may at its sole discretion have the option of granting further exposure to the client subject to applicable haircuts. However, no such exposure shall be permitted on the increased value of funded stocks.

MARGIN TRADING FACILITIES TRADES:

By providing the consent for availing margin trading Funding, client authorize Vardhaman Capital Pvt. Ltd. to consider all his/her/its trades placed by them in group I securities to be treated as trades availed by them under the Margin Trading Funding and accordingly report such trades to Exchanges subject to availability of margin in form and manner as communicated by Vardhaman Capital Pvt. Ltd. from time to time.

If the transaction is entered under margin trading account, there will not be any further confirmation that it is margin trading transaction other than contract note.

Client will be free to take the delivery of the securities at any time by repaying the amounts that was paid by Vardhaman Capital Pvt. Ltd. to the Exchange towards the securities bought under Margin Trading Funding after paying all dues.

INTEREST CALCULATION AND REPORTING OF TRADES:

Vardhaman Capital Pvt. Ltd. would consider entire clear credit ledger balance in the clients normal ledger for adjustment against the margin trading Funding trades (Ledger) and only the net debit balance would be considered as funded amount for reporting purpose. Vardhaman Capital Pvt. Ltd. would calculate and levy the interest on the net debit balance in the MTF Ledger.

The interest charge would be calculated on a daily basis at the rate of **0.05% per day** of the funded amount. The charges would be applicable from T+1 day, until the day of the debit positions being cleared. Further, any changes in the interest rates will be updated on our website.

MODE OF COMMUNICATION:

Vardhaman Capital Pvt. Ltd. will send all the confirmation of orders/ trades, margin calls, decision/calls to liquidate the collateral/ positions/ security, Daily Margin Statement, Contract Notes, margin policy on haircuts/ VAR margin, Risk management policies, allowable exposure, specific stock exposure etc through electronic mode on registered email id and/or mobile number of the client updated in the Vardhaman Capital Pvt. Ltd.'s database by the client.

Client's Signature

COMPLAINTS RESOLUTION:

Client shall lodge protest or disagreement with any transaction done under the margin trading Funding within 24 hours from the date of receipt of such document/statements/contract notes/any other communications.

Any dispute arising between the client and Vardhaman Capital Pvt. Ltd. in connection with the MTF shall be referred to the investor grievance redressal mechanism, arbitration mechanism of the respective stock exchange. IPF (Investor Protection Fund) shall not be available for transactions done on the Stock Exchange, through MTF, in case of any losses suffered in connection with the MTF availed by the client.

LIQUIDATION:

Vardhaman Capital Pvt. Ltd. may immediately without any notice liquidate the security / collateral and or close out the open positions due to the following events:

- if any instrument for payment of Margin Money / Monies is / are dishonoured;
- if there is reasonable apprehension that the Client is unable to pay its outstanding dues or has admitted its inability to pay its dues, as they become payable;
- there exists any other circumstance, which in the sole opinion of Vardhaman Capital Pvt. Ltd., is prejudicial to the interests of Vardhaman Capital Pvt. Ltd.;
- Order passed by any regulatory, courts, statutory bodies etc.

All losses and financial charges on account of such liquidation/closing out shall be charged to and borne by the client.

The client agrees that if the client is not able to maintain adequate margins or defaults in bringing adequate margin against the margin call then Vardhaman Capital Pvt. Ltd. may take necessary risk measure and liquidate the funded/ collateral securities to mitigate the risk.

During such liquidation the most liquid funded / collateral securities with the highest value would be liquidated first in order to cover the risk of Vardhaman Capital Pvt. Ltd.

In Case of de-merger, merger, amalgamation, rights issue corporate action in any eligible securities the client would be required to make payment 7 days prior to the ex-date. In case of non-payment Vardhaman Capital Pvt. Ltd. will liquidate such positions in such securities.

TERMINATION OF RELATIONSHIP:

Client may close / terminate the Margin Trading Account at any time after paying the dues with prior notice in writing.

