

Risk management Policy

1. Objective:

Risk Management is an integral part of any organization. We need to deal with various kind of risks like credit Risk, Market Risk, default Risk, liquidity Risk and other risk.

The objective of the policy is to know client obligations, open positions, market conditions, Margin requirements, regulatory requirements and steps initiated by Mansi Share and Stock Broking Private Limited in case of changing market situations.

To frame the guidelines for Risk management and margin collection as mandated by following Circulars issued by Exchanges and SEBI:

BSE references:

Notice no. 20111215-10 dated December 15, 2011
Notice no. 20200227-2 dated February 27, 2020
Notice no. 20200721-43 dated July 21, 2020
Notice no 20201127-12 dated November 27, 2020
Notice no. 20201201-27 dated December 1, 2020
Notice no. 20210209-41 dated February 9, 2021
Notice no. 20220623-52 dated June 23, 2022
Notice no. 20220902-47 dated September 02, 2022
Notice no. 20241001-48 dated October 01, 2024

NSE references:

NSE/INSP/19583 dated December 14, 2011
NSE/INSP/43653 dated February 25, 2020
NSE/INSP/45072 dated July 21, 2020
NSE/INSP/46485 dated November 27, 2020
NCL/CMPL/46505 dated November 28, 2020
NCL/CMPL/47147 dated January 18, 2021
NCL/CMPL/47234 dated February 04, 2021
NSE/INSP/52263 dated May 11, 2022
NSE/INSP/52711 dated June 23, 2022
NSE/INSP/53525 dated September 02, 2022
NSE/INSP/64315 dated October 01, 2024

SEBI references:

Circular No. MRD/DoP/SE/Cir-07/2005 dated February 23, 2005
Circular No. CIR/DNPD/7/2011 dated August 10, 2011
Circular No. CIR/HO/MIRSD/DOP/CIR/P/2019/88 dated August 01, 2019
Circular no CIR/HO/MIRSD/DOP/CIR/P/2019/139 dated November 19, 2019
Circular No. SEBI/HO/MIRSD/DOP/CIR/P/2020/28 dated February 25, 2020

MANSI SHARE AND STOCK BROKING PRIVATE LIMITED

(Formerly known as Mansi Share and Stock Advisors Private Limited)

Member: • BSE • NSE • CDSL

B/201, Avirahi, Behind Kotak Mahindra Bank, Near Shimpoli Signal, S.V. Road, Borivali (West), Mumbai - 400 092.

Tel.: 022-4050 3870 / 4050 3852 / 4050 3853 • Fax: 022-4050 3848 • CIN No. : U67120MH2003PTC142470

E-mail ID: compliance@mansishares.in • Website: www.mansishares.in

2. Scope of the Policy:

Mansi Share and Stock Broking Private Limited is required to establish procedures for comprehensive Risk Management & margin collection in order to help it to manage the risk of the company and clients from the volatility of the market.

Risk Management Policy has the following salient features:

- Permissible exposure limits for Equities and Derivatives
- Product wise risk control measures
- Treatment of default
- Leverage and Exposure Limits

3. General guidelines to be followed while accepting the clients (Compliance and reporting):

| Point No. | Particulars | Explanations |
|-----------|--------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. | Definitions | <p>a. Cash : This is the clear balance available in the customer's ledger account in our books.</p> <p>b. Margin: The underlying stake provided by the customer in the form of cash, FDR and / or stock to mitigate market (price) or settlement (auction) risk.</p> <p>c. Exposure : The aggregate of the customer's obligations arising out of buy and sell trades awaiting settlement in the cash segment and profit/ loss amounts that are yet to be settled on the closed positions including future and options.</p> <p>d. Exposure multiplier: The number of times that exposure is allowed on the underlying margin on the cash segment would have to be made either on the availability of cash margin or on the availability of the stocks (which are to be sold) in our margin account, by executing a transfer before any order is initiated.</p> <p>e. Stock qualifying for margin in cash segment transactions: Securities in the approved list of Stock Exchange as per SEBI guidelines and Exchanges.</p> <p>f. Total Deposit: The overall client deposit available with Mansi Share and Stock Broking Private Limited in the form of cash only.</p> |

