

Risk Management System Policy

1. The company has RMS department at its Corporate office situated at 222,1st Floor, Subhash Nagar,Rohtak-124001.
2. 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.
3. For the purpose of opening of trading limits, upfront margin as prescribed by the exchange to be collected in the form of funds, FDRs, securities & commodities after applicable haircut.
4. Full value of the funds and value of collaterals after haircut of the clients available with the company is considered for the purpose of opening of the trading limits.
5. Trading Limits may be given to the clients on the basis of cleared balances and haircut value of approved Shares and Mutual Funds..
6. In case of delivery transactions, funds is required to be deposited by the client equal to the amount of delivery one day prior to commencement of delivery period.
7. For Realtime monitoring of transactions, we have installed RMS software which gives Realtime indications of the applicable margins and MTM losses for each client who is having positions in the market.
8. Clients will be intimated as soon as MTM loss reaches 50% of the available margin. In this case RMS may either demand additional margin or the client may be asked to reduce the outstanding position. In case client does not provide additional margin or reduces the outstanding position RMS may close out excess position to regularize the account on best effort basis and any loss arising on close out shall be borne by the client.
9. In case the MTM Loss exceeds the 80% of the available margin, the outstanding positions shall be closed out without any further notice.
10. The client shall be required to clear MTM loss on T+1, failing which the RMS reserves the right to close out outstanding position as it may deem fit.
11. Payment control Report for debit recovery from the clients is made on daily basis and follow-up for the payment on regular basis done by RMS department.
12. Any penalty levied by exchange for margin shortage shall be debited to client on actual basis.
13. All sticky client codes are brought in the knowledge of management regularly.
14. The employees who are directly involved in trading activities of the company are not allowed to trade on his/her own account.

For Stratagem Stock Broker (P) Ltd.

Compliance Officer