Risk Management Framework for Retail Stock Broking
Board Approval: February 09, 2009
Board Review: July 15, 2022

RISK MANAGEMENT FRAMEWORK FOR RETAIL STOCK BROKING

The Risk Management Policy of the Company for Broking related activities has been revamped to update the same to factor in the following:

- New margining norms of SEBI for Equity Capital Markets Segment and pledge requirement are incorporated.

  SEBI vide Circular no CIR/HO/MIRSD/DOP/CIR/P/2019/139 dated November 19, 2019 has directed that Trading Members/Clearing Members in Capital Market segment shall be required to mandatorily collect upfront VaR margins and Extreme Loss Margins (ELM) from their clients. Accordingly provisions for Adhoc limits has been done away with

The Revised Risk Management Policy has the following salient features:

- Permissible exposure limits for Equities, Derivatives \
- Merging of the MTF Risk Management Features
- Product wise risk control measures
- Treatment of default
- Leverage and Exposure Limits

The said policy is also reviewed by Process Consultant NMAH & Co.

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IDBI CAPITAL MARKETS & SECURITIES LIMITED

RISK MANAGEMENT FRAMEWORK FOR RETAIL STOCK BROKING

IDBI Capital Markets & Securities Limited (IDBI Capital) is a SEBI registered Stock Broker, Depository Participant, Merchant Banker, Research Analyst etc.

The Company has an Integrated Risk Management Policy that provides an integrated framework for managing risks within the Company. The Company has also from time to time adopted Operational Risk Management Strategies for its Stock Broking activities.

In the course of conducting its broking business, IDBI Capital is exposed to a variety of risks including market, credit, liquidity, operational and other risks that are material and require comprehensive controls and on-going oversight. This document details the guidelines and procedures to be followed for the Equities, Equity Derivatives, Currency Derivatives broking business. The risk management framework of IDBI Capital for its Equities, Currency broking business is focused on Retail clients and is based on the applicable settlement mechanisms and SEBI/Stock Exchange regulations as amended from time to time.

This Policy intends to achieve the following:

- To enumerate the key risks in the Stock, Currency broking business and lay down steps on how they are to be managed and mitigated.
- To define a clear and simple procedure for risk management relating to equity, derivatives trades.
- To ensure consistency, uniformity and transparency in various risk related activities.
- To assist in faster turnaround time thereby ensuring higher customer satisfaction and higher revenues.
- To ensure that extant regulations are adhered to.

MAJOR RISK PARAMETERS RISK MANAGEMENT AT IDBI CAPITAL

With respect to broking operations, IDBI Capital follows a margin based automated Risk Management System (RMS). The following are the parameter of Risk Management to be followed by IDBI Capital for Retail Broking.

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i. Clients Exposure Limits

Exposure to client is granted productwise (as detailed later in this policy) on the basis of funds/securities collaterals provided by clients to IDBI Capital.

The limits may be based on the margin requirement specified by the respective Exchanges . However in exceptional circumstances the delegated authority may use its own discretion in providing limits and may change the margin requirement for a client/ scrip or for all depending on market conditions, operational challenges and technological challenges.

For the purpose of determining exposure limits, Stocks provided as collaterals should be Exchange approved scrips and will be valued after applicable haircut being applied by IDBI Capital.

IDBI Capital may also accept any other collaterals as may be allowed by the Exchanges / regulators from time to time.

In order to maintain Exchange margin IDBI Capital may call for client funds/securities from the Bank / Demat Account of the client on the basis of the Power of Attorney granted / provided by the Client.

PRODUCT WISE RISK CONTROL MEASURES

A) CASH AND CARRY EQUITY (NSE AND BSE):

The product is offered to clients wherein entire purchase value plus brokerage is blocked on order placement. Similarly, a delivery Sell trade in Cash & Carry implies that the client intends to deliver the stocks for settlement and the delivery sale proceeds shall be offered to be credited to the client's default funds account after deducting brokerages & other statutory levies. This is done provided the client delivers the stock within the necessary timelines for settlement of the sell trade.

Eligibility: This product is allowed to all clients.

Multiplier: 1 (one)

Risk Control Procedure: In case of non-receipt of funds against debits, on T+3 day client positions shall be liquidated by Risk Management Department (RMS) after 2.00 pm or upto 90 minutes before the scheduled closure of trading session.