The margin trading arrangement between Vardhaman Capital Pvt. Ltd. and the client shall be terminated; if the Stock Exchange, for any reason, withdraws the margin trading Facility provided to Vardhaman Capital Pvt. Ltd. or Vardhaman Capital Pvt. Ltd. surrenders the facility or Vardhaman Capital Pvt. Ltd. ceases to be a member of the stock exchange.

The MTF may be withdrawn by Vardhaman Capital Pvt. Ltd., in the event of client committing any breach of any terms or conditions therein or at any time after due intimation to client allowing such time to liquidate the MTF position as per the agreed liquidation terms without assigning any reason. Similarly, client may opt to terminate the margin trading Funding in the event of Vardhaman Capital Pvt. Ltd. committing any breach of any terms or conditions therein or for any other reason.

Client's Signature

In the event of termination of this arrangement, the client shall forthwith settle the dues of Vardhaman Capital Pvt. Ltd.

Vardhaman Capital Pvt. Ltd. shall be entitled to immediately adjust the Margin Amount against the dues of the client, and the client hereby authorizes Vardhaman Capital Pvt. Ltd. to make such adjustment.

After such adjustment, if the amount is still due to Vardhaman Capital Pvt. Ltd. from the client, the client shall settle the same forthwith. Upon full settlement of all the dues of the client to Vardhaman Capital Pvt. Ltd., Vardhaman Capital Pvt. Ltd. shall release the balance amount to the client.

If the client opts to terminate the margin trading Funding, Vardhaman Capital Pvt. Ltd. shall forthwith return to the client all the collaterals provided and funded securities retained within 5 working days from the date of clearing of all the dues by client.

OTHERS:

The Clients Margin Trading Account with no transaction for 90 days will be settled immediately.

The daily margin statements sent by Vardhaman Capital Pvt. Ltd. to the client shall identify the margin/ collateral for Margin Trading Separately.

The dues, wherever mentioned herein above, includes but not limited to outstanding balances, interest, statutory taxes, duties, charges, penalties etc. in respect of MTF availed by the Client.

The terms / conditions / Obligations of the Client as amended from time to time shall be irrevocable and shall not be revoked by the death/dissolution/ winding up of the Client.

Client's Signature

RIGHTS & OBLIGATIONS OF STOCK BROKERS & CLIENTS FOR MARGIN TRADING FACILITY (MTF)

CLIENT RIGHTS

1. Client shall receive all communications in a mode mutually agreed between the broker and the client regarding confirmation of orders/trades, margin calls, decision to liquidate the position / security.
2. Client shall be free to take the delivery of the securities at any time by repaying the amounts that was paid by the Stock Broker to the Exchange towards securities after paying all dues.
3. Client has a right to change the securities collateral offered for Margin Trading Facility at any time so long as the securities so offered are approved for margin trading facility.
4. Client may close / terminate the Margin Trading Account at any time after paying the dues.

CLIENT OBLIGATIONS

1. Client shall, in writing in his own hand or in any irrefutable electronic method, agree to avail of Margin Trading Facility in accordance with the terms and conditions of Margin Trading Facility offered by the broker, method of communication for confirmation of orders/trades, margin calls and calls for liquidation of collateral/security/position.
2. Client shall inform the broker of its intent to shift the identified transaction under Margin Trading Facility within the time lines specified by the broker failing which the transaction will be treated under the normal trading facility.
3. Client shall place the margin amounts as the Stock Broker may specify to the client from time to time.
4. On receipt of 'margin call', the client shall make good such deficiency in the amount of margin placed with the Stock Broker within such time as the Stock Broker may specify.
5. By agreeing to avail Margin Trading Facility with the broker, client is deemed to have authorized the broker to retain and/or pledge the securities provided as collateral or purchased under the Margin Trading Facility till the amount due in respect of the said transaction including the dues to the broker is paid in full by the client.
6. Client shall lodge protest or disagreement with any transaction done under the margin trading facility within the timelines as may be agreed between the client and broker.

