



# **Hem Securities Limited**

## **RMS Policy**

**This Risk Management System Policy is framed to manage risk of Company and Clients from Volatility of Capital/ Commodity/ Currency Market.**

**I. POLICY FOR PREVENTION OF INSIDER TRADING:**

1. Verification of concentrated buying or selling of shares of any Company by any particular client/ set of clients on daily basis.
2. If any such act is found then we enquire with the client for reason of buying or selling the particular shares.
3. We go through the KYC of the client and find out whether there is any relationship of client to that particular Company or employee or director of that Company.
4. If any doubt arises, we put a stop on the trading of the client in that particular scrip.

**II. POLICY FOR UNAUTHENTICATED NEWS CIRCULATION:**

We have put a proper internal code of conduct and controls in place for circulation of any Unauthentic News or Rumours. There are appropriate checks and balances in place to govern the conduct of our employees. Our employees do not encourage or circulate rumours or unverified information obtained from Client, Industry, any trade or any other sources. The access to Blogs/ Chat forums/ Messenger sites etc. is completely restricted.

**III. REDRESSAL MECHANISM FOR INVESTOR GRIEVANCE:**

We have a designated employee who on daily basis access Email ID i.e. **investorgrievance@hemsecurities.com** for receiving investor grievance. On receipt of an investor grievance either on Email or through a letter of investor or letter through Stock Exchange, we analyze the grievance immediately, enquire from the Branch or Sub-broker and if during the analysis if anything is found wrong then we rectify the error or if nothing is found then we inform the investor accordingly.

**IV. POLICY FOR INACTIVE ACCOUNT:**

In case of inactive accounts, we first verify client's identity by confirming their personal details saved in our records before execution of any transaction. If the details given by the clients matches as per the record and if we assume that such transaction can be done without any risk then we allow the clients to trade in their account.

The accounts, which remains dormant for 6 Months or more, we request the clients to carry out all the formalities as we do in case of new account viz. execution of a fresh KYC, MCA/TPA, RDD in the prescribed formats, evaluate their financial capabilities etc. under the same code.

**V. POLICY FOR PREFUNDED INSTRUMENT:**

1. If the aggregate value of Prefunded instrument received from any client is INR 50,000/- or more per day, then we accept the instrument only in case if the same is accompanied with a certificate duly signed & sealed by the issuing bank, name of bank account holder and bank account number debited for the purpose.
2. We maintain an audit trail of the funds received through electronic fund transfers to ensure that the funds are received from our clients only.