In line with Exchange regulations that disallow brokers to carry forward cash purchase transactions of a client beyond T + 2 + 5 in case of the client failing to bring in the requisite funds, all such unpaid cash purchases will be squared off by the RMS team latest by T + 2 + 5, while the settlement team will move such stocks to the Client Unpaid Securities Account (CUSA) on T + 2.

In the exceptional event of the client failing to deliver the stocks sold in Cash and Carry, margins as required by the Exchange will be collected from and the client shall be charged Online Valuation Debit (OVD) to the extent of the highest of the previous 3 trading days of closing prices of the stock on the relevant exchanges. This is done to prevent excess limits being offered to the client. This shall be done on T + 1 and T + 2 days (the OVD charged on T+1 is reversed and a new one is charged on T+2) , while on the third day the client shall be charged the actual auction debits as charged by the exchanges while the OVD charged on T+2 shall be reversed.

B) <u>DERIVATIVES (Equity/Currency) (NSE / BSE)</u>

The product is offered to clients on upfront margin basis before placing an order. The margin collected is SPAN plus Exposure margin, or as defined by the Exchange from time to time. Upfront Margins in the form of collateral (maximum 80% of value) / funds / instant credit shall be collected from such clients. Approved list of securities as defined by exchange (Exchange Approved Scrips) from time to time are accepted as collateral after applying appropriate haircuts. Additionally, IDBI Capital may also accept as collateral other financial assets as approved by the Exchanges/Risk Management Committee from time to time.

IDBI Capital may allow trading only in select Options & Futures contracts at its own discretion. The clients shall be charged lower margins for derivatives trades in the intraday trade category and with hedged positions provided this does not contradict the Exchange guidelines. As per the new regulations and considering the fact that intraday price variations are lower, margins may be collected on only leg of the intraday transactions..

Eligibility: This product shall be offered to all clients except for NRI. However, NRI clients with an NRO funds and demat account linked to their trading accounts shall be allowed this product.

Multiplier: Based on VaR, ELM and other margins as defined by the Exchanges from time to time

Risk Control Procedure

In case of shortfall of margin due to whatsoever reasons, (including daily shortfall & MTM valuations), additional margins need to be provided upfront by the client, failing which the client positions shall be liable to be liquidated. The liquidation of client positions shall not be restricted to the positions on account of which the margin shortfalls may have been triggered. Liquidation on account of shortfall in upfront margin would trigger the liquidation of the client positions by 2 pm for equity and 4 pm for currency segment and on real time basis in case the margins provided are eroded beyond 80% at any point of time during the trading session.

For the purpose of Risk control, a client will be treated as a single entity and risk mitigation measures initiated to mitigate risks in one product segment may also be extended to the client's positions in any other product segment. This is however subject to integrated risk management systems being in place.

C) (INTRA)DAY TRADING EQUITY (NSE, BSE), EQUITY FUTURES

Upfront Daily VaR Margins / client or/ scrip specific margins for Equity and Span + Exposure margin for futures as defined by the regulations shall be collected from clients in the form of funds or as collaterals . Exchange defined haircuts will be applied in case of equities, VaR + ELM or 20 % of transaction value as required by the regulations will be collected upfront for both buy & sell transactions.

At the end of the day, the positions of the client are compulsorily squared off irrespective of whether the client is making a profit or loss. The profit or loss is to the client's account.

In case there are no counter parties available to square off an intraday trade (reason could be scrips hitting a circuit or any other technical reason), the positions will be attempted to be squared off at the next earliest opportunity.

Eligible Scrip Basket

Derivatives for far month contracts & Options contract shall presently be excluded, however in case sufficient market liquidity being available in any of the contracts / securities / indices, these can be offered to the clients for intraday trading.

Risk Control Procedure

The cut off time for modification of orders or to cover the positions is 3.05 pm (or 25 minutes before the closure of trading session), after 3.10 pm or (or 20 minutes before the closure of trading session) all pending orders shall be cancelled and intraday positions squared off. In case of any intraday position remaining unsquared off after the scheduled square off process is run, attempts shall be made to square off these positions through exchange terminals in the normal or post closing sessions.

Day trade or intraday positions shall be liquidated in real time in case the M2M / clinet's NLV losses breach 80% of the margins collected, unless the client provides further margins or has compensating positions / collaterals which nullify the impact of the loss making positions.

Eligible Clients

This facility shall be offered to all clients except NRIs.

