RMS POLICY

ASIAN BROKING PRIVATE LIMITED

The regular activation process of client code

1. On allotment of client code and after approval from the exchanges, UCC is created on the front office Application in real-time.
2. Client code is mapped in the respective Branch/ AP CTCL / dealer ids.
3. RMS cross-checks limits and general preferences for trading.

Limit on Cheque in Transit

1. Client bank details are mapped in the back office software
2. All clients must issue cheques from the bank details updated with us.
3. Ledger credit and Exposure for the client codes will be given only on receipt of funds in our bank books.
4. By default, the limit will not be given on uncleared instruments; it will be done on an exceptional basis only on a request received as per the Approval matrix.
5. The RMS department will increase the exposure based on the cheque value mentioned in the approval mail as per the Approval Matrix.

Limit Calculation

For limits, only CC/CM-approved stocks are to be considered with different haircuts based on stock category policy.

1. Margin Deposit = Ledger balance + Approved stocks with the haircut
2. Haircut: Based on the Exchange VAR Margin of the scrip
3. Fresh trading will not be allowed if a client is in debt for more than 7 days, even though sufficient margin in the form of pledged securities is available.

Margin call – Derivative segment

1. Clients who are in margin shortfall will not be given any fresh limit. Any   shortfall should be made good by T+1 day by squaring off the position or by providing additional funds; consecutive shortfall extending for 2 days will be compulsorily closed on T+2 days by RMS
2. Margin in the front office will be enhanced in real-time based on clearance of the cheque/ upon receipt of the fund / by the creation of stock Pledge.
3. All the branches are expected to monitor the MTM loss of the clients on a continuous basis and square off the positions if the MTM loss reaches above 70% of the ledger balance.

4. The RMS department also monitors the MTM loss of all the clients on a real-time basis for all Intraday and Carry-forward positions in the cash and the derivative segment. (Delivery based Cash transactions are monitored on EOD basis)

Client wise/member-wise position limit (MWPL)

1. Exchange specifies member and client-wise open position limits on a daily basis (MWPL files). Branches must ensure that no client breaches the exchange set limit.
2. There is a penalty for any breach of the open position limits.
3. Please refer to www.nseindia.com or www.bseindia.com for further details

For ASIAN BROKING PRIVATE LIMITED
AASHISH SHAH
DIRECTOR