



# AFFINITY SECURITIES PVT. LTD.

Shaila Towers, Room # 903, J1/16 EP Block, Salt Lake, Kolkata – 700091  
CIN No. U67190WB2010PTC153468

## POLICY ON LIMIT SETTING

Policy on Limit Setting: This policy covers the procedure and checks in place for allotting limits to each direct and CTCL / IML terminals.

Defining of Limit: The following limit has been set for each terminal:

- 1) Quantity Limit for each order
- 2) Value Limit for each order
- 3) Value limit for each user ID
- 4) Value limit for each Branch ID
- 5) Security wise limit for each User ID (Equity Segment)
- 6) Spread Order Quantity and Value Limit for each order (Derivatives Segment)

Procedure for setting of Limits:

AFFINITY follows the practice of setting of limits at each level namely Admin, Branch Manager, CTCL / IML and Dealer. The limits have been set each level is reviewing the historical data of peak utilization at respective levels. Limits are reviewed on a regular basis and if required revised post consultation of Risk Manager/Compliance Officer during the day. The Limits utilization is continuously monitored during the day. Any request of upward revision in limits by dealer is done post receipt of specific consent of Branch Head and after necessary risk assessment.

Limit Setting for Direct Terminals: We are not providing any direct terminals to the dealer. Any provision for direct terminals in case of downtime in CTCL facility is considered post consultation with prior approval of necessary limits from Risk Manager/Compliance Officer.

Checks in place: We make followings checks at the time of limit setting:

- The limits are setup after assessing the risks of the corresponding user ID and branch ID
- The limits are setup after taking into account the member's capital adequacy requirements
- All the limits are reviewed regularly and the limits in the system are up to date
- All the branch or user have got limits defined and that no user or branch in the system is having unlimited limits on the parameters mentioned in Exchange notice
- Daily record of these limits is preserved and shall be produced before the Exchange as and when the information is called for.

Review of process and maintenance of records: The Risk Manager shall be responsible for maintenance of records as prescribed by regulators and demonstrating the adequacy of system to auditors and exchanges. The Compliance Officer may review the process on test check basis and based on the report and confirmation of auditors, the Compliance officer shall issue a certificate to the exchange on quarterly basis.