



RMS POLICY

AETRAM TRADES

PRIVATE LIMITED

No 113-134, Unit No: 308, 3rd Floor, Beta Wing,
Raheja Towers, Anna Salai, Chennai – 600002
Phone: 044 – 48680008

SEBI Registration No: INZ000309838
Trading MemberID -
NSE-90356 | BSE-6832 | MCX - 57110

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Risk Management System (RMS) Policy

A Risk Management System is integral to an efficient Risk system. We have implemented a complete risk management system, constantly upgraded as per the Exchange, SEBI norm, and the Market Movement.

RMS Function includes:

SEBI Stock Broker Registration No: INZ000309838 | Membership No. : NSE: 90356 | BSE:6832 | MCX: 57110with Registered Office: Office No.113 - 134,Unit No. 308, 3rd Floor, Beta wing Raheja Towers, Anna salai, Chennai, Tamilnadu 600002, India.Landline: 044 - 48680008

This risk management policy document has been designed to understand the margin policies of the company in the Equity and Commodity trading segments. Risk Management is an integral part of any organization. Various risks include credit Risk, Market Risk, default Risk, liquidity Risk, delivery risk etc.

POLICY FOR SETTING THE EXPOSURE LIMIT:

Product	TYPE	Exposure-NSE Cash	NFO-Derivatives	MCX-Derivatives	Currency-Derivatives
NRML	Delivery	NA	1x	1x	1x
MIS	Intraday	5x (Limited stock)	1x	1x	1x
CNC	Delivery	1X	NA	NA	NA
CO &BO	Intraday	5x (Nifty 500 List)	1x	1X	NA

Customer Trading Limit:

The trading limit that is available to the customers is a function of their combined ledger which is available to customers across all segments along with the value of the pledged securities.

Note:Valuation of margin pledge holding will be as per previous day closing price or current LTP whichever is lower after applying Aetram Trades defined haircut

Funds

System of Payin and Payout of funds:

Payin: Clients can transfer funds into the Trading Account only from such bank accounts which are registered with Aetram Trades. Any transfer from a non-registered (Third party transfer) bank account will not be considered and the client does not get any trading limit credit for such transfers.

The client can transfer funds from the instant payment gateway facility available on the trading platform or on the back office.

Clients can transfer the amount online at any time, through the fund transfer facility offered by Aetram Trades i.e., RAZORPAY , /IMPS/NEFT/RTGS. The amount will be credited to the back office and trading terminal accordingly.

Payout are allowed during the before trading hours, and if the clients place the withdrawal request, on any working day before 9.00 AM in any segments, funds will be processed and transferred to the client respective bank account on the same day. If the withdrawal request is placed on any working day after 9.00AM, the funds will be processed and transferred to the client respective bank account on the next working day.

Payout requests made on any bank holidays/trading holidays/ Settlement holidays/ Saturdays and Sundays, will be processed and credited to the client respective bank accounts on next working day.

RMS Square Off Policy

Intraday Square off (MIS/CO/BO):

At Aetram Trades, a timer based intraday square off policy is followed where all positions created in Intraday MIS/BO/CO will be squared-off from RMS side before closing of Market. All pending orders / unexecuted / partial orders will be cancelled as per intraday product feature. At the respective segments square off times, the positions will be squared-off at the best available price. The table below specifies the square-off time by each segment.

NSE/BSE Cash, Derivatives	Currency	MCX
3:15 PM	4:45 PM	11:15 PM/11:40PM (15 before market close)

Margin Square Off:

When the client margin shortfall exceeds 100% (margin shortage >1%) or more of the required margins, client margins could have reduced due to MTM loss incurred or increase of exchange margins required on carry forward positions. Aetram Trades shall reduce or completely square off the client's open positions to reduce the margin shortfall deficit. It is possible that due to extreme volatility / high leverages used by the client's / market freeze or any other conditions, the Margin shortfall may exceed much beyond 101% of the required capital / margin placed by the client before Aetram Trades can successfully square off / reduce the positions.

Note:

Realized Intraday profits are not considered as the margin for the trading on the same day

RMS liquidation will be done on T+1 basis for the Mark to Market (MTM) debit/margin shortfall. Even if due to sudden scrip volatility during the day, if a shortfall arises during the day due to MTM loss or margin increases, RMS liquidation will be done on the same day.

