



BugleRock Capital Private Limited
(Stock Broking & Depository Services)

Write-up on Margin Collection and Reporting

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1. Objectives:

Objective of this write-up on Margin collection and reporting is to follow a standard procedure for collection of Margin from both, Clients as well as broker level, and reporting it to relevant Exchanges.

2. Margin Collection Procedure

BugleRock Capital Private Limited has a RMS (Risk Management System) department, which is responsible for setting up the Client-wise Trading limits. The Margin collection & Reporting procedure is as described below:

Client Limits are allowed as per margin norms of the relevant exchanges. Clients are required to provide upfront margin in the form of funds / securities (after appropriate haircut as prescribed by Exchange from time to time) before any trade.

The RMS department monitors all orders & trades given by clients and executed in the trading terminal. The departments are also vigilant about all order rejections and spurt in exposures. BugleRock Capital Private Limited takes proper and adequate margin from clients as per the exchange/SEBI norms in the form of funds/Securities and reports the same to the exchange as per the guideline of exchange.

We accept margin in the form of funds through Account Payee Cheque, Electronic Fund Transfer and Securities. BugleRock Capital Private Limited does not accept third party cheque(s). In case, clients' provide securities towards margin, we accept only liquid securities received from registered DP ID of client. On receipt of securities, RMS applies the required hair cut as per exchange VAR.

At the end of the day, Shortage of Client margin is calculated and reported to the Exchange. During the trading hours if any shortfall in margin is observed, the RMS team follows internal RMS policy, due diligence and updates the status to the respective RM and to clients. In case client doesn't respond RMS team, any open position is squared-off and subsequently intimated to the client.

3. Margin Reporting Procedure

On a daily basis exchange provides Margin Files to the Trading member in F&O Segment. BugleRock Capital Private Limited reports details of Initial Margins collected from their clients for F&O Segment by uploading the MG13 file through the member portal.

Mechanism for regular reporting of Margin.

- Reporting of short collection of margins will be done on the basis of T+0 day span margin. In case of securities a hair cut as per exchange VAR will be applied.

- Free balance of funds and/or securities in other segment/exchanges (after adjustment of margin requirement of respective segment/exchange) will be also considered of respective client if required to meet out client's margin requirement.
- Only exchange approved stock in Pool Account (BugleRock Capital Private Limited Beneficiary account.) & Collateral Account will be considered for margin collection
- If Shortage of margin collected, same must be reported to the respective exchange along with clients.
- In case of shortfall in margin, Follow up for collection will be done. If client paid shortfall of margin and same receipt of funds get credited in our bank account with in stipulated time as given by exchange, revised margin collection report will be submitted to the respective exchange.
- If margin is not received from client then same must be reported to RMS team and position will be squared off proportionally.
- Penalty on margin shortfall to be forwarded to the account department for debiting the same to client account and same will be intimated to the respective clients.

Penalty if any occurring out of the short payment will be debited to the respective client's account. Information related to margin applicable, utilized and required / balance in respect of each client is to be sent on a daily basis to the respective clients.

- Client code and name, Trade day (T)
- Total margin deposit placed by the client up to day T-1 (with break-up in terms of cash, FDRs, BGs and securities)
- Margin utilized up to the end of day T-1
- Margin deposit placed by the client on day T (with break-up in terms of cash, FDRs, BGs and securities)
- Margin adjustments for day T
- Margin status (balance with the member/ due from the client) at the end of day T