

Consent to avail Margin Trading Facility

To,
**LAKSHMISHREE INVESTMENT AND SECURITIES PVT LTD (LISPL), 401 MARATHAN ICON, G. K. MARG LOWER PAREL,
MUMBAI-400013**

Dear Sir,

I/We am/are registered client with you and having Trading code & DEMAT A/c No.....willing to avail margin Trading Facility (MTF) offered by you.

I/We hereby confirm that I /we had read and understood & agree with the right and obligation as prescribed by NSE & BSE. Also I/We had received hard copy of Right & Obligation as prescribed by NSE & BSE separately from you. The same is also available on the company website www.lakshmishree.com from where we can see and download the same in future if any change done.

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Further, I/We undertake, authorize, confirm and agree the term & Condition prescribed by LISPL for Margin Trading Facility as given below.....

1. The initial margin payable by the client to LISPL shall be in the form of cash, cash equivalent or Group 1 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. Such margin can be changed from time to time or may be decided by the management of LISPL. Such margin prescribed by LISPL may be higher than the quantum prescribed by regulatory provisions. The client shall pay applicable initial margin or such other margins as are considered necessary by the stock broker or as may be directed by SEBI / exchange(s) from time to time as applicable to margin trading segment in which the client trades.
2. As per SEBI circular No. CIR/MRD/DP/54/2017 dated June 13, 2017, Equity Shares that are classified as “Group I Security” by SEBI only shall be eligible for MTF. LISPL, at its discretion, may not provide funding under MTF to certain equity shares though classified to be “Group I Security” by SEBI. Equity shares shortlisted by SEBI/EXCHANGE for funding (Approved List) shall be as displayed on LISPL website **WWW.LAKSHMISHREE.COM** from time to time. In order to avail of margin facility, the minimum initial margin required to be provided by the Clients, as prescribed by SEBI/Stock Exchanges, is as under: **VaR + 3 times of applicable ELM** in case of F & O Stocks (i.e., stocks available for trading in the F&O Segment. **VaR + 5 times of applicable ELM** in case of stocks other than F & O Stocks. VaR and ELM shall mean VaR and ELM as applicable to respective stocks in the cash segment.
3. Leverage & exposure: LISPL shall provide exposure to client based on exposure limit as prescribed by SEBI/exchange(s) from time to time. However based on market conditions and the risk perception about the market, LISPL may set the exposure limit on the basis of available collaterals which may comprise of ledger balance and stocks (after suitable margin haircut). In case overall position in particular scrip or across all scrip has reached the particular limit, then client may not be allowed to take further position. Collateral provided by client towards margin shall be free from any lien and be totally unencumbered.
4. Initial margin, increased margin, margin shortage, margin calls, maximum allowable exposure, maximum stock specific exposure, trade confirmation, square off intimation and such other information in relation to MTF shall be communicated electronically through one or many or all of the following modes, viz email, SMS & telephone calls.
5. The margin requirement of client may be changed due to but not limited to, the following Factors -, market volatility, risk management policy of LISPL. LISPL will communicate / advice the parameters for the calculation of the margin / collateral requirement as rate(s)/Percentage(s) of the haircut and/or as VAR / ELM requirement through any one or more means or methods such as by messaging on the computer screen of the client’s computer by informing the client through employees / agents of LISPL, by publishing /displaying it on the website of LISPL/ making it available as a download from the website of LISPL; or any other suitable or applicable mode or manner. The client shall monitor his /her / its position (including valuation of collaterals) on his / her / its own and provide the require / deficit margin / collateral as required from time to time whether or not any margin call or such other separate communication to that effect is sent by LISPL To the client and / or whether or not such communication is received by the client to avoid any liquidation.
6. The client agrees that LISPL shall not be responsible for variation, reduction or imposition or the client’s inability to create any position through LISPL’s trading system on account of any such variation, reduction or imposition of limits. The client further agrees that LISPL may at anytime, at its sole discretion and without prior notice prohibit or restrict the client’s ability to create position in securities through LISPL or it may liquidate the position/sell shares or subject any position by the client to a review before its creation and may refuse to create position due to the reason of lack of margin/collateral market perception and any other such reasons which LISPL may deem appropriate in the circumstances. The client agrees that the financial charges and losses, if any on account of such refusal, liquidation or due to delay caused by such review under MTF or otherwise, shall be borne exclusively by the client alone.
7. In addition to powers granted by way of power of attorney of executed at the time of account opening, the client hereby authorize LISPL to transfer or pledge the stock held in the demat account with LISPL. LISPL has a right to lien and / or pledge the securities / collaterals and its corporate benefits, if any, lying in demat account of client, or the securities bought by the client under the margin trading facility and shall continue to hold / pledge till the amount due in respect of the said transaction including the dues to LISPL is paid in full by the client.
8. Margin requirement on shares purchased under MTF shall be computed by grossing applicable margin i.e., minimum initial margin plus increased margin, if any, on each stock and shortage computed accordingly by deducting available margin from gross margin. Collateral shares and shares purchased under MTF (Funded Shares) shall be marked to market daily for the purpose of computing the margin/shortage of margin.
9. Applicable minimum initial margin and increased margin, if any, shall be kept supplied at all times by the clients in respect of the stocks purchased under the MTF. Client shall pay any shortage in the required margin immediately on receiving demand (margin call) and in any case

not later than 09.30 A.M on the trade day following the day of making the margin call (prescribed time) failing which LISPL shall be at liberty to liquidate the funded shares and/or collateral shares to recover the dues outstanding in the account of the clients. In case of extreme volatility in the market, LISPL may demand payment of margin forthwith and prescribed time for making margin payment shall be construed accordingly. Decision of LISPL in relation to market volatility shall be final and binding without LISPL having to provide any reason for the decision to the Client.

