

## RMS POLICY

**SVS Securities Private Limited** follows the margining & exposure limits set as followed by the exchange i.e. VAR based margining system. The branches / sub-brokers would be first allowed exposure limits based on the deposit amount give to the member. Further clientwise limits would also be set according to the cleared credit balance & stock lying as collateral with the member. Even stocks lying in Demat A/c with POA facility in favour of member would be considered for calculating deposit with the member. The member will provide 5 to 10 times of exposure to the clients depending n their history of regularly of the pay-in of funds. For F&O segment margin as per exchange would be charged (SPAN plus Exposure) margin and appropriate exposure would be granted.

## ONLINE SURVEILLANCE

The surveillance team watches the online trades as they happen and extra ordinary volume in the particular scrip is immediately investigated by calling up the branch and asking for details of clients and as per the details made available, the clients previous purchase or sales transactions are looked into. We have locked major terminals from doing Z, T & TS Group trades & the same has to be done by a senior dealer at the main office.

We have allocated TWS Limits & Group limit for A, B1, B2, T, TS and Z group. The Surveillance Team gives limit in a very conservative manner, especially, in Z, T and TS group. Any limit accretion requests are first investigated and then upon being satisfied with the bonafide of the trade as well as the client, limits are accordingly increased.

Since the same staffs are monitoring the trades daily, any pattern in trading / limit enhancement is reported once a week to the director for further investigation.

#### OFFLINE SURVEILLANCE.

Since we discourage the trades on On-Line basis, they are further investigated at the time of generation of billing by the Billing Department & the scrips are scanned for the quantity traded vis-a-vis exchange volume on that day, the frequency of trade done by the client & see if a trend is discernible.

After due investigation (which normally takes two weeks), Surveillance Team reports to the Director its finding and thereafter such scrip is disabled for trading for that client / branch and in some cases on the whole network.



#### OFFLINE SURVEILLANCE

The surveillance clientwise takes cue from the alerts generated scripwise. All the clients who have traded in the scrip placed in "SCRIP ALERT" are scrutinized for their other scrip dealings. Looking at the general quality of scrips that they are dealing in, Surveillance Manager reports to the Director for further action on whether we want to continue to deal as a broker for that client or not.

Further any big value transactions are checked for whether the client is not trading beyond ones known Income (i.e. Income declared in KYC)