Multiplier : Depends on the Margins defined by the Exchanges

D) Cover/ Intraplus (NSE, BSE, FONSE) Orders

Since the pre trade margin requirements are now rigid, the cover trade product has now become a simple intraday product with the only differentiating factor being that Cover trade allows for a stoploss order.

E) E-Margin / SDF (BSE & NSE)

E-Margin is a Delivery product with the facility for the client to part fund for the purchase of stocks, subject to a certain margin being brought in by the client. The balance shall be funded by IDBI Capital and Delayed Payment Charges at the rate upto 21% (can be changed in line with the market rates) per annum shall be levied on the amounts funded by IDBI Capital (net debit to the client's ledger account). Client can take delivery, and carry the debit position till T+5 days from the date of settlement of the original trade.

Initial margins required to be brought in by the clients will be based on regulatory requirements (Minimum 20% or Var + 3 ELM in case of derivatives stocks or Var + 5 ELM for other A group stocks.

Product Details and Modifications

The client can choose to bring in money shortfalls against their E-Margin trades on any given day upto 90 (extendable to 270) trading days from the date of settlement of the original E-Margin trade, either in part or total. The clients can do so from the trading engine. Once the client brings in the entire amounts due against the E-Margin positions or part thereof (by exercising the Convert to Delivery option), the stocks in question, shall be released to the client's demat account. Until the client holds the positions under Emargin, the stocks purchased by the clients will be held in MTF demat account.

The details of margins collected / charged shall be provided to the clients vide the daily margin statement reports and details as updated under clients secured login.

The EMargin stocks will be delivered to the client's demat account (s required by regulations) only after the client accepts to pledge the funded stocks in IDBI Capital's favour. In case the client fails to accept the pledge request by the settlement date, the funded stocks will be delivered to the CUSA or the client's positions will be squared off.

Risk Functionalities for Margin Trading Funding is dealt with later in this document

Holding Duration for EMargin

Presently two durations of Extended Margins are provided to clients – the first is the T + 2 + 5 duration while the second is T + 90 (trading days) duration which is called the MTF product. The duration of these products can be shortened or extended in line with any changes in the regulations that may be brought in at a later stage.

The regulations allow a longer duration of funding being to be provided by an associated NBFC. Going forward, in case of demand from the clients, volumes and an appropriate association being worked out with an NBFC, we may also offer this and the MTF product as NBFC funded E-Margin/MTF.

In case of more than 80% erosion of margin / NLV due to Mark to Market losses the client positions shall be liquidated, preferably with intimation to the client. An attempt shall be made to inform the respective clients, failing which risk control action may be initiated without intimation to clients.

Corrective actions could also be based on the Net Liquidation Value (NLV) of the client's positions, margins and collaterals available with IDBI Capital.

IDBI Capital shall decide upon the Security specific Margin applicable for E-Margin Positions to various Securities under the facility and IDBI Capital reserves the right to alter the Security specific margins for any Security. This may be required on account of regulatory changes, exchange directives or market conditions.

Order Quantity and Order Value

Security Order Quantity & order value based limits for Single Order and Overall limits shall be subject to change at the discretion of IDBI Capital.

In case the clients do not bring in the amounts due against their E-Margin trades up to the 5th trading day from the date of settlement of the original E-Margin trade, the positions shall be squared off by the Risk management team on the 5th trading day – anytime upto 90 minutes before the close of trading session or starting 2 pm on a normal trading day, but usually this shall be done along with the scheduled daily square offs for intraday positions.

In an extreme case of any E-Margin trades remaining open beyond the 5th day from the date of settlement of the E-Margin trade, the clients concerned shall not be allowed take further positions except to the extent required to settle the E-Margin trades. Once the E-Margin trades aged beyond 5 days from the date of settlement of the original E-Margin trades are settled, the client shall be allowed to trade normally. **Further, in line with the new regulatory requirements, the client will not be allowed to create contra position in the scrips in which the client's positions are being squared off on account of the positions remaining unpaid for on T + 2 + 5 or any such day as necessitated by the prevailing market conditions. The Head of RMS is authorized to make necessary decisions.**

Eligible Scrips

EMargin positions shall be allowed for **F&O scrips and Group A securities.**

RMS team will regularly monitor the list of scrips available in the EMargin basket. Any scrips falling below market price of Rs. 10 will not be a part of the EMargin basket (even if it falls under the Group A or F&O scrips).

RMS team will regularly monitor the EMargin scrip basket and monitor scrips priced between Rs. 10 – Rs.15 with an aim to remove the scrips from EMargin basket as the scrip market price tends to fall to Rs. 10 or lower.

