



## CLIENT RISK MANAGEMENT POLICY (CRMP)

### Background

This Client Risk Management Policy ("CRMP") is issued pursuant to SEBI's Master Circular for Stock Brokers, Exchange requirements, and the internal risk-management framework of the Company.

The Company is a SEBI-registered stockbroker active **only in the equity cash segment**. The Company **does not** offer:

- Internet-based trading
- Mobile/app trading
- API/Algo access
- Margin Trading Facility (MTF)
- MIS/Intraday leverage
- Futures & Options / Currency / Commodities

The Company permits **delivery-based exposure above collected upfront margin only after collecting upfront margin and only until settlement**.

This policy applies to all clients, authorised persons, employees, and dealers of the Company.

### 1. Risk Officers

The Company shall designate the following:

- **Chief Risk Officer (CRO):** Mr. Chandresh Kampani
- **Deputy Chief Risk Officer (DCRO):** Mr. Harses Kampani

All risk-related decisions taken by the CRO/DCRO shall be final and binding from a risk-management perspective.

## 2. Upfront Margin Requirement & Limit Setting

Clients must provide:

1. **Upfront margin** (VAR + ELM, or any margin prescribed) **before any purchase order is accepted.**
2. **Early pay-in of securities** for sale transactions, where applicable.
3. **Full purchase value** before the settlement deadline for all delivery trades.

Orders not meeting the above requirements may be rejected as **“Not as per Risk Policy.”**

### Additional Exposure (Discretionary)

After upfront margin is collected, CRO/DCRO – Chandresh Kampani of CRO / Harses Kampani of DCRO- may allow additional delivery-based exposure considering:

- client profile and behaviour,
- past relationship,
- financial standing,
- collateral/security position.

No exposure shall violate SEBI's upfront-margin rules.

## 3. Delivery-Based Model (No Intraday Leverage)

The Company follows a **pure delivery-only trading model:**

- After upfront margin is collected, clients may take **higher-value delivery positions**, provided they fund the balance amount **by settlement (T+1/T+2).**
- This is **not** MIS or leverage.
- **No intraday margin-only trading** is permitted.
- Intraday trades must be **fully funded upfront.**

#### 4. Debit Control & Exposure Restrictions

If a client maintains a **ledger debit**, then:

- If debit continues beyond **T+5**, **further buying will be stopped**.
- Only **sale / exposure reduction** will be allowed until the debit is cleared.

This ensures adherence to regulatory norms and prevents ageing receivables.

#### 5. Non-Meeting of Settlement Obligations

If a client fails to meet settlement obligations:

1. The Company may **square off** or **liquidate securities/collateral**, after sending prior intimation where required.
2. CRO/DCRO *Mr.Chandresh Kampani / Mr.Harses Kampani - Director* may grant limited extension strictly within regulatory limits.
3. If debit persists after liquidation, the Company may issue notices and may initiate recovery/legal proceedings including arbitration.

#### 6. Unpaid Securities (CUSA Treatment)

Securities that are not fully funded by the client by settlement shall be transferred to the:

##### **Client Unpaid Securities Account (CUSA)**

- Clients may fund the purchase up to **T+6**.
- On **T+7**, the Company shall liquidate the securities to the extent of the debit, in accordance with regulatory provisions.

#### 7. Voluntary Freezing / Blocking of Trading Access

A client may block their trading access by sending a request from their **registered email or mobile number**.

- The Company will block order acceptance for the client and send a confirmation.
- To reactivate the account:

**Verified by:** Mr.Harses Kampani - *Director*

**Approved by:** *Mr.Chandresh Kampani -Director*

*(Note: As the Company does not offer online trading, this applies only to blocking dealing-room order acceptance.)*

### **8. Approval & Review**

This policy is approved by the Board of Directors of the Company.

**Approved By:**

- Chairman / Managing Director: *Chandresh Kampani & Harses Kampani*
- Designated Director: *Chandresh Kampani & Harses Kampani*
- Chief Risk Officer: *Chandresh Kampani*
- Deputy CRO: *Harses Kampani*

This policy shall be reviewed **annually**, or earlier if required by regulatory changes.

**For Jamnadas Morarjee Securities Limited.**

*C.M.Kampani*

Sd/-

**(Chandresh Kampani)**

**Director DIN 00401490**

**Place: Mumbai**

**Date: 01-July-2024**

