

RISK MANAGEMENT POLICY

1. Every client is registered with us after due completion of designated KYC and satisfactory identification. Detailed information of every client is recorded before commencing transaction for any new client.
2. Initial margin is collected from the respective client either in form of funds or securities and accordingly trading limit is provided to each client.
3. Exposure / Limits are set for each respective client on the basis of deposits / credits available and are being monitored on the real time basis.
4. Real time client-wise Risk Management is done in Derivatives Segment, along with control on margin & MTM obligations. Margin calls are done to the clients in case of margin short falls and accordingly funds / securities are collected from respective client. Credits so received are recorded / posted into respective client's margin / ledger statement accordingly.
5. Trading in "Z" and "TS" has been restricted as a precautionary measure against predictive price manipulation due to illiquid in nature and in case of any exit route desired by the retail client, sale is permitted from HO, against strict surveillance.
6. Trading in illiquid Stock and Options contract is being restricted and permitted against due diligence.
7. Continuous Training is given to all the dealers, so as to exercise caution while putting orders in illiquid counters, especially options segment to avoid profits / loss transfer and / or trade reversal away from prevailing market price.
8. The Trading Member may impose penalties / fines for any orders/trades / deals / actions of the client which are contrary to Member Client Agreement/rules / regulations / Bye-Laws of the exchange or any other law for the time being in force, at such rates and in such form as it may deem fit. Further where the Trading Member has to pay any fine or bear any punishment from any authority in connection with / as a consequence of / in

relation to any of the orders/trades / deals / actions of the client, the same shall be borne by the client.

9. The Trading Member would charge delayed payment charges on any amounts which are overdue from the client towards trading or on account of any other reasons, at such rates as may be determined by the Trading Member from time to time.
10. The Trading Member can suspend/close the client account and also withhold the pay-outs of client if there is any judicial or/and regulatory order/action requiring suspension/closure of client's account. The Trading Member can also suspend/close the client account if the Trading Member observes any abnormal or suspicious activity in the client account through its monitoring and surveillance of the client account.
11. The Trading Member may also temporarily suspend/close the client account if there is no activity in the client account for a period, as deemed fit by the Trading Member from time to time.
12. The client's account can also be put under temporary suspension/closure if the client has not cleared the uncovered debit in its account or if the client has not submitted Know Your Client (KYC) details sought by the Trading Member to fulfill its own surveillance or exchange related requirements.
13. The Trading Member can also put the client's account under temporary suspension/closure if the client has failed to provide or update its communication details like correspondence address, Mobile number, landline numbers or E-mail ID.
14. The Trading Member shall have the right to terminate the agreement with immediate effect in any of the following circumstances:
 - a. The client account figures in the list of debarred entities published by SEBI.
 - b. The actions of the Client are prima facie illegal / improper or such as to manipulate the price of any securities or disturb the normal / proper functioning of the market, either alone or in conjunction with others.

- c. If there is any legal /regulatory proceeding against the client under any law in force.
- d. If there is reasonable apprehension that the Client is unable to pay its debts or the Client has admitted its inability to pay its debts, as they become payable
- e. If the Client is in breach of any term, condition or covenant of this Agreement
- f. When the Trading Member is informed or ascertains that the client has deceased / become insolvent / not able to act in the market due to lunacy/disability etc.
- g. The Trading Member shall have the right to close out the existing positions, sell the collaterals to recover any dues with or without consent of the client before de-registration of the client.

15. The Trading Member may refuse to execute order of a client or may close the existing position of the client due to lack of margin / securities or the order being outside the limits set by Trading Member / Exchange/ SEBI.

16. Other reasons for not allowing further positions or closing out of existing positions could be as:

- a. Client has not met his pay-in obligations in cash by the scheduled date of pay-in for purchases done in CM segment
- b. Non-payment or erosion of margins or other amounts, outstanding debts, etc. Client is dealing in illiquid scrips or contracts/penny stock.
- c. Cheque submitted by the client has bounced or clear funds not received with the Trading Member for the cheque submitted by the client.
- d. Non-Payment of Marked to Market loss in Cash.
- e. Open positions in a contract exceed or are close to market wide cut-off limits
- f. Client's position is close to client-wise permissible "open" positions
- g. Intraday orders after the cut-off time would not be allowed

17. Trading Member shall not be obliged to deliver any securities or pay any money to the client unless and until the same has been received by the Trading Member from the exchange, the clearing corporation/clearing house or other company or entity liable to make the payment and the client has fulfilled his/her/its obligations first.
18. The trading member shall have the right and the prerogative to sell client's securities, both unpaid securities as well as collaterals deposited towards margins, or close out client's open positions, without giving notice to the client where there is either a delay or failure of the client to meet the pay-in obligations and / or there is delay /failure of the client to bring additional margins to cover the increase in risk in dynamic and volatile market conditions.
19. The client would be responsible for monitoring his / her / its position (dealings/trades and valuation of securities) on his / her / its own and provide the required/deficit margin / securities forthwith as required from time to time whether or not any margin call or such other separate communication to that effect is sent by the Trading Member to the client and / or whether or not such communication is received by the client. The client is not entitled to trade without adequate margin and that it shall be client's own responsibility to ascertain beforehand the margin requirements for its orders/ traders/deals and to ensure that the required margin is made available to the Trading Member in such form and manner as may be required by the Trading Member.
20. The client shall ensure that funds/securities are made available in time and in designated form at designated banks and depository accounts of the Trading Member, for meeting his/her/its pay-in obligation of funds and securities. The Trading Member shall not be responsible for any claim/loss/damage arising out of non availability/short availability/delayed availability of funds/securities by the client in the designated accounts of the Trading Member for meeting the pay-in obligation of either funds or securities.
21. The losses which may occur to the client as a consequence of such shortages in any manner such as on account of auctions / square-off / closing outs etc.,

shall be solely to the account of the client and the Trading Member shall not be responsible for the same in any form or manner whatsoever.

22. In case the payment of the margin/security is made by the client through a bank instrument, the Trading Member shall be at liberty to give the benefit/credit for the same only on the realization of the funds from the said bank instrument & subsequent updation in records as per Trading Member's process .
23. Where the margin/security is made available by way of securities, it is up to the Trading Member's discretion to decline its acceptance as margin and/or to accept it at such reduced value as the Trading Member may deem fit by applying haircuts or by valuing it by marking it to market or by any other method as the Trading Member may deem fit in its absolute discretion.

