

SUNRISE GILTS & SECURITIES PVT. LTD.

RMS (RISK MANAGEMENT SYSTEM) POLICY

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Document Control

Document Title **RMS (Risk Management System) Policy**

Version History:

Version No.	Version Date	Author	Summary of Changes
1.1	10/06/2025	PRATIK KUMAR MORE	Review and Approval of BOD

Approvals:

Name	Title	Approval Date	Version No
PRATIK KUMAR MORE	RMS (Risk Management System) Policy	28/05/2025	1.1



RMS (RISK MANAGEMENT SYSTEM) POLICY

1. Introduction:

Sunrise Gilts & Securities Pvt. Ltd. ("the Company") has established a Risk Management System (RMS) to monitor, control and mitigate risks arising out of trading activities. The RMS ensures that exposures are maintained within permissible limits and protects the Company from financial and operational risks.

2. Objective:

The objectives of the RMS Policy are:

- To monitor real-time trading exposure.
- To prevent unauthorized and excessive trading.
- To ensure compliance with Exchange risk parameters.
- To protect the Company's capital.
- To avoid market, operational and settlement risks.

3. Scope:

This policy applies to:

- All proprietary trading activities.
- All dealers and terminals.
- All trading segments enabled for the Company.

4. Risk Management Framework:

The RMS operates through:

- Pre-trade controls.
- Real-time monitoring.
- Post-trade reviews.
- Automated system controls.
- Manual supervisory controls.

5. RMS Controls:

5.1 Exposure Limits



The Company sets exposure limits based on:

- Net worth.
- Exchange margin requirements.
- Segment-wise limits.
- Risk appetite of management.

Exposure is monitored in real-time.

5.2 Margin Monitoring

- Exchange margins are monitored continuously.
- Sufficient margin is maintained at all times.
- Shortfall in margins is immediately addressed.

5.3 Price Band & Circuit Filters

- Trading is restricted within Exchange prescribed price bands.
- RMS automatically blocks orders beyond permissible limits.

5.4 Order Quantity Limits

- Maximum order quantity limits are defined.
- Fat-finger controls are enabled.

5.5 Dealer Limits

- Dealer-wise limits are defined.
- Access is role-based and controlled.

5.6 Product Restrictions

- Only approved segments and instruments are enabled.
- Unauthorized products are disabled at system level.

6. Real-Time Monitoring:

RMS team monitors:

- Open positions.
- MTM losses.
- Exposure breaches.
- Margin utilization.
- High-risk positions.



Alerts are generated for breaches.

7. RMS Interventions: All actions are documented.

In case of abnormal risk:

- RMS may reduce limits.
- RMS may square-off positions.
- RMS may block terminals.
- RMS may restrict trading.

8. End of Day Risk Review:

Daily review includes:

- Exposure summary.
- Margin sufficiency.
- Profit/Loss.
- Limit utilization.
- Exception reporting.

9. System Controls:

- Automated RMS through trading software.
- Maker-checker approval.
- Audit trail of RMS actions.
- Password protected RMS access.

10. Compliance with Regulatory Requirements:

The Company strictly adheres to:

- SEBI circulars.
- Exchange risk management guidelines.
- Clearing corporation margin norms.

11. Roles and Responsibilities:

Board of Directors

- Overall oversight of RMS framework.

Director / Senior Management



- Approves limits and controls.

RMS Officer / Operations Head

- Day-to-day monitoring.
- Limit setting.
- Risk reporting.

Compliance Officer

- Regulatory compliance monitoring.

12. Training and Awareness:

Dealers and RMS staff are trained on:

- Risk controls.
- Exposure management.
- Exchange regulations.

13. Policy Review:

This policy shall be reviewed annually or upon regulatory or system changes.

14. Approval:

This policy is approved by the Directors of Sunrise Gilts & Securities Pvt. Ltd.

