Policy created by	Operational staff
Policy reviewed by	Compliance Head
Approval authority	Board of Directors
Periodicity of Review periodicity	As and when any changes are introduced by any statutory authority or as and when it is found necessary to change the policy due to some eventuality
Officer responsible for implementation	Compliance Officer
Policy reviewed on	September 25, 2021
Policy approved by Board on	September 30, 2021

The Policy shall be implemented with immediate effect.

For & Behalf of
Unique Stockbro Private Limited

Paresh V. Popat
Director

Ashish V. Popat
Director

UNIQUE STOCKBRO PVT. LTD. MUMBAI

Date: September 25, 2021

With regards to Margin Collection and other processes related to margin, we adhere to various guidelines issued by the Market Infrastructure Institutions and SEBI from time to time. We have online Risk Management Software wherein details of trades executed by us is captured on real time basis. On the basis of trades information, various MIS reports are generated which provides base for useful information for Risk Management and Risk Mitigation.

Collection of pay-in and margin obligations is executed by dedicated team. It is ensured that prompt payment is made by the clients. In case of shortage in margin collection, instances are escalated to the higher level.

Settlement and Margin Obligations are monitored on daily basis. Securities are withheld, limits are curtailed and reminders are given to the clients. If after taking above actions, there is any shortage further steps are taken. In compliance with guidelines issued by SEBI under Enhanced Supervision of Stock Brokers (ESSB), we do not allow client to trade in Cash Segment, if debit persists beyond fifth day from the pay-in date (T+2+5).

Margin Collection:

Capital Market Segment: In capital market segment, we are required to collect minimum 20% upfront margin in lieu of VAR and ELM from the client on an upfront basis. Other margins such as Mark-to-Market margin (MtoM Margin), delivery margin, special/ additional Margin/ ad-hoc or such other margins as may be prescribed from time to time, shall be collected within 'T+2' working days from the clients. It must be ensured that minimum 20% upfront margin is collected in advance of trade and other margins are collected on upfront or T+2 basis.

F&O segment: In the F&O segment, it is mandatory for us to collect SPAN margin & Extreme loss margin from respective clients on an upfront basis. It must be ensured that all upfront margins are collected in advance of trade. Delivery Margin and Margin on Consolidated Crystallized Obligation (CCOM) shall be collected from clients by T+1 day.

Form of Collection of margin from Clients: We can collect the margins from respective client, in any of the following forms, provided they are free & unencumbered after taking into account its liquidity aspects:

1. Consolidated funds balance across all segments and Exchanges

2. Bank guarantee received towards margin, issued by any approved bank and discharged in our favor.

3. Fixed deposit receipts (FDRs) received towards margin issued by any approved bank and lien marked in favor of the company.

4. Securities (including mutual fund, Government securities and Treasury bills) in dematerialized form actively traded on the National Exchanges, not declared as illiquid securities by any of such Exchanges, with appropriate haircut. (List of illiquid securities is declared on a regular basis by the Exchanges).

5. Securities other than those in the approved list of securities to be considered while reporting margin collection to the Exchange

6. Any other such collaterals, as may be specified by Clearing Corporations from time to time.

7. With effect from August 01, 2020, we can collect the securities as collaterals from clients only by way of 'margin pledge', created in the Depository system (in accordance with the SEBI circular SEBI/HO/MIRSD/DOP/CIR/P/2020/28 dated February 25, 2020). We will accept collateral from clients in the form of securities, only by way of 'margin pledge', created in the Depository system.

Procedure for valuation of Securities:

a. For the purpose of client Margin collection and reporting, we shall compute the value of such securities as per the closing rate on T-1 day as reduced by the appropriate haircut at a rate not less than the VAR margin rate of the security on that day i.e. T-1 day

b. Dematerialized units of liquid mutual funds whose NAVs are available and which could be liquidated readily may be considered while reporting margins collected from clients. The value of listed liquid mutual funds should be computed based on the NAV on T-1 day, reduced by a haircut equivalent to the VAR. In case of others (mutual funds not listed) the haircut should be equivalent to 10% of the NAV.

c. G-Sec/T-Bills available in electronic form and pledged marked in our favour may also be considered while reporting margin collection to the Exchange. The valuation of G-Sec/T-Bill shall be based on closing price of G- Sec/T-Bills on NDS on T-1 day reduced by haircut as specified by clearing corporation from time to time. In case where clearing corporations have not specified the haircut for G-Sec/T-bills then valuation shall be based on closing price on NDS on T-1 day reduced by a haircut of 10%.

