

**PFIL SECURITIES LTD**  
**RISK MANAGEMENT SYSTEM**

1. No client should have outstanding sauda's in excess of 5 times of margin available at the day end.
2. Client should never have a debit balance and in such a case delivery should be stopped & sold in market.
3. While registering new client, check from NSE/BSE website whether the client is debarred entity.
4. Collect the delivery & funds from the clients from their DP & Bank A/c only.
5. Running A/c of the client is margin A/c. Keep daily check on the same.

**G.P.AGGARWAL**  
**DIRECTOR**

## **INTERNAL CONTROL SYSTEM**

- Registration of Clients. : While registering a new client, take care to check his identity, financial standing, PAN No. etc.
- Receiving, validating & entering the orders of clients in the trading platform. : Take written instructions from clients for order. However if clients give written undertaking that the order may be taken verbally from clients or person authorized by them, and in such cases verbal instructions be accepted.
- Collection and Release of Payments to clients : Collect and release payments to clients by only A/c payee cheques.
- Collection and maintenance of Margins. : Running Account of the client be the margin account. Keep daily check on the same.
- Collection and delivery of Securities to the clients. : Collect the delivery from clients from their DP account only. The delivery payout be directly transferred from exchange to their accounts only. Do not keep clients deliveries with us unless there is a payment default or specifically requested.
- Operations & Compliance Requirements. : Periodically check that all compliances of regulating authorities are complied with.

**(G.P. AGGARWAL)**  
**DIRECTOR**