



SATCO COMMODITIES PRIVATE LIMITED.

Formerly Known as: PURSONS COMMODITIES PRIVATE LIMITED.

Member : Multi Commodity Exchange of India Ltd | Member Id : 10755 | FMC UMC NO : MCX/TCM/CORP/0598
National Commodity & Derivatives Exchange Ltd | Member Id: 1188 | FMC UMC NO: NCDEX/TM/CORP?1138

RMS Policy (Commodity)

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 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 Additional Margin as stipulated by MCX & NCDEX 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 Additional Margin, free Ledger credit will be considered.
6. In tender period client or branch has to rollover or squared of the open position on 1 day prior of the tender period date start.
If any client's position is found opened in tender period on day of tender period date start that open position would be squared off by the system.

For purpose of calculating Initial Margin, Calculation will be done as under:

Capital Available = Ledger Balance + Deposits if any with SATCO

1. Intraday Leverage

Below mentioned table indicate intraday leverage as

Exchange	Instrument	Intraday Leverage (Span + Exposure)
MCX	Future	6 Time
NCDEX	Future	1 Time



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RMS will square off all intraday positions at below mention times or MTM loss whichever is earlier as detailed below:

Position Square Off

- **Intraday Square Off (Time Based)**
- All Intraday positions will be squared up on or after Agri Commodities @4.45 pm & International al Agri Commodities @8.45 pm / 9.15 pm & Non Agri Commodities @11.15 pm / 11.40 pm or on MTM loss of 80% (as applicable) whichever is earlier.
- **MTM Losses Based:-**
- All clients have to be subject to square off mode at MTM loss reaching 80% (or such other % as may be decided from time to time) of the capital available (opening + during the day) and all positions shall be squared-off as soon as MTM loss reaches 80% (or such other % as may be decided from time to time) of the capital available.

Position in Tender Period: -

- In tender period client or branch has to rollover or squared of the open position on 1 day prior of the tender period date start.
If any client's position is found opened in tender period on day of tender period date start that open position would be squared off by the system.

If any specification reason open position in tender period does not get rollover or squared off by the Client / Branch & system then client or/and branch will be responsible

Carry Forward Leverage

Below mentioned table indicate Delivery leverage as

Exchange	Instrument	Carry Forward Leverage (Span + Exposure)
MCX	Future	1 Time
NCDEX	Future	1 Time

Single Order Limit *

In order to prevent / limit Fat Finger incidents of wrong price punching / away from market price punching, there will be a single order limit in terms of quantity and amount.

Exchange	Instrument	Single order Qty	Single Order value
MCX	Future	30 Lot	2,00,00,000
NCDEX	Future	30 Lot	2,00,00,000

Note: * single order quantity & single order value may be changed according to market scenario.



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Control on Debit Balances

A) Cheque Entry and credit to the client

- The cheque / instrument showing under clearing in the bank account. The exposure would be provided once the cheque has been cleared and credit received in our bank account.
- Online fund transfer facility (Other than payment Gateways) is available to the clients with designated banks to transfer online funds to us. In such case we would be giving credit within 30 minutes of its reflection in our bank account as it is being presently done for online clients transferring online funds.

B) Cheque issuance and payment to the client

All such requests shall be centrally processed and the client's ledger account would be debited at the time of issuance. However, all such payments would be made in consultation with the RMS team so that no exposures / limits in lieu of such credit is utilized by the client. At the time of issuance of the pay-out cheque exposures / limits would be reduced accordingly by the RMS team.

Payout Request: (payout request will be accepted before 12.00 PM as per given format & process will be done by A/C department after 5.00 PM)

Review Audits of the RMS functioning:

Review / Audits of the RMS functioning shall be conducted / undertaken by Management and/or external agencies from time to time, preferably every quarter and/or on the basis of the volume / feedback received from branches / franchisee.

Date : April 01, 2015