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| 2. | Setting up exposure limits | <p>a) Cash Segment: Mansi Share and Stock Broking Private Limited will provide an exposure limit to a client which would be a multiple of the clear ledger balance in the account of the client. The value of the “multiple” will be decided by the company based on market conditions. Once the trade has been filled, only a portion of the full applicable margin will be blocked as per margin requirements for the stock.</p> <p>b) Derivatives Segment (Equity, Currency and Commodities) : Exposure limits for each client is based on the amount of margin money deposited by each client, as per Exchange regulations. Upfront margin is collected from the client. For buying options, the full premium margin amount is required. For selling options, the applicable span and exposure margin is required as per the relevant product code.</p> |
| 3. | Policy for penny stocks | Stocks which appear in the list of illiquid securities issued by the Exchanges are considered penny stocks. These stocks are generally considered to be highly speculative and high risk because of their lack of liquidity, large bid-ask spreads, small capitalization and limited following and disclosure. Depending on the market condition and RMS policy of the company, Mansi Share and Stock Broking Private Limited reserves the right to refuse to allow trading and/or provide limits on penny stocks. |
| 4. | Delivery Trades | The net purchase or sale of scrip in a client account that is settled by way of a delivery on T+1 (or as per settlement schedule). Delivery in respect of sale transactions in the cash segment must be settled by the client by tendering securities in Demat form before the pay-in deadline in order to deliver securities for early pay-in to Clearing Corporation. By not doing so, the client faces the risk of shortfall in margin. |
| 5. | Sell against buying stocks | Clients are cautioned to wait until stocks they have purchased have been delivered before selling them. In case he buys a stock and sells it a day later, the two transactions won't net each other out since delivery occurs after T+1 days. The second transaction would be considered a short pay-out of security and Mansi Share and Stock Broking Private Limited will not be responsible for any short pay-outs. |
| 6. | Policy for ASM/ GSM Securities | In ASM/GSM securities intimated by the Exchanges, the Company would be Blocking of the scrip under GSM from grade II - grade VI. Exchanges has vide their respective circulars have provided for guidelines on ASM/GSM securities. The client can refer to the same in case of explanation required. |
| 7. | Risk Management (Online Surveillance) | Mansi Share and Stock Broking Private Limited utilizes a margin based automated RMS. Total deposits of the clients are uploaded in the system and the client may take exposure on the basis of margin applicable for the respective security as per the VaR based margining system of the |

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| | | stock exchange and / or margin defined by the RMS team based on their risk perception. The value of the shares sold will be added with the value of deposits. On that basis, the client may take fresh exposure. In case the exposure taken on the basis of shares margin, the payment is required to be made before the ex-change pay in date. Otherwise it will be liable to square off after the pay in time or any time due to shortage of margin. |
| 8. | Derivatives Expiry | On the day of Expiry the online surveillance system will check the net total STT on In-the Money expiring options with one's ledger and the Risk team would square off the positions during the last 30 minutes of normal trading hours in case the client is expected to go in debit arrived due to levy of STT on options exercising. No fresh Buy positions will be allowed in the options expiring during the last 30 minutes of normal trading hours on the expiry day, clients will only be allowed to square off their existing positions. The above system changes is for the benefit of the client and Mansi Share and Stock Broking Private Limited is not responsible in any case the client turns out to be in loss due to MTM or expenses like STT, turnover charges etc. Any big value transactions are checked for whether the client is trading beyond ones' known income (i.e. in-come declared in the client's KYC document). |
| 9. | Margin Square-OFF | Positions which do not have sufficient funds can be squared off any time at the discretion of our RMS desk. There may or may not be a margin calls or intimation from our RMS desk. Positions would be squared off proportionally by the risk team to bring down your margin shortfall. |
| 10. | Penalty in case of short collection of margin | <p>1. Mansi Share and Stock Broking Private Limited shall have the right to pass on to the Client the penalty levied by the Exchange for Short Collection of Margin (Mark to Market/Additional margin / Peak Margin) other than upfront margin.</p> <p>2. Further, Mansi Share and Stock Broking Private Limited shall have the right to pass on to the Client penalty levied by clearing corporations of short/non-collection of upfront margins if short/non collection of upfront margin is on account of following reasons attributable to client:</p> <p>I. Cheque issued by client to Mansi Share and Stock Broking Private Limited is dishonoured</p> <p>II. Increase in margins on account of change in hedge position by client/ expiry of some leg(s) of the hedge positions of the clients like square off by the clients / expiry of some leg(s) of the hedge positions leading to higher margin obligations on the open position(s).</p> |

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For any further support, please reach KYC and RMS to teams for timely service for the above service.

This policy may be amended from time to time and all the staff members shall comply with the same.

Reviewed By : Jasmine Anturkar
Title : Head of Compliance
Date of Last Review : October 15, 2024



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