Eligible Clients

E-Margin facility shall be offered to all clients except NRIs.

E) EnCash (BSE & NSE)

ENCASH facilitates the clients to get the sale proceeds credited to their bank accounts on the Trade date. This would be enabled only for Sell transactions and for orders executed in this product the sale proceeds would be released to the client on the day of trade as against the normal sell T+2 day settlement. The funds shall be released to the client provided if the stocks sold by the client are received by IDBI Capital from the client.

ENCASH product is made available only for Equity segment. Only fresh sell orders against stocks lien marked in the client's demat account to which IDBI Capital has a PoA shall be allowed in ENCASH trade. At present this product is being offered only on Bombay Stock Exchange, however this may be offered on the NSE once relevant permissions are in place. ENCASH orders once placed cannot be converted to C&C (Cash and Carry) order. Similarly, a C&C (Cash and Carry) sell order once placed cannot be converted to ENCASH order. ENCASH orders would not be treated as square off orders even if there is buy C&C order for the same scrip during the day. Client cannot place off-market / limit order in ENCASH.

Clients shall be charged a brokerage of 1 % on the EnCash transaction value irrespective of the brokerage plan applicable to the client. All levies such as ST, STT, Transaction charges and Stamp Duty shall be payable at applicable rates in addition to the brokerage. Clients cannot place order in ENCASH on trading days falling on bank or clearing holidays. EnCash trades executed on bank or clearing holidays shall be settled on the immediate following trade days falling on a regular banking and clearing day.

Eligible Clients

Any Resident Indian Clients with privilege to trade in C&C can opt for the product. NRI Clients cannot opt for the product. The Sale proceeds shall be released to client's default bank account on trade date. This facility shall be allowed to all clients (except NRIs). Initially, the EnCash limits for all clients shall be capped at 50 lacs per day and may be increased with the approval of the CFO or Head of Operations in a specific case of client request. Any client requests for higher EnCash limits on a given day shall be considered positively to the extent of availability of funds with intimation to the internal treasury.

G) SIP (BSE /NSE)

In order to provide small and medium income clients an opportunity to systematically invest in equities with a long term objective of building up high value equity portfolios, IDBI Capital shall offer facility called "Equity SIP" to clients.

Under this facility, the clients shall be allowed to choose from a list of approved (internally by IDBI Capital) scrips which the client can choose to buy on certain fixed days. The clients can choose to specify an amount or quantities of each scrip to be bought. Each SIP can presently consist of 10 scrips, in case of scrip based on amounts, the amount allowed shall be a minimum of Rs. 500/- (subject to change at the discretion of IDBI Capital), the duration of each SIP can be a minimum of 6 instalments, the frequency of SIP could be weekly or monthly (or may be defined appropriately), clients shall be allowed to opt for more than one SIP at a time and shall also be allowed to stop or discontinue SIPs.

The clients shall be required to bring the necessary funds a day before the SIP orders need to be triggered; in case of IDBI Bank funds account, the lien shall be automatically triggered for execution of equity SIP. SIP orders shall be pushed on to the BSE (in case allowed by NSE – the client shall be allowed to choose NSE for execution of SIP orders). The SIP orders due on a daily basis shall be pushed into the system at any point of time during the trading session. SIP orders against insufficient funds available with the client shall automatically fail. An attempt could be made push through these orders once the client provides funds, however, this would be on best effort basis.

H) Selling of Securities offered as Collateral – C - Sell

Under the new BO and trading engine set up, clients shall be offered facility to offer as collateral their securities holdings (at the choice of IDBI Capital) in their accounts with select DP service providers with whom IDBI Capital has an online hold / lien marking facility. The client shall have the option to lien / hold mark securities as collateral through the trading engine. The securities acceptable as collateral at any given point of time shall be at the discretion of IDBI Capital and shall be notified to client on the trading portal. The collateral valuation offered to the clients shall be adjusted for a haircut (typically based on the NSE VAR margin). In case of securities being offered as collateral from a DP account with a DP service provider not associated with IDBI Capital through a tie up, the securities shall be accepted as collateral only once received in the ~~securities~~ client collateral account. The Stocks as collateral scheme is being detailed later in this document.

