



RMS POLICY

We are running CTCL ids in all our branches and Authorized Person. This is done in order to exercise proper control over the trading activities. All our CTCL ids are centrally monitored and all the limits being given are also through the RMS team in the head office.

RMS Department has been given a charge of specific locations which he / she monitors on day to day basis where it assigns the limit to individual client on the predefined criteria decided by the Management. RMS has also been entrusted the task of changing the limits after taking the approval from the upper Management in case any leniency has to be taken for that client. Further, Limits are given by the RMS department on the Basis of balance in the Financial Ledger and Stocks Lying in the Client Pool Account (after deducting the haircut as defined by the Exchange time to time and as per security to security).

Regarding Opening of Limits in Equity Cash and F&O AP/ Sub-brokers has to furnish an undertaking to indemnify the broker in case of standing debit in any of his client account where limit was earlier opened on his personnel request. Further, our RMS department will ensure that no code should be in debit for continuous one week where our RMS department will suitably get it in the knowledge of the Upper Management. Though, a suitable undertaking has to be given by the AP/ Sub- broker. It is also important to note that in case of delivery debit only approved debits will be cleared on T+4 basis. It is further stated that no debit in F&O segment is allowed.

Limits taken on intraday trading must be squared off by same day however after 3 PM no intraday limit will be enhanced. If in case position has been carried forward Branch/ AP/ sub-broker/RM will inform RMS and shortfall will be collected on same day.

On Reaching 60% MTM RMS department will approach the concerned AP/ sub- broker/RM/ Branch head and will inform about the loss of MTM to the tune of 70%.

Further, if MTM loss reached to 85% of the Margin deposited the RMS department will square off the position automatically and after that it will inform the concerned AP/ Sub-Broker/RM etc.

Trading is not allowed in illiquid securities and BSE (T,TS, Z) securities. For trading in such securities prior approval from the upper Management has to be given to the RMS and only then the fresh position in such securities will be undertaken. For trading in F&O segment client should have at least 50% as financial credit and rest can be in the form of stocks (that is NSE approved stock list only) We follow a procedure where there should be minimal manual intervention in the admin terminals. We import a set of files created by our back office which mainly consists of the stocks of the client lying with us and the outstanding F&O net position if any. In addition to this we also import var margin rate file and span file.

Lastly we import a deposit file in the system on the basis of which each client is assigned a particular limit.

The computation of the deposit is also automated and the deposit is computed on the basis of the credit balance of the client plus the value of securities lying with us. We also impose an ageing check on our clients to restrict the further buying in case their debit continues in a stretch for 5 days. This ageing check gets automatically removed when the client comes in credit.

Each RMS executive has also been entrusted the job of recovery of payments from the clients of his / her assigned branches. Also, he / she ensure that he / she receives the periodical balance confirmation from all the clients of his / her assigned branches. Whenever a particular client comes in debit our RMS executive keeps an eye on that client code.

We do send the SMS to our clients for the trades done by them throughout the day.

We also make it a point to visit the branches on a periodical basis so that each one of our team member has a feel of that location and more important because any kind of non compliance or error or scam can be traced in such a manner.

We have implemented the policy of actual settlement of funds and securities once in quarter to bring transparency in dealing with clients and to avoid disputes in future.