



## **GROVALUE Rms Policy for both Equity and Commodity**

### **TRADES:**

The trades of clients shall be carried out in the respective client code only. The dealers shall take utmost care while executing the trades of the clients regarding the accuracy of Client Code, Quantity and Price, etc.

### **Product Types under which Orders are to be placed:**

#### **MIS:**

If you wish to trade a particular contract for intraday purpose, you will have to select the product type as "MIS". You will be entitled to the benefit of trading with 40% to 50% of Exchange Specified Margins for above mentioned contracts. If you have taken an MIS Position and wish to carry forward the same, you will have the option of converting the position to NRML, subject to availability of funds in your account.

#### **NRML:**

If you wish to carry forward positions to the next trading day, you will have to place your orders under product type "NRML". Placing orders under product type NRML will require full margins as specified by Exchange. If your MTM loss exceeds 80% of your available Capital, your entire position will be automatically squared off. Available capital= [Actual ledger + stocks after hair cut - realised loss and unrealised loss- uncleared balance].

#### **CNC:**

If you want to Sell Stocks in CNC mode you need to have the Free / unencumbered Scrip's in your Demat Account mapped to your Trading account.

#### **MARGINS:**

Grovalue does not engage in the business of Client Funding. Clients are required to have sufficient balance in their accounts to hold/carry forward positions.

Grovalue has a policy of giving 4 to 10 times leverage for stocks on which F&O trading is Allowed as well as VAR based. For most other APPROVED stocks of NSE GROVALUE gives 10 times leverage. leverage given only for trading Intraday. No margin is given for delivery trades. The client needs to have enough money in his trading account to take delivery of shares failing which GROVALUE square off the positions.

For Futures, GROVALUE lets client to take positions for Intraday with 25% of the SPAN+Exposure Margins. On days when GROVALUE feels the volatility is on the higher side the margins will be raised up to 100% of SPAN+Exposure Margins. To hold positions overnight full SPAN and Exposure margins is required.

No leverage is provided for buying Options.



Illiquid and Penny stocks not allowed to trade subject to management decision and only on 100% cash margin required and allowed maximum 25% of the total exchange volume of the particular scrip.

Delivery funding 'A' Grp Stocks on 60-40 basis. And Approved stocks list.

Delivery funding 'B' Grp Stocks on 50-50 basis. And Approved stocks list.

### Margins for Intraday Trading

GROVALUE aims at simplifying your trading experience, and hence has very easy to understand Margin rules for traders. These rules are applicable for all our clients Irrespective of where and how they trade.

Item	Equity/Cash	Futures	Options	Currency	Commodity MCX&NCDEX
<b>Margin Benefit</b>	Exchange 'VAR' for which ever is higher for 'A' and 'B' Group	25% of i.e 4 times Exchange prescribed margin **	None for buying. For Sell same as Futures ****	100% of Exchange prescribed	100% of Exchange prescribed margin
<b>Time based sq-off</b>	3.15 pm	3.15pm	3.15pm	4:45pm	11.15 and 4.45pm MCX & NCDEX in daylight saving hr 11.40 pm
<b>If Shortage (square off)</b>	Positions will be squared off	Positions will be squared off by RMS Admin ***	Positions will be squared off	Positions will be squared off	Positions will be squared off
<b>Delivery Funding</b>	60-40 and 50-50 'A'Grp ' B' Grp and NSE approved stocks on GROVALUE valuation of customer portfolio	Margin provided if MTM losses can be brought in on the same day	Margin provided if MTM losses can be brought in on the same day	Margin provided if MTM losses can be brought in on the same day	-



Intraday margins for Cash are pre-determined, so you will get 4 - 10 times exposure on your cash. i.e on purely exchange VAR margin or whichever is higher.  
based on the scrips approved by ILFS.

\*\* Intraday margins for Futures are 25% of the SPAN + Exposure margin. i.e 4times.

For example, if the exchange prescribed margin for Nifty is Rs.25000, you should have those funds in your account, failing which your position will be squared off. There will be no margin call from GROVALUE..

Intraday margins are provided (on request) on the holdings in your account if you have sufficient cash for MTM difference.

\*\*\*\* For buying Options, you have to pay full cash, no margin benefit is provided. For selling options, the margin requirement is similar to Futures margins.

**Strike Price of Option**

**Margin Required**

At the Money

Same as Futures

In the Money

30% more than Futures Margin

Deep in the Money

60% more than Futures Margin

The margin requirement varies depending on the strike price and expiry date.

**Margins for Overnight/Positional/Delivery Trading**

- Exchange prescribed limits apply for Futures /options/currency/commodity
- If Shortage Positions will be squared off .
- If there is a shortage of funds in your account, **there will be no margin call From GROVALUE.** Your positions will be squared off automatically by our RMS Admin desk. Please plan your trades in advance and make sure you have sufficient funds.

**Collateral Margins (Collateral against Stock):**

GROVALUE gives margin to its clients for the securities held by the client in their demat account. The way it works is, the shares would move from your beneficiary account to GROVALUE Margin beneficiary account through an Off- Market transfer which you have to initiate and in turn these stocks would be moved to margin account. GROVALUE would then provide you margins against these shares after considering NSE VaR margins and your limit would be enhanced on your trading platform.

However, there are some rules regarding the same which is explained below:

To avail Margin facility on your holdings, you would need to transfer the shares from your DP to our beneficiary account. As soon as the shares are transferred, you'll get margin against those



shares after the exchange prescribed haircut. For example, if you have stocks worth Rs.100000 in your account and if the exchange prescribed haircut is 30%, then the actual cash value of your stocks will be Rs.70000. However, if you want to utilize this Rs.70000 as cash in your trading account, you need to have at least 15% of that value as actual cash (not stocks). This means that you need to have cash of around Rs.15000 to utilize the entire margin benefit of Rs.70000 against your stocks.

POA is compulsory to all clients.

Short sell in cash market like BSE/NSE not allowed for intraday for specific Groups, such as XD, XC. Illiquid scrips, penny stocks..etc.

MTM SQ-OFF Alert level to clients and pop up message 50%, 60%, and sq-off @ 80%.

In case of BTST if any pay-out shortage than GROVALUE not responsible for the same as well as Auction.

**Pls Note: Above polices will be amended from time to time according to Exchange circulars.**