Precautions in case of cheques received from Clients towards margin/margin on consolidated crystallized obligation /MTM losses:

a. **Towards collection/ reporting of upfront margins (All Segments)**: Cheques received / recorded in our books on or before T day and deposited in the Bank by T+1 day (excluding bank holiday, if any), can be considered, provided the same is cleared within T+5 working days.

b. **Towards collection/ reporting of margin on consolidated crystallized obligation (Derivatives Segment):** Cheques received/ recorded in our books on or before T+1 day and deposited in the Bank by T+2 day (excluding bank holiday, if any), can be considered, provided the same is cleared within T+5 working days.

c. **Towards collection/reporting of margin on consolidated crystallized obligation in (Cash Segment)**: Cheques received / recorded in our books on or before T+2 day and deposited in the Bank by T+3 day (excluding bank holiday, if any), can be considered, provided the same is cleared within T+5 working days.

d. **Dishonour of cheques or cheques not cleared within T+5 days**: If subsequent to the margin/ margin on consolidated crystallized obligation/ MTM reporting by us, the cheque deposited by us is dishonoured or not cleared within T+5 working days, then revised margin file shall be uploaded after factoring into the effect of such dishonored or non-cleared cheques, with incremental batch number within the above mentioned five days.

Margin collection in respect of securities sold:

a. **Securities which are sold in Cash Segment and delivered in our Pool Account:** Securities which are sold and delivered to our Pool Account, margin in respect of such securities shall not be applicable to the client as the client has fulfilled the sell obligation. However, benefit of sell consideration amount of such securities will not be available or considered as margin collected for any other trade / position.

b. **Securities which are sold in Cash Segment and Early Pay-in (EPI) accepted by Clearing Corporations:** In respect of sale of securities by a client for which early pay-in (EPI) has been accepted by CC and credit entry is posted of the sale value of the shares in the ledger account of the client, EPI value may be considered as margin collected towards other positions of the client. However, the sale value of such securities (EPI value), as reduced by value of the 20% upfront Margin, shall be available as Margin for other positions across all the segments. Illustration is mentioned below:

Day	Transaction	Scrip	Value	Upfront Margin
T day	Sell	ABC Ltd.	100	20
In this case, we can give maximum benefit of, 80 (100-20) as margin towards subsequent margin requirement.				

In the above mentioned case we would like to clarify that, as a member we can give benefit of, maximum, 80 % of EPI value as margin towards subsequent margin requirement on T day. Further, client can avail full EPI value (100%) as margin towards subsequent margin requirement on T+1/ T+2 day (till the settlement is completed on T+2 day) subject to the EPI has been accepted by CC and credit entry is posted of the sale value of the shares in the ledger account of the client

c. **Securities received in pay out and available in CUSA account**: Securities received in pay out and available in CUSA account will not be considered for margin collection. However, in case client buys a share on T day with upfront payment of applicable margin and If client sells the same shares on T+1 day, client will be required to pay separate applicable margin for sale trades also, as Buy and Sell trades are executed in different settlements. However, as a Member, we can choose to pay for the buy position of client (buy value – margin paid by the client) and collect the payout of shares on T+2 day in CUSA. We can subsequently deliver the shares from CUSA on T+3 day towards pay-in for sale trade on T+1 day. We can also post the buy and sale value of shares to the account of client in ledger on execution of sale transaction, which could be used towards margin for subsequent trades of the client.

d. **Margin in respect of positions for which early pay-in of securities/ funds is made**: The client shall not be required to pay upfront margins, in respect of positions for which early pay-in of securities/ funds is made by them on the date of execution of the transaction and the same is accepted and confirmed by the Clearing Corporation.

