



## **Risk Management Policy**

Risk management is an attempt to identify, and to manage uncertainty. Front office officials are advised to know the risk profile of investors so that they can trade, with approved limits. Following points may be noted by all officials for Risk Management.

- Independent set of people to manage front, mid (RMS) & back office.
- Stop-loss limits are actively pursued.
- Early warning signals are sounded to clients on potential events impacting business.
- Exposure Limits on Different Parameters – dealer wise, branch –wise and individual-wise are set. Individuals are given following Exposure.
- Normal intra-day exposure limits are given 4 times of cash and valuation of securities subject to hair cut .Delivery of Shares or outstanding position in Future are subject to margin based system and are fully covered.
- Beyond 4 times and upto 6 times, exposure are approved by Compliance-Head.
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- Dealer-wise and Branch-wise limits are set and monitored by Compliance-Head.
- Limits are curtailed on Bearish Sentiment
- Reserves for Pay-in are created at least for 3 days of continuous fall of market.