

Risk Management Policy

1. **Objective:** The primary objective of the risk management policy is to identify, assess, monitor, and mitigate risks associated with trading activities to ensure the stability and integrity of Indian Stock Broker Innovative Consultants.

2. **Risk Identification:**

- The company conducts regular risk assessments to identify potential risks, including market risk, credit risk, liquidity risk, operational risk, legal and regulatory risk, and cybersecurity risk.
- A dedicated risk management team is established to continuously monitor and identify emerging risks.

3. **Risk Assessment:**

- Risks are quantified and prioritized based on their potential impact and likelihood of occurrence.
- Advanced analytics and risk modeling techniques are utilized to assess market trends and potential exposures.

4. **Risk Mitigation Strategies:**

- Robust internal controls and procedures are implemented to mitigate identified risks effectively.
- Investment portfolios are diversified to spread risk across different asset classes and sectors.
- Adequate liquidity buffers are maintained to mitigate liquidity risk and ensure smooth trading operations.
- Counterparty risk management policies are established to assess and monitor the creditworthiness of counterparties.

5. **Compliance and Regulatory Framework:**

- The company ensures full compliance with all applicable laws, regulations, and guidelines issued by regulatory authorities such as SEBI (Securities and Exchange Board of India).
- Internal policies and procedures are regularly updated to align with regulatory requirements and industry best practices.

6. **Technology and Cybersecurity Measures:**

- Robust cybersecurity measures are implemented to protect sensitive client information and prevent unauthorized access.
- Regular cybersecurity audits and penetration testing are conducted to identify vulnerabilities and strengthen defenses.
- Comprehensive training programs are provided to employees to raise awareness about cybersecurity best practices and potential threats.

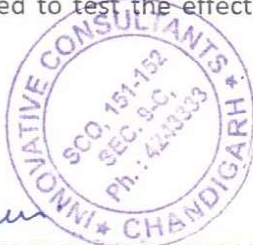
7. **Risk Monitoring and Reporting:**

- A comprehensive risk monitoring framework is established to track key risk indicators and deviations from established risk thresholds.
- Regular risk reports are developed for senior management and the board of directors to provide insights into the overall risk exposure and effectiveness of risk mitigation strategies.

8. **Business Continuity and Contingency Planning:**

- Business continuity and contingency plans are developed to ensure the continuity of critical business operations in the event of unforeseen disruptions or disasters.
- Regular drills and simulations are conducted to test the effectiveness of business continuity plans and identify areas for improvement.

Anurag Kumar



9. Review and Continuous Improvement:

- Periodic reviews of the risk management policy and procedures are conducted to assess their effectiveness and relevance.
- Lessons learned from past incidents and industry developments are incorporated to enhance risk management practices continuously.

10. Communication and Transparency:

- A culture of open communication and transparency regarding risk management practices and issues is fostered.
- Employees are encouraged to report potential risks or concerns promptly through established channels without fear of retaliation.

By adhering to this risk management policy, Indian Stock Broker Innovative Consultants aims to safeguard its interests, protect its clients, and maintain the trust and confidence of stakeholders in the dynamic and challenging environment of the stock market.

Anurag Kaushal





Policy for Voluntary Freezing / Blocking Access of Trading Account of Client (Part of the Risk Management Policy)

1. Purpose

The purpose of this policy is to outline the process, guidelines, and responsibilities for the voluntary freezing or blocking of a client's trading account at Innovative Consultants. This policy ensures that such actions are carried out in a secure, transparent, and compliant manner, safeguarding both client interests and the company's risk exposure.

2. Scope

This policy applies to all clients of Innovative Consultants who voluntarily request to freeze or block their trading account held with us. Since the company does not provide online trading access, this policy covers the manual/administrative blocking of account operations, including disabling trading permissions, restricting order placement, or limiting account activity.

It also applies to employees, dealers, and departments involved in executing or monitoring such requests. The policy forms an integral part of the company's overall Risk Management Framework, aimed at minimizing operational and market risks.

3. Objective

The objectives of this policy are to:

- Provide a clear mechanism for clients who wish to temporarily restrict or block trading activity in their account.
- Prevent unauthorized trading or misuse of client accounts.
- Ensure that such requests are handled promptly, securely, and with accountability.
- Strengthen the company's risk control measures in accordance with SEBI and Exchange guidelines.

4. Policy Statement

Innovative Consultants permits clients to voluntarily freeze or block their trading account upon submission of a formal written or electronic request. Once the request is validated, the client's trading access or permissions shall be restricted immediately until reactivation is requested and approved.

This process is designed to protect clients from unauthorized transactions, fraudulent activity, or personal financial risks. All actions under this policy should be properly documented, verified, and auditable.

5. Acceptable Reasons for Freezing / Blocking

A client may request freezing or blocking of their account for reasons including but not limited to:

- Suspicion of unauthorized access or misuse.
- Temporary absence or inability to monitor account activity.
- Change in financial status or risk appetite.
- Personal request for enhanced security or risk control.





6. Process for Freezing / Blocking

1. The client must submit a written request (email, letter, or form) specifying the reason for freezing the account.

Email I'd : INCONS@IFMGGLOBAL.IN

Address: SCO 151-152, 1st floor, Sector 9-C, Chandigarh-160009

2. The Risk Management / Compliance Department shall verify client credentials and confirm the authenticity of the request.

3. Upon successful verification, the account's trading permissions shall be immediately frozen or blocked, and a confirmation notification shall be sent to the client.

4. All pending or open positions (if any) will be reviewed by the Risk Management team to assess exposure and take necessary protective actions.

5. The request and related documents shall be maintained as official records for future audit or regulatory review.

7. Reactivation Procedure

- The client must submit a written or electronic request to reactivate trading permissions.

- The Compliance and Risk Departments shall re-verify the client's identity and risk status before approving reactivation.

- Reactivation will be completed only after formal authorization from the Risk Management Head or Designated Officer.

- The client will receive a confirmation of reactivation via official communication channels.

8. Risk Management and Monitoring

This policy is part of the company's overall Risk Management framework, ensuring that:

- All freezing and unfreezing actions are monitored and logged.

- Access controls and permissions are updated immediately upon any change in account status.

- The Compliance Team conducts periodic audits to ensure adherence to this policy.

- Any suspicious pattern of requests or unauthorized activities is escalated to senior management.

9. Client Communication

Clients shall be clearly informed about:

- The procedure and implications of voluntarily freezing their trading account.

- The timeline for processing such requests.

- The documentation required for both freezing and reactivation.

All communication must be transparent, documented, and traceable.



10. Non-Compliance or Misuse

Any employee who fails to follow this policy or delays action without valid reason shall face disciplinary action. If a client misuses the voluntary freezing provision, the company reserves the right to refuse further service or report the matter to authorities.

11. Review and Policy Update

This policy shall be reviewed annually by the Risk Management and Compliance Departments to ensure its relevance and effectiveness. Any modifications shall be approved by the Management Committee and communicated to all employees.