

RISK MANAGEMENT POLICY

ADOPTED BY

SAMRUDDHI FINSTOCK LIMITED

MEMBER :- NSE LTD.

FOR

NSE CASH , F&O AND CDS SEGMENT

Risk based approach:-

Classification of both the new and existing clients into high, medium or low risk category depending on parameters such as the customer's background, type of business relationship, transactions etc. Application of each of the client due diligence measures on a risk sensitive basis and adoption of an enhanced customer due diligence process for high risk categories of customers and vice-á-versa.

Limit Setting:-

Limits shall be monitored on daily basis, taking following criteria's: Turnover, Exposure, past trends, Location, Deposit/Collateral.

Margins:-

Margin must be collected on all derivative trades.

Client level margin will be at management discretion in cash segment.

Criteria to collect margin will be on the basis of volume of client and Past history of clients.

Same client should not figure in default list in more than 5 days in a month

Trading:-

Trading in illiquid scrip shall not be permitted. On detection of such trading, the risk manager shall use his discretion to shutdown the terminal after intimating branch manager and sub broker

Pay-in Of Fund & Stock:-

Third party pay-in of securities & fund will not be accepted. Same way pay out of shares and fund will be directly done to client account only. No securities belonging to one client be used/transferred for Own purpose or for other client.

Collections:-

Cash will not be accepted under any circumstances except cheque bouncing.

Collection of cheques from clients must be done by T+2 days except clients who have authorized us to have running account balance.