

RELIABLE STOCKS & SHARES (M) PVT LTD

RISK MANAGEMENT POLICY

1. TRADING LIMITS :

SL.NO: Description.

1.1 The trading limit per client / sub-broker will be 8 times of the credit balance available in the account of the respective client and additional deposit, if any given by the client / sub-broker.

1.2 In case of increase in trading limits sought during market hours, either the SBs or their clients shall transfer funds to the Account of RELIABLE STOCKS & SHARES (M) PVT LTD on-line and request for such increase, in writing, either through fax or e-mail.

1.3 Additional capital deposited by the sub-broker / client will be refunded only on request from the respective sub-broker / client, on T+4 day from the date of receipt of deposit by RSSMPL

2. DELAY / DEFAULT IN FUNDS PAY-IN

Sl. No. Description

2.1 Non-payment of margin dues / settlement dues by the client will attract deactivation of the client on T+3 day

2.2 On T+4 day, the purchase positions of the client who defaulted in payment of settlement / margin dues will be squared-off by RELIABLE STOCKS & SHARES (M) PVT LTD without any intimation to the client and the resultant debit / credit will be passed on to the client.

2.3 When a client has purchase position on T-day and subsequently sold the securities on T+1 day, if the pay-in obligation is defaulted by the client, a minimum penalty of Rs.100/- per day of default or @ 24% p.a. on the amount of default (whichever is higher) will be charged to the client and his account will be debited accordingly

2.4 In case of non-payment of settlement dues, the securities will be withheld and transferred to the House A/c. of RELIABLE STOCKS & SHARES (M) PVT LTD. Subsequently when the client's A/c. has credit balance, the securities will be retransferred to his Demat A/c. Necessary demat charges for effecting transfer of securities will be debited to the Client's account.

2.5 In case of dishonoring of cheques [irrespective of the reason], issued by clients of sub-brokers for settlement pay-in, a minimum penalty of Rs.250 or 1% of the value of cheque, whichever is higher, will be levied and the same will be debited to the client's account.

2.6 In case of dis-honouring of cheques issued by clients exceed 2 times in a month, a penalty of Rs.5000/- will be levied for every such instance, in addition to the charges levied in Sl.No.5. Such clients will be deactivated forthwith from trading after informing the concerned sub-broker

2. DEFAULT IN SECURITIES PAY-IN

Sl. No. Description

3.1 The clients should deliver the securities for settlement pay-in only from the disclosed DP IDs. Any deviation i.e. securities received from\ undisclosed DP IDs will be treated as short delivery and such Securities will be compulsorily auctioned by RELIABLE STOCKS & SHARES (M) PVT LTD, as per the procedure laid down. Such securities will be re-transferred to the client's DP account at his cost on a written request from the client.

3.2 Utmost care will be taken by RELIABLE STOCKS & SHARES (M) PVT LTD to deliver the securities for settlement pay-in received on T+2 day before the scheduled pay-in time. However, RSSMPL is not responsible for such securities, whenever there is any technical snag and as per the regulation of the respective depositories.

3.3 In case of incorrect settlement number mentioned by the client, RELIABLE STOCKS & SHARES (M) PVT LTD is not responsible for pay-in of such securities. Those securities transferred to the Pool A/c. of RELIABLE STOCKS & SHARES (M) PVT LTD will be re-transferred to the client and necessary demat charges will be debited to the Client's account.