

MANDOT SECURITIES PVT. LTD.

RISK MANAGEMENT POLICY

❖ Limit Setting:-

- ◆ Limits shall be monitored on weekly basis, taking following criteria's: Turnover, Exposure, Past trends, Location, Deposit/Collateral and net worth of franchisee/sub broker.

❖ Margins:-

- ◆ Client level margin will be at management discretion. Criteria to collect margin will be on the basis of volume of client and brokerage earned from clients.
- ◆ Same client should not figure in default list in more than 5 days in a month

❖ Trading:-

- ◆ Trading not allowable to client having uncovered debit balance except client who have authorized us to have running A/c.
- ◆ 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 franchisee and 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.

❖ Exposure:-

- ◆ The client has to meet day trading losses either by way of fresh cheques or he shall cut down his exposure.
- ◆ Exposure of the client shall be at the discretion of management

❖ Collections:-

- ◆ Uncovered debit balances shall not be permitted for any client except client who have authorized to have running A/c. Such instances shall be escalated to director for approval/action taken
- ◆ Squared off loss against purchase made without intent of delivery must be collected.
Cash will not be accepted under any circumstances.
- ◆ Collection of cheques from clients must be done by T+1 days generally.