The securities accepted as collateral shall be allowed to be sold by the client directly to the extent of the security in question being unencumbered and provided the client's buying power allows release of the said collateral. This shall be an automated process and shall be driven without any manual intervention. The securities offered by the client and accepted by IDBI Capital as collateral shall be moved from the client's account to the ~~securities~~ client collateral account of IDBI Capital and hence would be available for settlement of the trade. This product shall be available by the name "C Sell".

However, the securities which are moved to the securities pool account for availing collateral benefits in an offline process, the C Sell option shall not be available.

Margin Trading Facility

Margin Trading Facility/MTF" is a facility offered by IDBI Capital which allows the Client to take positions by providing prescribed margin and the balance amount is funded by IDBI Capital to meet pay-in obligations of the Client. The Client can later take delivery either by making the necessary funds settlement or square off of such positions.

The clients are allowed to hold the positions for upto 90 trading days from the date of trade. The value of the positions in excess of the margin requirements will be funded by IDBI Capital. IDBI Capital will charge a certain interest rate on the funding amount. The interest rate will be as approved by MD & CEO and can be upto 21% p.a.

The Board has approved the holding of MTF positions for upto 365 days; the RMS / Product committee may change the maximum period of holding in line with the market trends or business requirement while limiting it to 365 days.

The client will be allowed to bring in the full value of the MTF positions and convert the position to "Cash" or "Delivery". On receipt of such full trade value from the client, the relevant scrip will be released to the client's demat account.

I. MARGIN REQUIREMENT

a. Initial margin shall be collected upfront from all clients availing of the margin trading facility through IDBI Capital.

b. Minimum initial margin as specified by SEBI shall be as follows:

Category of Stock	Applicable margin
Group I stocks available for trading in the F & O Segment	VAR + 3 times of applicable ELM*
Group I stocks other than F&O stocks	VAR + 5 times of applicable ELM*

*For aforesaid purpose the applicable VAR and ELM shall be as in the cash segment for a particular stock as notified by the Exchanges from time to time.

In case of IDBI Capital, securities are grouped into three baskets; the baskets define the percentage margin that needs to be brought in for set securities under the three baskets. The margins required for the three baskets are 30%, 40% and 50 % respectively.

a. The Risk Management Team with approvals from the Risk Management Committee of the Company may from time to time specify higher initial margins than that specified above.

b. The initial margin payable by the client to IDBI Capital for Margin Trading Facility shall be in the form of cash, cash equivalent or Group I equity shares, with appropriate hair cut as specified by the Regulators from time to time. Such haircut will be at the discretion of the RMS Team having regard to market conditions, nature of stock etc., may exceed that specified by the Regulators from time to time.

c. Collateral

i. Margin for MTF may be accepted in the form of Group I equity shares, with appropriate hair cut as specified by Regulators from to time. The RMS Team may from the universe of Group I / Exchange approved equity shares permit only liquid stocks as specified by the Exchanges from time to time to be accepted as collateral.

ii. The stocks deposited as collateral with IDBI Capital for availing margin trading facility (Collaterals) and the stocks purchased under the margin trading facility (Funded stocks) shall be identifiable separately and no comingling shall be permitted for the purpose of computing funding amount

iii. Collateral and Funded stocks shall be marked to market on a daily basis

iv. In case of increase in the value of Collaterals, IDBI Capital shall have the option of granting further exposure to their clients subject to applicable haircuts;

Such further exposure can be granted by the RMS Team having due regard to market conditions, risk assessment of the client, funded stocks etc.

v. However, no such exposure shall be permitted on the increased value of Funded stocks.

d. RMS Team shall ensure maintenance of the aforesaid margin at all times during the period that the margin trading facility is being availed by the client.

e. In case of short fall, RMS Team shall make necessary margin calls.

II. TREATMENT OF DEFAULT OF MARGIN REQUIREMENTS

RMS Team shall have the discretion to liquidate the collaterals/positions of the client in the event of shortfall of margin depending on the security and market volatility as it deems fit at its sole discretion as necessary for risk mitigation. *Any gains / loss arising out of such actions will be to the client's account.*

III. LEVERAGE AND EXPOSURE LIMITS

a. At any point of time, the total indebtedness of IDBI Capital shall not exceed 5 times of its net worth, calculated in the manner specified by SEBI from time to time.

b. The maximum allowable exposure of IDBI Capital towards the margin trading facility shall be within the prudential limits specified by the RMS Committee of the Company from time to time and shall not, in any case, exceed the borrowed funds and 50% of net worth of IDBI Capital calculated as specified in sub clause (a) of this clause.

