

Policy for Collateral Margins.

1. Clients will have to open a **POA Demat account with RKSV compulsory** to avail the facility of Collateral Margins. It is not available for non PoA accounts.
2. Requests placed via an email before 3.00 pm will be processed on the same day. Requests placed after 3.00 pm would be processed on the next trading day. The request would be processed via a POA mode from the client Demat account to RKSV Margin Account. Once the client receives **an email confirmation** for his request processed, the collateral margins will be made available from **T+1 day i.e. next trading day**.
3. The list of securities accepted as Collateral is available on the website along with margin files in Dropbox.
4. All pledged stocks will be debited from your Demat account until they are unpledged again. **A charge of Rs 50** is applicable for both Pledging and Un-pledging a security.
The charges are payable to DP in the respective BO account.
5. Margins will be provided after the applicable haircut of 25% on the Collateral Value. Collateral value will be calculated real time and the worst case is considered for Valuation. (Worst case means lowest of LTP or previous day's Closing price)
In case of Liquid Bees, a haircut of 10% is applicable.
6. For the purpose of margin Reports and exchange margin reporting, standard margins (VaR + ELM) will be applicable as haircut. Thus, Collateral valuations in the margin report will be as per standard margins whereas on the trading platform it will be standard margins or 25% whichever is higher.
7. Margins can be viewed under the heading "Collateral Value "in our trading platform NEST. Collateral Margins will be available in the product codes given below;
NRML
MIS
Cover Orders (CO)
Bracket Order (BO)



8. Clients will not be able to use Collateral Margin to buy Options and for Delivery (CNC) based trades in Equities segment.
9. **Cash to Collateral ratio of 50:50** is to be maintained and in case of insufficient Cash Margins, orders would be rejected.
For e.g. if a client places an Order of Rs 1,00,000 as the margins required then as per the ratio client need to have Rs 50,000 as free cash* in his account and the remaining 50,000 would be considered as Collateral value.
* Free Cash means cash available in client's account post consideration of net Delivery trades value and Options Buy premiums.
10. You will continue to get benefits of all corporate actions like dividends, splits, bonuses, etc. on the stocks you have pledged.
11. RKS reserves the right to liquidate any stock in case of debits arise in the client account and subsequent nonpayment of such debits at any given point of time. In such cases the liquidating preferences would be in the hands of the RISK desk of RKS.
12. In case a client sells his Pledged securities, an Unpledged request is automatically placed in the client's account. Thus in case of any Liquidation from RISK desk, same would be applicable.
13. RKS reserves the right to make any changes in the policy with / without due intimation to the client.

