



## **RISK MANAGEMENT POLICY FOR CAPITAL AND FUTURES AND OPTIONS SEGMENT**

### **1. BACKGROUND**

As per the requirements of NSE, BSE and SEBI, the Company has designed a risk management policy for open positions of its clients and proprietary in the Capital and Futures and Options Segment

### **2. POLICY**

- The Company shall on its discretion and as per the requirements of the Governing and Regulatory Bodies collect Initial Margins and Mark to Market margins from the clients. In addition, the margins so collected can be topped up as required and exposures of the clients so be adjusted that can vary from client to client basis.
  - F&O margin to be collected at span + exposure. Clients to maintain 10% margin at day end or the margin requirement, whichever is higher.
  - Consider only clean credits (exclude un cleared cheque or expected payouts)
  - No limits allowed against receipt of third party cheque and stock
  - Avoid trading in illiquid securities
  - Single order transaction are restricted to manageable levels
  - No trading in scrips which has reached 95% market wide limit in F&O
  - No transactions allowed in illiquid contracts in F&O
- The Company shall on its discretion maintain the non-cash component of the client as a percentage of the cash component and the same can vary from client to client basis.
- The designated directors are allowed to take the above decisions and the same shall be monitored on a regular basis

### **3. RISKS CONTROL**

- The trading rights of the clients shall cease once the client utilizes 100% of the allocated exposure or is @ 50% of loss to the margin available and computed for exposure calculation.



- Upon 75% of the clients' margin loss, 50% random position shall be squared off of the client, subject to client not infusing clear funds to its margin requirements and/or to cover its loss.
- Upon 100% of the clients' margin loss, the entire position of the client shall be squared off.
- The loss is a % of the margin computed for exposure calculation as per the company policy or as per the policy framed for allocating exposure to the Client.
- The above guidelines can vary at the sole discretion of the Designated Director.

**4. SYSTEMIC CONTROL**

The clients' shall be classified as high, medium and low risks, based on their trading patterns and on their funds flow system. The same shall be at the discretion of the Director.

**5. DISCLAIMER:**

These are the risks policies in place, but the clients' liabilities shall be as it is, if the above parameters cannot be executed.

**For Rosy Blue Securities Pvt. Ltd.**

**Shilpa Hirani  
Director**