



# SATCO CAPITAL MARKETS LIMITED.

Formerly Known as: Satco Securities & Financial Services Ltd.

Member : National Stock Exchange of India Ltd | Bombay Stock Exchange Ltd | MCX Stock Exchange Ltd | Central Depository Services Ltd.

## RMS Policy for Future & Option segment (FNO & Currency)

### Preamble / Objective:

1. For open /unsettled Position of the client SATCO faces Risk. This policy therefore lays down Risk Management Policy of the company which must be strictly adhered to by all Dealers, Branches, Sub-brokers, franchisees, Authorized Persons, Remeisers and further all departments must note and follow the policy.
2. This policy is an attempt to manage all kinds of Risks, however as markets are dynamic SATCO may need to alter some policies and reserves absolute right to change the same without advance intimation to entities mentioned above and its clients.
3. No Client will be given limit to 'Buy' and 'Sell', unless he has 'adequate' initial margin (SPAN) and Exposure Margin as stipulated by NSE with SATCO.
4. All MTM losses and Margin Shortfall due to increase of margin and adverse price movement must be Funded before start of trading day on T+1 day. RMS will be within its right to square off position, where client is unable to pay MTM losses and Margin Shortfall.
5. To determine adequate Initial Margin and Exposure Margin, Ledger credit and Approved Stocks in Client Demat account with SATCO DP will be considered, provided Client has given POA in favor of SATCO.
6. If Client does not hold securities in SATCO DP or Client has not extended POA for securities held in SATCO DP, then limit can only be extended if client transfers shares to SATCO Collateral Account.
7. Only those securities that are part of "Approved List" as stipulated by NSE from time to time, will be accepted as collateral or security.
8. RMS Team will endeavor to email latest list of Approved Securities published by Exchanges, However all Branches, franchisees, Sub Brokers, AP must keep themselves updated.
9. Limits will be calculated on Approved Stocks, only after applying appropriate 'Hair-Cut' to the last closing price of the security on NSE.
10. It may be noted that NSE stipulates 'Value at Risk' (VAR) for each security. For Approved Security where NSE VAR is less than 20%, SATCO will apply minimum Hair Cut of 20%. For all other Stocks where SATCO shall apply Hair Cut as per NSE VAR.

For SATCO CAPITAL MARKETS LTD.

*[Signature]*  
Authorised Signatory/Director