e. **Upfront margin collection and reporting be undertaken in case of NRI clients under the portfolio investment company scheme (PIS)**: In case of NRI clients undertaking buy transactions under PIS, funds received from the NRI's PIS bank account before the respective pay- in, will be considered as collection of upfront margin. Similarly, NRI clients undertaking sell transactions under PIS, securities received before the respective pay-in, shall be considered as collection of upfront margin.

f. **Margin to be collected in case of intra-day transactions (buy & sell) in same scrip**: As per SEBI circular CIR/HO/MIRSD/DOP/CIR/P/2019/139 dated November 19, 2019, upfront margins viz. VAR margins and ELM are required to be collected in advance of trade. In case of any intra-day transactions in the same scrip on the same day, Margins shall be collected as per the below illustration:

Transaction	Scrip	Qty	Margin @ 20%
Buy	ABC Ltd.	100	20
Sell	ABC Ltd.	100	Nil (Since the net quantity of the scrip is nil)
Total Upfront Margin to be collected			**20**

Short reporting of upfront margins:

a. **Short reporting of upfront margins**: In case we fail to collect requisite margin from the respective client on an upfront basis and report to the clearing corporation that margin collected from client is less than the actual amount of margins to be collected. It is termed as short reporting of margin collection and shall attract applicable penalty as mandated by clearing corporation from time to time.

b. **Short reporting of Consolidated Crystallized Obligation Margin (CCOM) in Derivatives Segment:** In case we fail to collect requisite CCOM from the respective client on T+1 basis and report to the clearing corporation that CCOM collected from client is less than the actual amount of CCOM to be collected. It is termed as short reporting of margin collection and shall attract applicable penalty as mandated by clearing corporation from time to time.

c. **Short reporting of Mark to Market Margin (MtoM Margin) in Cash Segment:** In case we fail to collect requisite MtoM Margin from the respective client on T+2 basis and report to the clearing corporation that MtoM Margin collected from client is less than the actual amount of MtoM Margin to be collected. It is termed as short reporting of margin collection and shall attract applicable penalty as mandated by clearing corporation from time to time.

Margin Related Information:

a. **Sending Daily Margin Statement (DMS)**: We are required to send margin related information to the clients. Such margin related information in the form of Daily margin statement (DMS) shall be sent to clients on a daily basis at the end of the trade day (T-Day) itself or by such timelines as may be specified from time to time. Further, Margin pledge collaterals have to be mentioned in the daily margin statement. Free & unencumbered securities pledged in one segment can be used for margin in other segment

b. **Maintenance of proper records with respect to margin collection and reporting:** As a Trading Member, we are mandatorily required to maintain proper records of collaterals of clients.

c. **Acceptance of security deposit from Authorised Person (AP) in the form of demat securities**:

d. **Weekly reporting of Pledge collaterals in holding statement:** Pledge collaterals are not required to be reported in weekly reporting of holding statement. However, in case of Pledge/ Re-pledge securities are invoked by us then invoked securities and securities lying in EPI /CUSA/ Pool/ Own to be reported in weekly Holding submission.

e. **Weekly reporting of Pledge collaterals in Register of Securities (ROS):** No Pledge collaterals are to be recorded in Register of Securities (ROS). However, we need to maintain all records of pledge/ Re- pledge stocks (including client wise records) in the back-office records. Additionally, in case of Pledge/ Re-pledge securities are invoked by us then such transactions are required to be recorded in ROS appropriately in accordance with SEBI Circular SEBI/HO/MIRSD/DOP/CIR/P/2020/28 dated February 25, 2020.

f. **Systems & Procedures for margin collection & reporting**: We will maintain all the times, adequate systems and procedures in place to ensure that client collateral is not used for any purposes other than meeting the respective client's margin requirements / pay-ins. We shall maintain records to ensure proper audit trail of use of client collateral.

g. **Margin available with related entities and family members of the client**: Margin available with related entities and family members of the client cannot be considered as margin of the respective client.

Peak Margin Reporting & Collection

SEBI issued Circular number SEBI/HO/MRD2/DCAP/CIR /P/2020/127 dated July 20, 2020 containing therein framework for Peak Margin. Hence, followings are incorporated as a part of margin collection.

