

RISK MANAGEMENT POLICY

1. As a general rule the company shall deal with clients in Low and Medium Risk categories only. Further it shall not deal with Politically exposed persons or persons related to Politically exposed persons
2. Clients shall be allowed turnover and exposure limits in relation to the amount of margin deposited by them as per the system adopted by the respective stock exchange for the respective market segment.
3. The dealers while placing orders for the clients shall ensure that sufficient margin amount is already deposited by the client with the company
4. In case of good clients casual and very short term relaxation in turnover and exposure limits can be permitted by the top management on case to case basis and for the period decided by the top management
5. Strict control shall be exercised for collection of pay in and margin related obligations from the clients in accordance with settlement schedule of the respective stock exchange.
6. Margin can be deposited by the clients in the form of cash or permissible securities subject to prescribed hair cut or Bank Guarantees or FDRs and proper record of the same is maintained.
7. When shares are accepted as margin from the Clients, such shares shall be transferred to the designated BO account of the company. When shares are to be released from margin the same shall be transferred to the demat account of the client.
8. Charges for pledge / release of shares from margin account shall be debited to client's accounts on actual basis.
9. When amount of margin deposited falls short of the margin requirement for any reason, the client shall be informed to deposit additional margin or reduce the exposure. In case of failure of the client to do so, the top management in its sole discretion may proceed to square off the outstanding positions of the clients to the extent it is necessary to do so.