

SHRIRAM INSIGHT SHARE BROKERS LTD

Version 1.0.6 Dated July 2025

MARGIN TRADING FACILITY (MTF) POLICY

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Background:

SEBI vide circular SEBI/MRD/SE/SU/cir-15/04 dated March 19, 2004, had introduced and prescribed the framework for permitting stock brokers to provide Margin trading facilities to their clients. Accordingly Shriram Insight Share Brokers Ltd (SISBL) got the approval from both NSE & BSE for extending Margin Trading Facility. However, we have provided the facility to the clients (means and includes an individual, company, trust, Hindu undivided family, association of persons, etc.) traded in NSE only. Subsequently, SEBI had given a circular on comprehensive review of margin trading facilities vide their Circular No. CIR/MRD/DP/54/2017 Dated June 13, 2017 which supersedes the all earlier circular with reference to Margin Trading.

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

CLIENTS 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 make the securities free 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. Preferably client need to specify his/her intend to buy under MTF facility

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before punching the order. Order punched under the normal trading facility can only be shifted under MTF after necessary approval from SISBL.

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 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 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 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

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of position/security shall be as agreed between the broker and the client and shall be in writing in his/her 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 setup through which clients are alerted on possible breach of margin requirements.
5. Client need to specify his/her intend to buy under MTF facility before punching the order. Order punched under the normal trading facility can only be shifted under MTF after necessary approval from SISBL.
6. 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.
7. 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.
8. The daily margin statements sent by broker to the client shall identify the margin/collateral for Margin Trading separately.
9. Margin Trading Accounts where there was no transaction for 90 days shall be settled immediately.
10. The stocks deposited/pledged 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.
11. 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 stockbroker 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

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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 facility in the event of broker committing any breach of any terms or conditions therein or for any other reason.

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 here by 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.

POLICIES & PROCEDURES FOR MARGIN TRADING FACILITY OFFERED BY SHRIRAM INSIGHT SHARE BROKERS LIMITED (SISBL).

APPLICABILITY

1. We, Shriram Insight Share Brokers Ltd.(SISBL), are member of National Stock Exchange of India Limited (NSEIL), BSE Limited (BSE) and are eligible to provide Margin Trading Facility (MTF) in both the Exchanges to our clients in accordance with prescribed guidelines Rules and circulars issued by Stock Exchanges /SEBI from time to time.
2. Providing Margin Trading Facility (MTF) shall be at the discretion of SISBL. Client's request for availing MTF may be rejected without assigning any reason.
3. Transactions /Trades executed under MTF are subject to "Policy & Procedures for MTF" as specified by SISBL. SISBL may amend the policies from time to time according to its risk perceptions and inform the Clients of the amendments made. Any modifications to the terms and conditions shall be intimated to the Clients, except otherwise for the clauses specified separately.
4. In addition to Rights and Obligations as specified by the Exchanges and SEBI, the client agrees to abide by the terms & conditions as enumerated hereafter in "Policy & Procedures for MTF". Further, SISBL and clients agree to abide by any other requirements of the margin trading framework, including other rights and obligations, if any, prescribed by the Stock Exchange/ SEBI/ SISBL

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from time to time.

5. This policy prescribed herein below shall be read in conjunction with the frame work for Margin Trading Facility as prescribed under SEBI Circular No. CIR/MRD/DP/54/2017 dated June 13, 2017, NSE Circular no NSE/COMP/64519 dated October 11 2024 and the circulars relating to MTF issued by the Stock Exchanges/SEBI, any modifications there to from time to time and the Policies and Procedures as prescribed by SISBL and the terms and conditions as mutually agreed between the client and SISBL.
6. For the purpose of providing the margin trading facility, SISBL may use own funds or borrow funds from scheduled commercial banks and/or NBFCs regulated by RBI. Further, SISBL may also borrow funds by way of issuance of CP and by way of unsecured long term loans from our promoters and directors subject to compliance with appropriate RBI Guidelines.

ELIGIBLE SECURITIES & MARGIN

7. Securities specified under “MTF APPROVED CATEGORY LIST” by SISBL from time to time which must be a part of “Group I” security as per Exchanges/SEBI shall be eligible for margin trading facility. SISBL reserves the right to include or exclude any Securities from its “MTF APPROVED CATEGORY LIST” as per the discretion of Risk Management Committee without any prior intimation.
8. The client shall be required to provide the following initial margin, in order to avail margin trading:

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 for trading day shall be as per Capital Market segment for a particular stock. Based on the risk assessment, SISBL shall have the discretion to impose/collect higher margin than the margin specified above without any prior intimation to the client.