Framework to Enable Verification of Upfront Collection of Margins from Clients in Cash and Derivatives Segment:

a. Clearing Corporations shall send minimum 4 snapshots of client wise margin requirement for the company to know the intraday margin requirement per client in each segment. The number of times snapshots need to be sent in a day may be decided by the respective Clearing Corporation depending on market timings subject to a minimum of 4 snapshots in a day. The snapshots would be randomly taken in pre-defined time windows.

b. Relevant client wise margin files provided by the CCs shall contain the EOD margin requirements of the client as well as the peak margin requirement of the client, across each of the intra-day snapshots.

c. We have to report the margin collected from each client, as at EOD and peak margin collected during the day, in the following manner:

    I. EOD margin obligation of the client shall be compared with the respective client margin available with us at EOD

    AND

    II. Peak margin obligation of the client, across the snapshots, shall be compared with respective client peak margin available with us during the day.

    Higher of the shortfall in collection of the margin obligations at (I) and (II) above, shall be considered for levying of penalty.

d. The verification of availability of EOD margins and Peak Margin with us shall be done by exchanges/ clearing corporations on a weekly basis by verification of the balances in our books/ ledgers.

e. The peak margin obligation of client shall be adopted in a phased manner, as given below:

Phase I (for 3 months from the date of implementation): 25% of (Peak margin obligation of the client across the snapshots) shall be compared with respective client peak margin available with us during the day.

Phase II (for subsequent 3 months): 50% of (Peak margin obligation of the client across the snapshots) shall be compared with respective client peak margin available with us during the day.

Phase III (for subsequent 3 months): 75% of (Peak margin obligation of the client across the snapshots) shall be compared with respective client peak margin available with us during the day.

Phase IV (subsequently): 100% of (Peak margin obligation of the client across the snapshots) shall be compared with respective client peak margin available with us during the day.

The peak margin obligation of client across snapshots, as mentioned above, shall be adopted in a phased manner, as given below:

Phase	Effective Date	Percentage of Peak margin obligation to be compared with respective peak margin available for computation of shortfall in peak margin
	October 01, 2020	Not Applicable
I	December 01, 2020	25%
II	March 01, 2021	50%
III	June 01, 2021	75%
IV	September 01, 2021	100%

The Shortfall in collection of margins, shall be calculated by taking into consideration aforesaid phased adoption of peak margin obligations of the clients. Further, during the aforesaid period of phased adoption, we are required to demonstrate that the balance peak margin obligation *[i.e., (peak margin obligation of the client across the snapshots) minus (25% / 50% / 75% as the case may be) of Peak margin obligation of the client across the snapshots]* has been funded from our own funds and not from any other client.

f. Collection and reporting of the peak margin on settlement day (T+2 day) as peak margin is captured in the snapshots taken before respective pay-in on T+2 day: In case we have collected sufficient upfront margin on T day and the same is available till pay-in day, the same may be considered as peak margin collected towards peak margin obligation of the said transaction till settlement day.

g. After fulfilling the peak margin obligation on T day, excess margins can be released on T day. Applicable upfront margins are required to be collected from the clients in advance of the trade. In view of the same, free and unencumbered collaterals can be released in case peak margin obligation across all segments is fulfilled. Illustration is mentioned hereinbelow

Day	Time	Particulars
T day	09.00 AM	Margin available Rs. 1,00,000
T day	10.00 AM	Client took position (ABC LTD.) of margin Rs. 1,00,000 (transaction value Rs. 5,00,000) in CM segment
T day	03.00 PM	Client squared up the same position (ABC LTD.) in the CM segment (means no EOD margin)
T day	04.00 PM	Company can release the free and unencumbered collaterals (Rs. 1,00,000)

End of Report

Disclaimer: *Margin collection system and RMS Policy / Procedures as depicted above are subject to change from time to time having regard to change in circumstances & regulatory guidelines. This Margin collection system and RMS Policy / Procedures shall be reviewed periodically in accordance with regulatory guidelines and management perception.*