

NIKUNJ STOCK BROKERS LIMITED

CIN: U74899DL1994PLC060413

Member: NSE, BSE, MCX and DP-NSDL

Regd. & Head Office: A-92, GF, Kamla Nagar, Delhi-110007

Nikunj –Margin Policies

Nikunj Stock Brokers Ltd., (NSBL) is a member of the National Stock Exchange, Bombay Stock Exchange and Multi-Commodity Exchange. The company provides broking services for trading in the Equity, Equity Derivatives, Currency Derivatives and Commodity segment.

We give hereunder the Margin Policy of the company. It is specifically mentioned here that the policy relating to margin can change at any point of time based on market volatility.

1. Stocks or Equity or Shares Trading:

Intraday equity: When you take a trade in equity and square the position off before the end of day, it is called as intraday equity trading. Since you don't carry the position overnight, we provide you a leverage between 3 to 20 times of the amount credit in your account (including your holding after haircut) on all most all the stocks listed on NSE/BSE.

Important: The onus of squaring off all intraday positions lies with you. If any trade is not squared off on the same day for any reason, it shall result in delivery trade for which sufficient payment should be remitted otherwise delay payment charges will be levied as per company policy.

Delivery Equity: When you buy stock and hold it overnight, it is called a delivery trade. 100% payment is required by the delivery date otherwise delay payment charges as per company policy will be charged in your account.

2. Futures Trading – Equity (Stock & Index), Currency & Commodity

Futures as such are inherently leveraged which means that to buy X amount of futures you need only a small portion of it called as margin in your account. This margin to buy futures is stipulated by the various exchanges. There can be three types of trade in derivative segment:

Normal: To take position in future segment, either you can square the position intraday, or carry the trade. For intraday we provide some leverage but if you want to carry the position, you are required to meet the exchange specified margin requirement which is as under:

- a. Full span and exposure margin as intimated by the exchange by the end of the day.
- b. Margin can be provided either in cash or in the form of the security.
- c. As per the policies of the exchanges, If you have provided Power of Attorney, you holding in the demat account can also be considered for margin purpose.
- d. All securities, either given as margin in the margin account or lying in your demat account will be considered after haircut as per company policy/exchange requirement.
- e. As a company policy, for calculating end of the margin requirement, minimum haircut of 20% or VaR margin, whichever is higher, will be applied.
- f. Notwithstanding what has been stated in clause (e) above, for meeting the exchange margin requirement, margin calculation as per the specified formula of the exchange will be considered sufficient and will not be reported as short margin.

Important

1. The settlement cycle in India is T+1 day in case of F&O (Equity, commodity, currency) and T+2 day for Equity delivery. What this means is that credit from sale of long option contracts & any profits from F&O positions gets credited only the next day, and any sale credits from equity delivery trades happen on T+2 day.
2. When you send Market Orders in Options for multiple lots, our system checks only for the margin of the first lot and validates your order. For example, if you see the price of a Nifty option at Rs. 100 and you have Rs. 75000 in your account and you send a market order it validates only for the first lot and sends your order through. During execution if the price of the option goes higher, your order still gets completed although you will end up with a debit balance. This debit balance has to be cleared by you by end of day failing which you will be charged interest as per our policies until you clear the debit balance.
3. Because of illiquidity of stock option contracts, market orders have been disabled on stock options. Only limit orders are allowed. Place a limit buying order higher than the current price or selling order below the current price, this will act as good as market order but will also protect from any impact cost due to illiquidity. You can place market orders on index options.
4. Any shortfall in the margin will be reported to exchange as per the guidelines of the exchange, any penalty imposed by the exchange will be recovered from the clients only.