

## Risk Management Policy

Entity Name	Manog Securities Pvt Ltd
SEBI Registration No.	INZ000278434
Head of RMS / Compliance Officer	Pawan Pratap Singh
Date of Adoption	23-JAN-2026

### 1. Introduction

**Manog Securities Pvt Ltd** conducts both client-facing broking and proprietary trading. This Policy governs: (a) client margin collection and monitoring; (b) proprietary trading risk controls; (c) collateral management; and (d) square-off procedures — in compliance with SEBI Master Circular 2025/90 paras 40-43.

### 2. Key Definitions

#### 2.1 Upfront Margin

Margin collected from a client or available in the Firm's own account BEFORE an order is placed. Post-trade margin calls are not a substitute for upfront collection.

#### 2.2 VaR Margin

Statistical measure of maximum potential 1-day loss at 99% confidence. Prescribed by Exchange/CC for cash segment securities.

#### 2.3 SPAN Margin

Standard Portfolio Analysis of Risk — computed by the Clearing Corporation for derivatives and commodity positions.

## **2.4 MTM Loss**

Unrealised loss on open positions computed by comparing current market price against average entry price — recomputed continuously during the trading session.

## **2.5 Collateral / Pledge**

Securities or funds provided to the Clearing Corporation via pledge/re-pledge in the depository system to meet margin obligations.

## **3. Upfront Margin Collection — Client Accounts**

- 100% required margin must be available before order placement — enforced by RMS as a pre-trade control
- Margin prescribed by SEBI/Exchange: VaR+ELM for cash; SPAN+Exposure for derivatives; commodity-specific norms for MCX/NCDEX
- Daily margin reporting to Exchange in prescribed format
- Margin shortfalls post-trade to be made good by the next trading day morning

## **4. Pledge-Based Collateral — SEBI Para 42-43**

- Client securities pledged to Clearing Corporation via CDSL/NSDL depository — no physical transfer
- Only Exchange-approved securities eligible — as per the Exchange's periodically updated approved list
- Haircuts on pledged securities as prescribed by SEBI/Exchange
- Client securities shall not be re-pledged for purposes other than meeting that client's own margin obligations

## **5. Client Classification and Limits**

- Clients classified on risk profile: Conservative / Moderate / Aggressive — based on KYC financial information
- Trading limits set as a multiple of client's available margin — per Firm's internal RMS parameters
- Clients with debit balances beyond 5 trading days shall not receive further exposure

## 6. Square-Off Procedure — Client Accounts

- Client notified by SMS and email before square-off is executed — where market conditions permit
- If client cannot be reached, Firm shall proceed with square-off in the interest of risk management
- Square-off at market price — Firm not responsible for adverse price movement during square-off
- All square-off instances recorded in Exception Register: date, time, client code, scrip, quantity, reason

## 7. Proprietary Trading — Segregation and Controls

- Proprietary positions maintained in accounts completely separate from all client positions
- Client margins shall not be used for proprietary trading under any circumstance
- Proprietary P&L tracked separately from client brokerage income
- Proprietary orders shall not be given priority over client orders in the same scrip
- No proprietary order to be placed based on knowledge of pending large client orders — front-running prohibited
- Pre-trade controls and MTM triggers for proprietary trading governed by the separate RMS controls framework

## 8. Exception Reporting

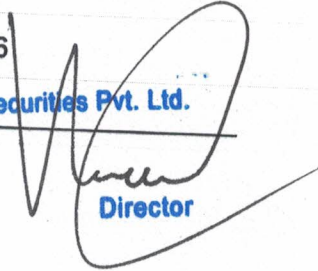
- Daily exception report reviewed by **Director** before end of business
- Quarterly MIS on RMS performance placed before **Board**
- Internal Auditor to review margin collection records, pledge records, and Exception Register during each half-yearly audit

## Policy Review

Last Reviewed	11-FEB-2026
Reviewed By	Pawan Pratap Singh (Compliance Officer)
Approved By	Director

For and on behalf of: Manog Securities Pvt Ltd

Authorised Signatory	Mr. Vivek Gupta
Designation	Director
Date	11-FEB-2026
Signature	<u>For Manog Securities Pvt. Ltd.</u>



Director