

# Pravin Ratilal MTF Risk Policy

## 1. Eligibility and Margin Requirements

- MTF is available only for approved “**Group I securities as notified by SEBI/Exchanges**” and per Pravin Ratilal’s internal policy.
- Minimum initial margin must be placed in cash/cash equivalents or approved securities with applicable haircuts. Margin requirement will be at least SEBI/Exchange prescribed norms (currently VAR + 3x ELM for F&O stocks and VAR + 5x ELM for others) or higher at broker’s discretion.

## 2. Margin Monitoring and Call Mechanism

- Margins and collateral are monitored daily. Margin calls will be communicated via SMS, email, or website.
- Client must replenish deficient margins immediately upon notification and no later than the next trading day. Delays beyond this timeline will lead to automatic liquidation.

## 3. Calculation of Interest

Interest will be charged from the **pay-in date** until the **payout date** at the rate of 18% per annum. Also, if the client brings **cash as collateral**, interest will be charged only on the **remaining funded amount**. However, if the client brings **securities as collateral**, interest will be charged on the **entire funded amount**.

## 3. Liquidation and Default

- If margin shortfall persists or available margin erodes to risk-trigger level, Pravin Ratilal reserves the right to instantly liquidate all or part of funded positions and/or collateral, at its discretion, to restore margin requirements or recover outstanding dues.
- Liquidation may occur without prior notice when there is a risk of further loss or if margin is not replenished within the specified timeline.
- Any deficit post-liquidation shall be recoverable from available balances or further sale of shares/securities.

## 4. Exposure and Concentration Limits

- The broker reserves the right to revise eligible collateral list, applicable haircuts, and exposure limits with immediate effect based on market, regulatory or internal risk factors.

## 5. Approved Securities and Haircut Revision

- The broker may revise the list of eligible collateral stocks, haircuts, and exposure limits based on market conditions or regulatory updates. Collateral valuation will always factor latest applied haircut.

#### **6. Maximum Holding Period of 90 days (with Margin Compliance)**

- MTF positions can be held for a period of 90 days considering that required margin is maintained and dues are paid, unless otherwise specified due to risk management, regulatory, or policy changes. Pravin Ratilal may require closure of positions where margin compliance is breached or for risk containment.

#### **7. Communication and Acknowledgement**

- All communications, margin calls, and liquidation notifications will be sent through mutually agreed digital modes. Client is responsible for monitoring margin status and acting on communication.
- Daily margin statements will identify MTF collateral and margins distinctly.

#### **8. Amendment and Review**

- Risk policy, margin rates, haircut parameters, exposure and eligibility norms may be revised at any time. All changes will be communicated through official channels, and the latest published policy will be effective for all MTF positions.

#### **9. Event of Default**

- Default events include (but are not limited to): failure to restore margin, payment delays, negative ledger, regulatory breach, market or scrip risk escalation. In such cases, MTF positions and/or collateral will be liquidated, and outstanding dues recovered.

#### **10. Dispute Resolution**

- Any dispute on liquidation, margin computation or risk management must be raised within 24 hours of execution/communication. SEBI/Exchange grievance mechanisms and arbitration will apply.

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#### **Note:**

Pravin Ratilal's risk management objective is to safeguard client and broker interests, ensure regulatory compliance, and maintain robust margin discipline. Clients must remain vigilant about margin sufficiency and are encouraged to track such communications regularly. *This policy is binding on all users of MTF at Pravin Ratilal and subject to amendments as per regulatory and internal risk governance.*