

(Classification of risk)

SL. NO	Product	Risk classification
1	Equity Cash	Medium
2	Equity Cash Bonanza	Medium
3	Equity Cash super HNI	Medium
4	Equity Future	High
5	Equity Future Bonanza	High
7	Equity option	High
8	Equity option Bonanza	High
9	Equity option super HNI	High
10	F&O Combo pack	High
11	Nifty Future	High
12	Nifty option	High
13	Base Metal	High
15	Base metal + Energy	High
16	Bullion	High
17	Bullion super HNI	High
18	Energy	High
20	MCX	High
21	AGRI Commodity	High

Basis of classification

All the products have been classified using following

Medium	High
Cash	All other products

(Process of client risk profiling)

Process of client risk profiling

Clients will be classified as low risk appetite, medium risk appetite and high risk appetite based on the Score obtained by answering the following questionnaire. Once , the score is obtained client will be Offered services which suits his/her risk appetite. The classification of the services is also mentioned Below.

Questionnaire for risk profiling of the client

Name of the client _____

What is your age group ?	Weight allotted	Retinal for weight
Under 35	2	A younger person can take more risk as compared to an aged person
Under 45	1.5	
46-55	1	
55-60	0.5	
60+	0	
Investment goal		
Capital Appreciation	0	Capital appreciation Requires longer term investment which is less riskier than intraday
Regular income	2	
Appreciation and regular income	1	
Proposed investment amount		
<1 lacs	0	People with more investment have a higher risk appetite
1-2 lacs	0.5	
2-5 lacs	1	
>5 lacs	1.5	
Preferred investment type		
Short term Positional	0.5	Intraday being the most risk has the highest allotment. Since equity is a growth product
Long term Positional	0	
Intraday	1	
Gross annual income details:-		
Below 1 lac,	0	Have more risk appetite
1-5lac,	0.5	
5-10 lac,	1	
10-25 lac,	1.5	
>25lac	2	
Sources of income		No weight has been allotted this is for information purposes only. Since people with secondary income should have more risk appetite
A. primary source		
Salary		
Business		
B. secondary source		
Royalties		
Rental		
Dividend		
Others specify.....		
Market value portfolio held		

<1 lacs	0.5	Larger the portfolio size more is the risk appetite. thus higher weight age
1-2 lacs	1	
2-5 lacs	1.5	
>5 lacs	2	
Investment experience		
< 3 years	0	More investment experience allows the investor to take more risk
3-5 years	0.5	
>5 years	1	
Experience in market products	For selection of services	
Commodity		
Stock		
Derivatives stocks		
Forex		
All		
How many dependents do you financially support ?		
None	1	Less dependents gives more risk taking ability
Between 1-3	0.5	
Good	1.5	The ups and down of market and has a good experience has more risk taking ability.
Moderate	1	
Bad	0.5	
Very bad	0	
What is your preference w.r.t securities with low risk, low return over high risk, high return		
Strongly prefer	0	Direct Questions to ascertain risk appetite
Prefer	0.5	
Indifferent	1	
Do not prefer	1.5	
Strongly do not prefer	2	
When market is not performing well do you prefer to buy risky investments and sell less risky investments?		
Strongly prefer	2	Direct Questions to ascertain risk appetite
Prefer	1.5	
Indifferent	1	
Do not prefer	0.5	
Strongly do not prefer	0	
What is your Risk Tolerance		
High	2	Direct Questions to ascertain risk appetite
Medium	1	
Low	0	
What percentage of monthly		

income is allocated to pay off debt [all EMIs]?		
None	2	High debt reduces the risk taking capacity
Between 0% -20%	1.5	
Between 20%-35%	1	
Between 35% -51%	0.5	
>51%	0	
Occupation (Please select the appropriate)		
Private sector service, public sector		To understand the risk appetite of the client via his earning source. No weight age allotted
Government sector, Business, Professional, Agriculturist,		
Retired, Housewife, Student,		
Dealer		
others		
Are you any of the following, or are directly or indirectly related to any of the following		
Civil servant		To understand the risk appetite of the client via his earning source. No weight age allotted
Politician,		
Current or former head of state,		
Bureaucrat (Tax authorities, foreign services IAS etc.		
Current or former MP/MLA/MLC,		
Connected to Media,		
connected to any company/ promoter group/ group of companies listed on any stock exchange		

Clients are classified only in three categories low risk, medium risk and high risk clients with respective scores upto 10, 11-15, 16-24 and accordingly products is recommended to them

Risk Based Classification of the Services