   The RMS committee will review IDBI Capital's maximum exposure to MTF on regular basis and the total of MTF funding will not exceed the limits proposed by the RMS committee or as defined by the regulators based on the total networth of IDBI Capital.

c. While providing the margin trading facility, RMS Team shall ensure that:

   i. exposure to any single client at any point of time shall not exceed 10% of IDBI Capital's maximum allowable exposure, as specified in para b above.

ii. exposure towards stocks purchased under margin trading facility and collateral kept in the form of stocks are well diversified.

The Exchanges intimate the daily MTM margin requirements for all client positions. IDBI Capital will collect margins from all clients based on the margin calculations advised by the Exchanges. Margins will be reported to the respective Exchanges on a daily basis.

Any shortfall in collection of margins from the clients attracts Exchange penalties which need to be recovered from the clients.

Clients Eligible

All clients except NRIs provided the client signs off for the product.

Shares as Collateral:

The scrips marked as collateral by the clients shall be valued at market price adjusted for a certain haircut and this valuation shall be allowed to the clients under their buying power.

The following benefits can be availed in case shares are transferred as collateral from beneficiary account; only Group I / Exchange approved scrips to be eligible for collateral, this can be modified based on market conditions including competitor's strategies.

1. The securities eligible as collateral will be valued at previous trading day's closing price and this value after application of certain haircut will be offered to the clients in their buying limits.
2. The client can use the buying limits for normal trading through each trading day.
3. Any liabilities that the client may create for himself on any given day will be settled through cash or securities pay ins.
4. On receipt of the securities and cash due from the client, the collateral limits will be reinstated to the client for the next day's trade.
5. Client can thus use his existing securities holding to leverage the buying limits on any given day.
6. Only scrips fully funded by the client will be accepted as Collateral.

Note : Exceptions to the limits under various products listed above may be made by Head Retail and MD & CEO on a case to case basis.

Products	**Main Source**
Equity	Sale proceeds, uncleared cheques(Offline Clients), Collateral with NSE approved haircut (online and offline transfers for all clients), Clear Funds, Blank limits approved by relevant authority.
Derivatives	Sale proceeds, cleared cheques, approved percentage share of the value of Collateral (online and offline transfer after applying NSE defined hair cut), Clear Funds
IPO	Clear Cash
MF \ NCD	Clear Cash

Note:

1. In case the Client has buy position which results in no delivery / shortage then the sell leg transaction (if executed on or before T+2) would also amount to shortage. The auction value as applicable on the shortages would apply. The auction related cost shall have to be borne by the clients.

Right to sell clients securities (RMS Selling) or close positions on account of non payment of client dues

It is the client's responsibility to clear his obligations on T+2 day. The client shall provide funds/securities to IDBI Capital for meeting his/her obligations to the Exchange. In case the client falls short of the providing funds/securities, IDBI Capital has the right to close the positions/sell the client's securities with or without giving prior notice to the client to the extent of ledger debit and /or to the extent of margin obligation. IDBI Capital can liquidate the securities bought or collaterals given or any other securities given by the client in any other form for clearing the clients obligations.

In case a client is in debit for upto T + 2 + 5 days, the existing regulations mandate that the client's account should have a positive or nil balance at EOD before the client is allowed to take fresh positions. In order to avoid such situation, the RMS will initiate square off of client positions which are aged T + 2 + 5 days. Clients will not be allowed to create further purchase positions in scrips being forced sold by RMS in such a situation. This restriction shall apply even if the client brings in fresh funds on the given day before the EOD.

Trading in Penny stocks:

Penny/ illiquid Stocks are traded at relatively low price and market capitalization IDBI Capital shall have absolute discretion to accept, refuse or partially accept any buy or sell order for execution from a client in respect of penny stocks, illiquid stocks, stocks having low liquidity, illiquid "options", far month "options", writing of "options", and any other contracts which as per the perception of IDBI Capital are extremely volatile or subject to Market manipulation.

PENALTY IN CASH OF SHORT COLLECTION OF MARGIN

IDBI Capital shall have the right to pass on to the Client the penalty levied by the Exchange for Short Collection of Margin (Additional margin / Peak Margin) other than upfront margin.

REVIEW OF THE POLICY

This Policy shall be reviewed annually and updated periodically to incorporate the changes, if any, made by SEBI, Exchange or any other regulators or to incorporate the changes necessitated due to changes in the market condition or to strengthen the internal control or for such other reason as deemed fit.