



## ***Risk Management System***

***The operations of the Sajag Securities Pvt. Ltd. are carried out in a very controlled manner and the management has strict system of analysis of the clients by the employees or sub-brokers and account is opened only if the client meets the various parameters. The risk management systems of the company are:***

1. As Sajag Securities Pvt Ltd deals with a very large number of individuals, company understands the risk which may arise due to death of individual clients. The trading system and back office systems are trained and geared up to take appropriate decision in such an eventuality.
2. The clients are given application forms (KYC) for being registered as a client only after he/she/they has/have met the Trading manager / sub-broker.
3. The client is assessed for the reference, financial position, risk appetite, investment objectives, past credentials, qualification, current working position, etc.
4. The account is opened after verification of KYC & supporting documents as applicable. PAN verification done at appropriate web site.
5. A client is designated to a dealer and the dealer after going thro' the background of the client, analyzes the capability of understanding equity market, the risk appetite and the investment need so that he can assess risk of doing business.
6. The client is personally known to the Trading manager/dealer/ sub-broker/ Introducing clients and the overall exposure is determined for the client on the basis of the financial capability.
7. The risk with respect to the trades done by the client is regularly assessed by the dealer. The dealer being regularly interacting with the client is aware of the trading pattern and thus in a position to determine the risk.
8. The client shares are tracked to have been received only from the designated beneficiary account only so as to nullify the risk due to receipt of shares from other persons beneficiary account. Clients respective

beneficiary accounts are synchronized in the back office data so that shares received for pay-in such accounts are only accepted for pay-in.

9. The exposure with respect to every sub-broker & dealers terminal is controlled through the office risk management team through CTCL administration.
10. The risk management regularly assesses the trades being executed by the clients / sub-brokers to check the trades in illiquid / risky stocks. The past operations are also tracked, to assess the risk level in dealing with such clients. The trades in Z category stocks as specified by BSE are not allowed, unless a special permission has been taken & only after due consideration, the RMS head will allow temporarily a specific exposure limit for dealing in Z group stocks.

**Limit setting on consideration of ledger balance, margin amount, share collaterals,**

- RMS policy settings for individual clients
- RMS policy settings on clients of groups, families, branches
- Template policy creation
- Ledger outstanding age analysis
- Limit settings in three scenarios, debit, credit and nil
- Combined limit settings on NSE Cash, BSE Cash.
- Fix Rules of Cash limit FOR CLIENT LEVEL
- Debit more than 5 Days of amount more than 10000 will be blocked.
- Debit more than 3 Days of Amount more than 2,00,000 will be blocked.
- Non Cash Collaterals = 60% Value of stocks pledged **OR** minimum cash  
Margin 10,000/- (Ten Thousand rupees)
- We do not take any margin from such clients having regular delivery business with us more than 3-4 years.
- Client exposure is given 8-10 times on margin money
- If client account in debit for more than 3 days all payout will be hold  
With us 100%