

RAJESH BAHETI

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POLICIES ON CLIENT EXPOSURE, SQUARING OFF CLIENT POSITIONS

RB in this document shall mean M/s Rajesh Baheti, Commodity Broker having membership with MCX bearing registration No. 16460

a. Setting up client exposure Limits / Granting of Exposure to clients:-

RB computes and assigns exposure limits based on its own assessment of market / commodity risks in combination with its assessment of client specific risk. The limits and exposure shall therefore vary from client to client and portfolio to portfolio. In the Derivatives segment, the minimum margin applicable shall be the statutory margin as required to be collected upfront by the concern exchange. The risk management Department shall be available during the market hours to inform the clients of their set exposure limits upon request / telephonic enquiry.

b. Squaring off client positions in case of non-payment of funds / Right to sell client or close client position & margins Internal Shortages:-

RB reverses the right to sell client's securities/commodities and /or close out position without any intimation to the client in the following circumstances:

- The client is running debit balance which is overdue by more than 24 hrs.
- In the circumstance where the real time MTM loss of the client crosses 90% of the total available credit balance at the time.
- The client fails to bring in minimum margins as required to be collected by the respective exchanges as per the margin statement sent to the client.
- The client fails to bring in additional margin over and above statutory margins as required by RB based on its own assessment of risk within 24 hrs of receiving written / email communication from RB of such requirement.
- The cash component margin provided by the client falls below 50% of the total margin provided by the client. In this circumstances, RB reserves the right to liquidate securities/Commodities to the extend required to increase the cash component to 50%.
- RB also reserves the right to close out position of the client who is in breach of any of terms and conditions / agreement signed between the client and RB. Provided that RB shall sell clients securities and / close out position to the extend of the debit balance / margin required for compliance as mentioned above, rounding off amounts excluded.

c. Penalty on non delivery of Trades.

RB is not in delivery based trading. However in any case delivery is to be made and if the client fails to deliver a commodity sold for delivery, the penalty levied by Exchange for non-delivery shall be passed on to the client and the same shall be intimated to client.

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