

# Suitability Assessment Policy

RP Investment Advisor • SEBI Reg. No. INA000021191 • As per Regulations 16 & 17

## Introduction

In accordance with the regulatory requirements under the **SEBI (Investment Advisor) Regulations, 2013**, we have established a comprehensive policy for risk profiling and suitability assessment as mandated under **Regulations 16 and 17**. This policy ensures that investment advice provided aligns with the client's financial objectives, risk tolerance, and investment experience.

## Objective

The suitability assessment is conducted with the following key principles:

1	<b>Alignment with Financial Goals</b>	Ensuring investments align with the client's financial goals.
2	<b>Risk Tolerance Evaluation</b>	Evaluating the client's risk tolerance to determine their ability to bear investment-related risks.
3	<b>Knowledge &amp; Experience Assessment</b>	Assessing the client's knowledge and experience in understanding investment risks.

## Risk Profiling & Categorization

To provide appropriate investment advice, clients are classified based on their risk appetite:

●	<b>Low Risk Appetite</b>	— Not offered any services.
●	<b>Medium Risk Appetite</b>	— Eligible for Group A services.
●	<b>High Risk Appetite</b>	— Eligible for Group A and Group B services.

Similarly, financial products are categorized based on SEBI guidelines to match the risk profile of clients.

## Investor Classification & Suitable Services

Score Range	Investor Type	Risk Tolerance	Suitable Services	Characteristics
26 or less	Conservative	Low	Nil	Not applicable
27 – 52	Moderate	Medium	Group A	Equity & balanced products with moderate volatility
53 – 80	Aggressive	High	Group B	High-risk, high-return equity & derivative products

## Investor Risk Profiles

<b>Low-Risk Investor</b> Conservative   Score: 26 or less	Prefers minimal risk and avoids equity funds or stocks for capital gains. Suitable for fixed-income instruments, FDs, and government securities.
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<p><b>Moderate-Risk Investor</b></p> <p>Moderate   Score: 27 – 52</p>	<p>Understands investment risks and accepts short to long-term fluctuations for higher returns. Services under <b>Group A</b> are recommended.</p>
<p><b>High-Risk Investor</b></p> <p>Aggressive   Score: 53 – 80</p>	<p>Seeks high-risk, high-return opportunities and is willing to endure market fluctuations. Services under <b>Group B</b> are recommended, though Group A services may also be chosen.</p>

## Classification of Services

Group A Services	Group B Services
<i>For <b>Moderate</b> risk investors (Score: 27–52)</i>	<i>For <b>Aggressive</b> risk investors (Score: 53–80)</i>
✓ Large Cap Equity Advisory	✓ Small Cap & Micro Cap Equity Advisory
✓ Mid Cap Equity Advisory	✓ Sectoral & Thematic Fund Advisory
✓ Balanced / Hybrid Fund Advisory	✓ Futures & Options (F&O;) Advisory
✓ Debt Fund Advisory	✓ High-Yield Debt / Credit Risk Funds
✓ SIP-based Investment Planning	✓ Alternative Investment Strategies
✓ Goal-based Financial Planning	✓ Concentrated Portfolio Advisory
✓ Portfolio Review & Rebalancing	✓ Momentum & Tactical Allocation
✓ Tax-efficient Investment Structuring	✓ Derivatives-based Hedging Strategies