

Risk Management Policy for GTT (Good Till Triggered) Orders

Purpose:

This policy outlines the procedures, risks, and guidelines related to the GTT (Good Till Triggered) order functionality provided by Indiabulls Securities Limited. The purpose of this policy is to define the process for placing, executing, and managing GTT orders, along with the associated risks and requirements.

Feature Overview:

The GTT (Good Till Triggered) order facility allows clients (with POA or DDPI in favour of Indiabulls Securities Limited) to place orders with a specified trigger price. These orders remain valid for up to 365 days from the placement date or order triggered in the market, whichever occurs first. Once the trigger price is reached, the limit order of the client is automatically placed in the market.

GTT orders are available for the following segments:

- NSE Cash
- BSE Cash
- NSEFO
- BSEFO

Important Points:

GTT orders are supported only for CNC (Cash and Carry) and NRML (Normal) order types. Intraday (MIS) orders are not supported.

The trigger price is valid only once. If the trigger price is reached but the limit order is not executed then client has to enter the GTT order again.

In case of F&O order, GTT orders are valid for 365 days or until the expiry of the contract, whichever is earlier.

Definitions:

Trigger Price: The price specified by the user that activates the limit order. When the Last Traded Price (LTP) of a scrip meets or breaches the trigger price, the corresponding limit order is placed.

Lower Trigger Price: If the scrip opens lower or breaches the trigger price on the downside (gap-down), the limit order will be placed.

Higher Trigger Price: If the scrip opens higher or breaches the trigger price on the upside (gap-up), the limit order will be placed.

Limit Price: The price at which the order will be placed once the trigger price is met. Limit price protection is subject to the exchange's policies.

LTP (Last Traded Price): The most recent trading price for a scrip, which is compared in real-time to the user's trigger price.

GTT (Good Till Triggered): A feature that allows users to set a limit order which is triggered when the specified price condition is met. GTT orders are available only through Indiabulls Securities' DIY platforms and are not supported through call-and-trade or branch services.

Execution Policy and Risks:

Margin and Holdings Requirements:

Sufficient Margin: At the time of placing a GTT order, users must have sufficient margin in their account. Failure to maintain the required margin could result in order rejection when the GTT is triggered.

Sufficient Holdings for Sell Orders: For GTT CNC (delivery) sell orders, users must have sufficient holdings in the demat account. Failure to meet this requirement will result in order rejection upon triggering.

Ongoing Margin Maintenance: Users are required to maintain adequate margin and holdings for the duration that the GTT order remains active.

Failure to do so may result in order rejection when the GTT order is triggered.

Order Execution and Guarantee:

Once a GTT order is triggered and the corresponding limit order is placed at the exchange, execution is not guaranteed by Indiabulls Securities. The execution depends on whether the market price matches the user-defined limit price.

If the GTT order is triggered but the limit order is not executed by the end of the trading day, it will be cancelled by the exchange.

Order Cancellation and Replacement:

If a GTT order is triggered but not executed due to the market price not matching the limit order, the order will be cancelled at the end of the trading day. The user must replace/re-enter the GTT order in the trading platform/system for further execution.

Circuit Limits and Price Range:

Orders placed beyond the exchange's circuit limits will be rejected.

For derivative contracts, the limit price protection defined by the exchange applies. If the order exceeds the exchange's permissible price range, the order will be cancelled by the exchange and the user must replace the GTT order.

Corporate Actions:

In case of corporate actions (e.g., stock splits, bonus issues, dividend declarations, etc.) affecting the scrip, users must monitor the impact of such actions on their GTT orders. Indiabulls Securities is not responsible for order placement, execution, or rejection due to corporate actions.

Derivative Contracts:

When a GTT order is triggered for a derivative contract and the order is placed outside the contract's execution range, it may be cancelled by the exchange.

For all derivative contracts, the limit price protection applies. If the limit price is beyond the exchange's execution range, the order will be cancelled, and the GTT order must be replaced.

Exchange and RMS Rules:

All exchange regulations regarding price ranges, margins, circuit limits, etc., will apply to GTT orders. Indiabulls Securities' RMS rules will be enforced in addition to exchange rules.

GTT orders will be triggered based on the LTP received from the exchange during active trading sessions.

Order Validity After Trigger:

Once triggered, the GTT order is valid only for the trading day. If the order is not executed by the end of the trading session, it will be cancelled by the exchange.

Disclaimer:

Indiabulls Securities Limited does not guarantee the execution of any order placed via the GTT feature. While we aim to provide a seamless trading experience, market conditions, execution delays, or other factors may result in orders being partially filled, not filled at all, or cancelled.