9. The Client shall maintain the Maintenance Margin (for SISBL it is VAR+5 ELM on the cost of funded stock or market value of the funded stock whichever is lower, as the initial margin given by the client in the form of cash is used for payin i.e. settlement obligation of the client on settlement day) with the member at all the times as stipulated by the Regulators from time to time. Notwithstanding anything contains herein, in case maintenance margin falls

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below the minimum required, SISBL will make a Maintenance Margin Call and the position can be liquidated if the client does not replenish the same within the specified time.

10. The client may pay Initial Margin in the form of cash, cash equivalent, or “Group I” Equity securities with appropriate haircut as specified in SEBI Master Circular No. SEBI/HO/MRD/DP/CIR/P/2016/135 dated 16 December 2016. Where the margin is made available by way of securities, the stock broker is empowered to decline its acceptance of any securities as margin and/or to accept it at such reduced value as SISBL may deem fit by applying haircuts or by valuing it by marking it to market or by any other method as SISBL may deem fit in its absolute discretion. Further, approved Mutual fund units also can be taken as margin for MTF.
11. Both fund margin and collateral margin for MTF are maintained separately from margin available and used for other segment (Non MTF Segment). There is absolutely no mingling either of fund and collateral margin between MTF segment and NON MTF Segment. However, any free fund margin in non MTF segment can be used as margin for MTF only after making necessary ledger posing in the respective client account.
12. While punching/placing order request, client has to specify the nature of transaction i.e. MTF or Non MTF. Accordingly necessary margin (as specified in the MTF margin requirement for F&O and non F&O stocks) will be asked. Orders will be executed only after availability and or collecting upfront margin from client followed by necessary allocation to the Clearing Corporation.
13. Any trade punched under non MTF segment can be converted to MTF segment only after informed to SISBL in writing or in any other irrefutable mode of communication, including call to the relationship manager or Help Desk on a recorded line by the client on T day only before closing of the trading hours. Request may be entertained only after verification and availability of margin in the MTF segment and other criteria as may be deemed fit by SISBL.
14. After availing MTF in a scrip, the initial margin given in the form of cash is used for payin i.e. settlement obligation of the client on settlement day and funded stock received from CC to the extent of such cash used for payin, is being maintained for maintenance margin purpose only and accordingly MTR is reported to the Exchange on T+1 day.

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RIGHTS OF THE CLIENT

15. Client may ask to release the pledge on funded securities at any time by repaying the amount that was paid by the Stock Broker to the CC towards securities after paying all dues.
16. Client may change the composition of securities provided as collateral with other approved securities provided that the same is sufficient to meet the margin obligations.

OBLIGATIONS OF THE CLIENT

17. If the Client is intimated about the Margin shortage, then the client shall make good such deficiency in the amount of margin placed with SISBL in the below mentioned defined time.

Intimation of Margin Call	Time limit to clear the margin deficiency
Margin call made before 12.00 PM	Shortage to be cleared till End of Day or any time specified in the communication whichever is earlier.
Margin call made after 12.00 PM	Shortage to be cleared till Next Day or any time specified in the communication whichever is earlier.

18. If client fails to clear the shortage, SISBL reserves the right to liquidate the securities without any further notice to client. If the instrument i.e, cheque /pay order) is not credited within 2 trading days it is assumed that client has not made its obligation and SISBL reserves the right to liquidate the securities without any further notice to the client.
19. Notwithstanding anything contains herein, in case margin falls below the minimum required margin, SISBL will make a Margin Call and the position can be liquidated if the client does not replenish the same. Please note that in case of Margin Call less than 125% collateral cover over outstanding debt, SISBL reserves the right to liquidate the securities without any prior notice to the client. Ideally client is required to replenish mark to market loss on call basis through fund. However, maintenance margin can be managed by bringing additional fund and or approved collateral.
20. In case of lower circuit in any security, SISBL has the discretion to calculate the shortage of client at less than closing price including exclusion of the same security from client's margin and can demand the full shortage amount accordingly.

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21. Client, desirous to purchase security other than as specified under “MTF APPROVED CATEGORY LIST” and not specifically banned by SISBL, shall be carried out as Normal Trading (Other than MTF) and subject to applicable margin.
22. If any security is excluded from “MTF APPROVED CATEGORY LIST”, Client shall be under obligation to pay the full consideration value for such security on intimation of the same within the specified time, failing which SISBL shall have the right to sell such security without further notice to the Client. Any and all losses and financial charges on account of such liquidations shall be charged to & born by the client.

