SSJ RMS Policy

A.   Client Category
B.   Limits (Exposure)
C.   Liquidation
D.   Surveillance
E.   Reports

A. *Client Category :–*

1.   Offline Client –   Normal / NBFC (ODIN)
2.   Online Clients –   Diet (ODIN) / Nest (Omneysys)

- While opening online or shifting for online by default he will be on Odin Diet Trading Platform
- After request from Client or Branch Manager it will be convert into Diet

B. *Limit to the clients :–*

❖ Scrip wise Limits are define as per scrip category (refer Scrip Category file)
❖ In deposit included all exchange Ledger Balance + Approved stock value
❖ No Limit to the online client on the basis of Cheques.

1. **Cash :** One time deposit set & position can be bought as per scrip category.
Intra Day :- giving extra leverage to the clients. % of the margin is more than delivery but said open position will be auto square up by 3.10 pm at HO

Delivery : - No extra leverage to client. % of the margin is less than Intra day & position will not be square up at HO. He can take delivery

e.g. : – Mr. "X" is having Ledger bal credit of 10 K & he want to buy in Nifty fifty stock, said stock is having 12% for margin & 25% for delivery so the accordingly %wise margin he can buy in margin product approx 83 K which will square up by system (auto square) at 3.15 pm. & if he bought stock in Delivery product he can buy only 40 K which can not be square up by system.

2. **FO and Commodity :** Three times Limit set with MTM of 80%, said 3 times limit has been given for intra day only & End of the day it has to be square up, otherwise next day morning it will be in shortfall & will not be get multiple times of limit it will be only one time as per his ledger bal.

e.g. : –

C. *Liquidation :–*

80% Liquidation

- In case of client breaching 80% threshold limit of All Exchange Ledger Debit compared to Total Stock valuation than client comes under this liquidation procedure and his upto debit stock is liquidated from HO.
- Pending - To avoid this, branches are notified through alert mails on daily basis for reaching 70%, 80% and 90%.
- So accordingly branches have to do the collect fund from such clients in order to avoid the Liquidation

Example:
- Ledger balance   =   92,000 Debit
- Total Stock value   = 1,15,000/-
- Total stock value % =   (85%)
- Liquidation value   =   92,000/-

- ❖ Note that those clients who have bought on T-1& T-2 day but whose positions will not be liquidated from HO. However, it is for the branch head to take suitable action at their end and clear the debit.
- ❖ Take note that continuous debit for last three days is also monitored. In such cases, where client is at 80% MTM risk and is continuously OTM for 3 consecutive days, T-2 & T-1 positions for such a client will also get liquidated.
- ❖ To avoid liquidation, the cut-off time for uploading cheque / DD details in Back-office (only through Collection Report in MIS) is until 8AM of square-off date.

Sending mails to all branches, sub-brokers for the details of the clients position those who are on 80% & above. Evening mail contain same day updated ledger bal for other than MCX & NCDEX, as far as concern to commodity update it is up to previous day ledger & next day early morning mail contain all exchange ledger bal updated.

Sending SMS to clients who are 80% liquidation criteria & to be liquidate tomorrow morning.

All stock liquidated in BSE exchange by uploading file.

Ageing Debit Liquidation (T + 5)

- In case client carries forward his / her ledger debit balance beyond 5 days than his/ her stock worth the ageing debit balance is liquidated from the HO.
- In daily RMS report, daily ledger position is provided so that branches are aware of the clients who are carrying forward their debit balances.
- It's not necessary that client is having ledger debit on all the days but during the period of 5 days, he/she has not cleared the old debit. and due to this, stock is liquidated only worth the debit balance that is carried forward.

Example :   In this during the period of 5 days, if client is having debit of Rs.25000 and has not made the payment in full till 5 days. Then all the credits from stock sell and MTM profit are calculated during this period and deducted from the original debit amount of Rs. 25000. Suppose this sum of all credits is Rs. 10700 so now the remaining balance at the end of 5th day is Rs. 14300. if any additional debit is created, then these debits are not considered for the time being and they will be considered only in respective days if not cleared in time. So at the beginning of the 6th day i.e., more than 5 days, stock worth Rs. 14300 is liquidated from HO.

MTM Base Liquidation

- as we are giving Leverage limit in FO & Commodity i.e. 3 times on all exchange combined ledger & Approved stock value with the MTM of 80%
  in this scenario if the client hit 80% MTM loss on real time basis all position will be liquidate by system (automatically) at HO

Example :   "A" is having ledger credit of 1 Lac so according we are giving 3 time limit i.e. 3 Lacs with mtm 80 K & during the market on real time basis if on his open position mtm hit upto 80 K than all position will be square by system.

Fo + Commodity Shortfall

After giving leverage of 3 times limit & if client has enjoy full benefit that means he had made 3 time position & neither he has not breached on mtm loss upto 80% nor reduce he position at the end of the day. Next day his position will be in shortfall so need to be regularized the same by giving fund.

Above mentioned cases, branch & sub- broker will get mail at the early in the morning to intimate the same & they need to confirm the status for collection or if reduce any position to avoid liquidation at HO.

D. *Surveillance :–*

1. Securities under investigation with exchange, SEBI are Blocked at member level no one can buy said stock but can be sell stock if they have in our DP.
2. Physical stocks are not permitted for buying & selling.
3. "Z" & block category by SSJ not allowed.
4. Scrip in Ban in FO (market wide position) not allowed to trade , Square up allowed.
5. Far month Contract Block – for MCX & NCDEX first 2 month contract allowed rest of the contract blocked.
6. NO Trading for client who are in Naked Debit & 80% above client.
7. in Tender Period respected expiry contract Block.

E. *Reports :–*

1. Risk Reports
2. Stock Valuation
3. 80% Liquidation
4. Ageing Debit Liquidation
5. Fo + Commodity Shortfall
6. 70%, 80%, 90%   alerts Reports