Risk Management Policy

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. 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 up on an instantaneous basis by the client, if the input order is to be allowed by us into the trading cloud. 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. 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 auctioned off to realize the outstanding. 3/6 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+2) in day i.e., that is on the second 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 local clients give us their cheques at the corporate office. To cater to remote clients we have opened CBS accounts with HDFC Bank and ICICI Bank. These account numbers are notified to clients, who deposit their cheques in these accounts and send us an e-mail (at vivek@rajgul.com) comprising the cheque number and the bank where they have deposited the cheque. The clients also send us through courier counter-foil of the pay-in slips which they have used to deposit the cheque. However, we give credit to the client's ledger accounts once we receive the e-mail intimation from the client. The Bank reconciliation of the client bank accounts (with HDFC Bank and ICICI Bank) happen on a daily basis. In case any credit is not reflected in the bank account in two days, the credit in client ledger is reversed. If the cheque is found to be dishonoured, we levy a penalty on the client. Clients are given the cheques for their dues on the very day the pay-out is received from the Stock Exchange. However, clients maintaining their account on a running basis do not take their pay-out on a transaction-to – transaction basis. Whenever they want the pay-out, they inform us. The credit balance (which has become due - a credit balance for which the exchange pay-out is not received is considered not due) is released to the client.