10. If required margin is not provided within the prescribed time, client shall be treated as Client in margin default. LISPL shall not be obliged to notify the Client in margin default of the liquidation of shares, ahead of liquidation. LISPL shall be obliged to liquidate shares proportionate to the shortage in margin.
11. Client in margin default shall continue to be in margin default, until the required margin is furnished in full to eliminate the shortage. Partial payment of margin or a change in the required margin shall not extend the time stipulated for making margin payment which will run from the time of making margin call to the Client.
12. In case margin is reduced by an amount equal to applicable ELM component of the total margin due to market volatility within a trading day (i.e. available margin becomes equal to or less than applicable VAR margin), LISPL reserves the right to liquidate the collaterals and/or funded shares forthwith without prior notice to the Client.
13. MTF Clients purchasing shares not specified in LISPL Approved List of Group 1 securities shall be required to 100% margin upfront for such purchases.
14. If any shares are delisted from Group 1 Approved List, Client shall be required to make payment of full purchase consideration against such shares on receiving margin call within the prescribed time, failing which LISPL shall be at liberty sell such shares without further notice to the Client.
15. If a Client is debarred by orders of lawful authority from trading in the securities market, LISPL shall liquidate collateral and funded shares of the Client to recover its dues to the full extent forthwith.
16. In case of death of a Client, LISPL shall be entitled to liquidate the collateral and funded shares under MTF and recover the unpaid outstanding due.
17. Any loss arising from liquidation of the shares shall be charged to the account of Client. Client shall forthwith pay LISPL any unpaid dues outstanding in the account after liquidation of the shares.
18. LISPL reserves the right to withdraw MTF with respect to any Client without assigning any reason after giving a reasonable notice to the Client in which case dues if any outstanding in the account of the Client shall become payable immediately. Failure to make payment of the outstanding dues shall result in liquidation of collateral and/or funded shares held in Client's account.
19. Client may terminate the MTF account after paying all dues in the MTF account.
20. The stocks deposited as margin collateral and funded stock shall be identifiable separately and no compiling shall be permitted for the purpose of computing funding amount.
21. LISPL may at its option allow Client to buy further shares under MTF on the basis of increase in the value of collateral shares, subject to applicable hair cut. Further purchase shall not be permitted on the basis of increase in the market value of funded shares.
22. IPF 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.
23. LISPL shall restrict the maximum gross exposure as well as individual stock-wise exposure of a client under the MTF at any point in time according to its internal policies and market views without assigning any reasons to the client. Furnishing applicable margin shall not by itself entitle the Client to seek exposure beyond the limit restricted by LISPL.
24. Admitting Clients for MTF shall be at the discretion of the Stock Broker/Trading Member. Clients request for admission to MTF may be disallowed without assigning any reason.
25. By agreeing to avail of MTF, the Client shall be deemed to have authorized LISPL to retain and/or pledge the shares purchased under MTF (funded shares) and collateral shares provided as margin till the amount due in respect of the purchase and all other dues are paid in full by the Client.
26. LISPL shall maintain separate ledgers for funds and securities of the client availing of MTF.
27. Client agree to pay interest at the rate of 24 % p.a (plus taxes, if any applicable) on debit arising out the exposure availed by the client (i.e the amount finance by LISPL),compounded monthly any charges as mutually agreed from time to time.
28. Until full payment of the outstanding dues in the MTF A/c is made by the client, collateral shares and funded shares, as far as may be required, shall be retained in the DEMAT A/c of LISPL, separately identified as collateral shares and funded shares.
29. Daily margin statement sent to the MTF Clients shall identify margin/collateral for MTF transaction separately.
30. Margin Trading Account where there is no transaction for 90 days and no dues outstanding from the client shall be settled immediately.
31. In case Client does not opt for MTF, all dues on account of purchase of shares, accrued /accruing, shall be payable immediately/on or after T+7 failing which LISPL shall sell the shares to liquidate /reduce the dues and remaining unpaid dues, if any, shall become payable forthwith.
32. Any disputes arising between the client and LISPL in connection with the margin trading facility or anything incidental or ancillary therewith, the client shall raise/report the same to LISPL not later than within 24 hours of receipt of contract note for the disputed transaction, shall have the same treatment as normal trades and will be covered under the investor grievance redressal, mechanism, arbitration mechanism of the stock exchange.

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