RIGHTS OF THE MEMBER

23. SISBL, at its own discretion, may allow client to buy further shares under MTF on the basis of increase in the value of collateral shares, subject to applicable haircut. However, purchase shall not be permitted on the basis of increase in the market value of funded shares.
24. SISBL shall have the right to restrict the maximum gross exposure as well as individual stock-wise exposure of a client under the MTF at any point of time without giving any reason to the client. The client is not entitled to seek exposure beyond the limit as specified by SISBL by furnishing applicable margin.
25. SISBL shall have the right to restrict the Client from buying any single scrip.
26. Position taken under Margin Trading facility can be squared off on same day, however, short selling is not allowed in MTF facility.
27. The maximum credit limit for a client will not exceed. 10 % of the Member's maximum allowable exposure. Presently SISBL has fixed the same Rs.10 Crore. However, SISBL reserves the right to change the maximum credit limit at any time without any prior intimation or assigning any reasons thereof.
28. In case of any forthcoming corporate action for a funded stock, SISBL may ask the client to repay the loan extended against the particular stock to make those free at the client's demat account. Simultaneously, in case of any forthcoming corporate action for a collateral stock, SISBL may ask the client to replenish the stock with some other approved stock.

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OBLIGATIONS OF THE MEMBER

29. SISBL shall not use the funds and securities of one client to provide MTF to another client.
30. The stocks deposited as collateral for availing margin trading facility (Collaterals) and the stock purchased under the margin trading facility (Funded Stock) shall be identifiable separately and no comingling shall be permitted for the purpose of computing funding amount. Further, in case of selling of collateral, stock margins will be converted to fund margin. And in case of selling of funded stock, loan will be adjusted and utilised margin will be released.

CHARGES

31. Brokerage, Statutory Charges and Other Charges will be charged as mutually agreed between the parties within the prescribed limits as specified by SEBI.
32. All outstanding dues under MTF shall carry Interest will be charged as mutually agreed rate between the parties and will be posted weekly basis.

SETTLEMENT OF ACCOUNT

33. Margin Trading Accounts where there was no transaction for 90 days shall be settled immediately. Debit balance, if any, in the normal trading account shall be first adjusted against the MTF account and the remaining amount shall be paid to the Client.
34. Any excess collateral, in the form of cash lying in the MTF account of the client shall be settled on a monthly/quarterly basis, as per the client preference, on the running account settlement date as notified by the Exchange.
35. Client's balances in any other segment/exchange can be adjusted/recovered against due in MTF account except running account settlement days.

DISPUTE RESOLUTION

36. A protest /disagreement with any transaction, document, statements, contract notes or any communication under the MTF Facility shall be lodged by the Client within 24 hours from the date of receipt of the same. The Client shall first approach SISBL to redress his/her grievance, if the client is not satisfied with the redressal/response provided by SISBL, then he/she may approach the Exchange to redress the same.

Any disputes arising between the client and SISBL in connection with the margin trading facility shall be resolved through the investor grievance redressal mechanism and/or arbitration mechanism of the stock exchanges as

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in the case of normal trades.

TERMINATION OF RELATIONSHIP

37. 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.
38. SISBL reserves the right to withdraw MTF provided to any Client without giving any reason after giving a 30 days' notice to the Client. The dues, if any, in the account of the client shall become payable after the notice period. Failing which SISBL shall have the liberty to sell such security without further notice to the Client. Any and all losses and financial charges on account of such liquidations shall be charged to & born by the client.
39. Client may terminate the MTF account after paying all dues in the MTF account. SISBL shall be entitled to immediately adjust the Margin Amount, if any, against the dues of the client, and the client hereby authorizes SISBL to make such adjustment.
40. If a client is debarred by order of lawful authority from dealing in the securities market, SISBL shall have the liberty to liquidate Collateral Stock and Funded Stock of the client to recover its dues to the full extent forthwith. Any and all losses and financial charges on account of such liquidations shall be charged to & born by the client.
41. In case of death of a client, SISBL shall be entitled to liquidate the Collateral Stock and Funded Stock under MTF and recover the outstanding dues, if any and all losses and financial charges on account of such liquidations shall be charged to the client.

Review Of The Policy

This Policy shall be reviewed annually and updated periodically to incorporate the changes, if any, made by SEBI, Exchange or any other regulators or to incorporate the changes necessitated due to changes in the market condition or to strengthen the internal control or for such other reason as deemed fit.