STOCK BROKER RIGHTS

1. Stock Broker and client may agree between themselves the terms and condition including commercial terms if any before commencement of MTF.
2. Stock broker may set up its own risk management policy that will be applicable to the transactions done under the Margin Trading Facility. Stock broker may make amendments there to at any time but give effect to such policy after the amendments are duly communicated to the clients registered under the Margin Trading Facility.
3. The broker has a right to retain and/or pledge the securities provided as collateral or the securities bought by the client under the Margin Trading Facility.
4. The broker may liquidate the securities if the client fails to meet the margin call made by the broker as mutually agreed of liquidation terms but not exceeding 5 working days from the day of margin call.

STOCK BROKER OBLIGATIONS

1. Stock broker shall agree with the client the terms and condition before extending Margin Trading Facility to such client. However, for clients who already have existing trading relationship and want to avail of Margin Trading Facility, stock broker may take consent in writing in his own hand or in any irrefutable electronic

Client's Signature

method after stock broker has communicated the terms and conditions of Margin Trading Facility to such existing clients.

2. The terms and conditions of Margin Trading Facility shall be identified separately, in a distinct section if given as a part of account opening agreement.
3. The mode of communication of order confirmation, margin calls or liquidation of position/security shall be as agreed between the broker and the client and shall be in writing in his own hand or in any irrefutable electronic method. Stock broker shall prescribe and communicate its margin policies on haircuts/ VAR margins subject to minimum requirements specified by SEBI and exchanges from time to time.
4. The Stock Broker shall monitor and review on a continuous basis the client's positions with regard to MTF. It is desirable that appropriate alert mechanism is set up through which clients are alerted on possible breach of margin requirements.
5. Any transaction to be considered for exposure to MTF shall be determined as per the policy of the broker provided that such determination shall happen not later than T + 1 day.
6. If the transaction is entered under margin trading account, there will not be any further confirmation that it is margin trading transaction other than contract note.
7. In case the determination happens after the issuance of contract, the broker shall issue appropriate records to communicate to Client the change in status of transaction from Normal to Margin trading and should include information like the original contract number and the margin statement and the changed data.
8. The Stock Broker shall make a 'margin call' requiring the client to place such margin; any such call shall clearly indicate the additional/deficient margin to be made good.
9. Time period for liquidation of position/security shall be in accordance declared policy of the broker as applicable to all MTF clients consistently. However, the same should not be later than 5 working (trading) days from the day of 'margin call'. If securities are liquidated, the contract note issued for such margin call related transactions shall carry an asterisk or identifier that the transaction has arisen out of margin call.
10. The daily margin statements sent by broker to the client shall identify the margin/collateral for Margin Trading separately.
11. Margin Trading Accounts where there was no transactions for 90 days shall be settled immediately.
12. The stocks deposited as collateral with the stock broker for availing margin trading facility (Collaterals) and the stocks purchased under the margin trading facility (Funded stocks) shall be identifiable separately and there shall not be any comingling for the purpose of computing funding amount;
13. Stock Broker shall close/terminate the account of the client forthwith upon receipt of such request from the client subject to the condition that the client has paid dues under Margin Trading Facility.

TERMINATION OF RELATIONSHIP

1. The margin trading arrangement between the stock broker and the client shall be terminated; if the Stock Exchange, for any reason, withdraws the margin trading facility provided to the Stock Broker or the Stock Broker surrenders the facility or the Stock Broker ceases to be a member of the stock exchange.
2. The MTF facility may be withdrawn by the broker, in the event of client committing any breach of any terms or conditions therein or at anytime after due intimation to client allowing such time to liquidate the MTF position as per the agreed liquidation terms without assigning any reason. Similarly, client may opt to terminate the margin trading facility in the event of broker committing any breach of any terms or conditions therein or for any other reason.

Client's Signature

3. In the event of termination of this arrangement, the client shall forthwith settle the dues of the Stock Broker. The Stock Broker shall be entitled to immediately adjust the Margin Amount against the dues of the client, and the client hereby authorizes the Stock Broker to make such adjustment.
4. After such adjustment, if any further amount is due from the client to the Stock Broker, the client shall settle the same forthwith. Upon full settlement of all the dues of the client to the Stock Broker, the Stock Broker shall release the balance amount to the client.
5. If the client opts to terminate the margin trading facility, broker shall forthwith return to the client all the collaterals provided and funded securities retained on payment of all the dues by clients.

Client's Signature