



## **RIDHI SHARE BROKERS PRIVATE LIMITED**

Regd. Office: A-40 A, Bajaj Nagar, Opposite Gandhi Nagar Railway Station, Jaipur-302015 (Rajasthan)  
Ph: +91-7300081118, Email: rsbpl72@yahoo.co.in, CIN: U67120RJ2007PTC025461

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### **Risk Management Policy**

**Ridhi Share Brokers Private Ltd. (RSBPL)** is a professional broking house having clients on its rolls doing transactions in the cash and futures segment and in both Exchanges, NSE & BSE. It is imperative that a proper risk management service is in place to prevent untoward losses for both the Clients as well as the Broking entity. In order to avert the risk of client's default, presently, following system is followed. The company have a centralized RMS Department which is responsible for setting up of Client-wise Trading limits as prescribed in RMS Policy of the company.

#### **Admission of Client**

RSBPL has a policy of admitting the client only upon completion of **Know Your Client** requirement and personal identification of client. The clients are admitted after due verification of information submitted in the Client Registration Form and reference of antecedents. No Clients are admitted 'off the streets'. All are through references from existing clients or management. Also Time to time updation as prescribed by Sebi is done in UCC database of Exchange. **Facility for Voluntary freezing/ blocking of online access of the trading account** is provided to the clients as per detailed policy updated on our website.

RSBPL makes it a point to **determine and fix exposure limits to each client**, based on his financial and risk taking ability. This is determined from the financial documents collected from and the background of the clients. We are having margin based Risk management system, in which total deposit of client is uploaded in system. Now client can take exposure in any scrip(s) and his deposit will be utilized on the particular scrip(s). The Company has the system to provide limits for trading based on the margin of the client available with the company in the form of funds / securities. Full value of the funds of the clients available with the company is considered for the purpose of opening of the trading limits. Sometimes limits are given to the clients on the basis of unclear cheques on case to case basis depending on the financial health / previous track record of the client. The company takes proper margin from clients as per stock exchange norms in the form of funds/Securities and reports the same to the exchange in due course. Trading M to M and Margin on the outstanding positions are informed to the clients on daily basis through SMS / E-mail. Contract Notes / margin statements for the transactions executed by the clients are sent to them through e-mail on daily basis. All the outstanding positions of the previous day are taken in back office & we are providing the online back office to the clients where clients can see financial ledgers, contract notes statement at the end of the day and we allow trading in F&O segment after collection of required upfront margins.



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**Refusal of order for penny Stocks, Illiquid Contracts :** RSBPL have the absolute discretion to accept, refuse or partially accept any buy or sell order for execution from a client in respect of penny stocks, illiquid stocks, illiquid options, Stocks in Additional Surveillance Measure / Graded Surveillance measure List of exchanges.

**Short selling** means selling a stock which a seller does not own at the time of trade. Clients are required to mandatory disclose details of all short selling transactions undertaken by them in cash market by end of the trading hours to RSBPL through email from their registered email id to rsbpl72@yahoo.co.in.

**We do not provide Good till Cancelled orders/ Good till triggered orders facility** to our clients and all orders placed by client are valid till the end of day or trading session. All payin obligations including MTM margin, additional margin, other margin, cash market bills are required to be paid by client before exchange payin timings on the due date, any delay in payment of outstanding obligations will be liable for penal interest @ 12 % per annum chargeable for the actual period for which the payment for the transaction has been delayed. The clients is given an exposure limit equivalent to the sum of credit balance in client's ledger account and the value of client's collaterals lying with us, after applying the hair-cut percentage prescribed by SEBI from time to time, 50:50 ratio between cash and non cash collateral will be maintained and extra non cash collateral if any will not be considered for exposure limit. Such exposure limit is monitored on-line as the clients is trading and any short-fall or deficit in margin with respect to any order/ orders of the client shall have to be made upon an instantaneous basis by the client, if the input order is to be allowed by us.

**In case of a client having an open position** and his available margin (in terms of ledger credit and collaterals) being consumed towards the margin requirement of the existing open position, such client shall not be allowed to take any further position either in Cash Market or F&O Segment. Not only that the said client will not be allowed to take any further position in the market, but also we shall have the right to square up such existing position of the client in case of the value of open position over-shooting the client's available margin with us.



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**All debit balances** are monitored on a daily basis. No debit is allowed to remain in books beyond three days. After three days client's securities and collaterals are squared off in open market to realize the outstanding debit obligation.

Pay-in funds and securities must be complete by the close of the working hours on the day next to the trading. However, securities can be paid in maximum by 10.30 AM on the (T+1) payin day i.e. , that is on the next day from the trading day. If not, they go for auction and the auction loss has to be borne by the customer. In case of non pay – in of funds, we do make the pay-in but securities are not released until the client makes the pay-in Along with penal interest.

The Clients will be provided with exposure limit / trading right only after allocation of client funds with clearing corporation after deposit of money in our Upstreaming Client Nodal Bank Account through Online transfer or Cheque Deposit. Client will be required to provide us with the proof of fund transfer or cheque deposit counterfoil for verification.

The **Bank reconciliation** of the client bank accounts (with HDFC Bank) happen on a daily basis. If the cheque is found to be dishonored, we levy a penalty on the client. All Client payout are transferred online on settlement date except for clients maintaining account on a running account basis. Funds for clients opted for running account are transferred to client on request from client or on first Friday / Saturday of the month or quarter as per monthly or quarterly settlement opted by client. Running Account opted clients will have to make request for payout through email, whatsapp, message or physical request letter for funds payout other than monthly/ quarterly settlement payout.

### **Review**

This risk assessment and management policy shall subject to change and modification, if needed, considering the dynamics of operations, business plans and strategy of managements from time to time. The Board of Directors before implementation shall approve all changes in this policy. The amended policy has to be uploaded on the website of **Ridhi Share Brokers Private Ltd.** from time to time.