

Policy on Limit Setting

Innovate Securities Pvt. Ltd. (ISPL) provides broking services to its clients for transactions on various Stock Exchanges and the Stock Exchanges have different segments e.g. cash market or capital market segment, equity derivatives segment or equity F&O segment etc. Each segment deals in different products having different risk profiles and settlement attributes. Many segments may be added in future by different Stock Exchanges depending on different product development.

Transactions on Stock Exchanges are executed on electronic platform and clients are serviced from network of dealing offices spread over various locations, cities, towns and states.

Exposure limits to the client will be provided based on the available margin in the client's broking account maintained with ISPL exposure limits for its clients. The securities markets are usually very volatile and different clients have different risk profiles. Volatility amongst different scrips and different derivatives contracts are different. Business Rules, Bye laws and Regulations of the Exchanges require Brokers including ISPL to obtain upfront margin from clients.

The exposure limits will be a certain multiple of the available margin. Such multiplier will be as decided by ISPL from time to time and may vary from client to client. On a case-to-case basis ISPL, as its sole and absolute discretion, may allow higher exposure limits to the client. In case of cash segment, ISPL may at its sole and absolute discretion allow clean exposure limit up to certain amount to the client without insisting for any credit balance and/or margin.