On T+1 day the required margin needs to be maintained before 9.00 AM in order to continue holding the position. Else RMS team will reduce the positions.

MTM Square Off:

Square-off order initiated when the MTM reaches 80% of loss and the order can be matched only on the available price in the market and we can't guarantee the square-off taken place at 80% all the time. The % can vary depending on the matched price of the square off order. Further, since some of these actions are not automated in the system, Aetram Trades can only square off positions on a best effort basis. It is possible that due to extreme volatility / high leverages used by the clients / market/scrip freeze or any other conditions, the MTM loss may exceed even 100% of capital / margin placed by the client before Aetram Trades can square off the positions.

Policy on Client Unpaid Securities Pledge Account (CUSPA)

With respect to SEBI, Circular No. CIR/HO/MIRSD/DOP/CIR/P/2019/75 dated June 20, 2019 Aetram Trades shall require to transfer the client's securities received in pay-out (T+1) to clients demat account within one working day. But in case if the securities received in pay-out are not fully paid by the client, then Aetram Trades may retain those securities in "CLIENT UNPAID SECURITIES PLEDGEE ACCOUNT (CUSPA)" and these securities will be transferred to the client's respective demat account upon the fulfillment of funds obligation in the account. Further if at any time if the client fails to meet the funds pay-in obligation within five trading days (5) from pay-out day(T+1) then Aetram Trades shall liquidate the securities in the market (Not FIFO Method) to recover the debits/dues in the account including the penalty/interest/ accrued interest/DP charges/ any other uncleared charges etc.

Physical settlement of the derivative contracts in the stock future/ Option segment:

Aetram Trades shall not allow any physical settlement of the derivative contracts in the stock future and stock option segment.

Delivery of Commodities:

Aetram Trades shall not allow take/ give delivery of any commodities and all the contracts shall be closed out before the commencement of the tender period. Commodities with compulsory delivery will be closed a day before their respective tender period/ delivery intention. Physical Delivery of Positions is not allowed. All the deliverable contracts of MCX enter ' Tender Period positions' as mentioned by exchange from time to time. Customer's positions will be squared-off one day prior to the start of the ' Tender Period' of the contract. No positions will be allowed to carry over in Tender Period. Please note, the creation of new positions in contracts will be blocked 1 day prior to the initiation of the ' Tender Period' or ' Devolvement Period'

Additional Surveillance Margin: (ASM) & Graded Surveillance Measures. (GSM).

In order to enhance market integrity and safe guard the interest of the investors, SEBI has introduced additional surveillance margin (ASM) on securities that witness abnormal price rise, which not commensurate with the net worth and fundamentals of the company. Aetram Trades as a risk containment measure shall allow trading in these shares only on Cash & Carry product (CNC) i. e 100% margin on the first stages, and trading in the ASM/ GSM stages of 2 and above are blocked and square off allowed.

Liability clause due to square off / non square off the positions:

Aetram Trades shall not be held liable for any loss that arise due to the above intraday square off the positions/Close out of the positions/ squaring off the positions/ selling of the stocks due to the Nonpayment/ margin shortfall/ Mark to Market loss breaching the thresh hold limit of the risk level etc. Further, the client agrees that Aetram Trades shall not be held responsible and liable for any loss /damage that arise in case where Aetram Trades has not squared off / not closed out the positions / covered the positions on time, due to any reason as per the above square off policy.

Dormant Account:

If the client has not traded in any particular segment for a period of 365 days, (not traded for 12 months), the account will be treated as dormant and client trading account shall be suspended from further trading. Further client can activate the trading account if there are no changes to the KYC, by sending an e-mail from the registered e-mail id, and completing the IPV.

Disclaimer

Aetram Trades Private Limited is currently not engaged in the business of customer funding. The limits or exposure to trade provided by Aetram Trades Private Limited to the customers is as per the regulations of exchanges and SEBI specified from time to time. Investments in securities are subject to market risk. The Aetram Trades ' Account Opening Form' provides an explanation of different types of risks the customers are likely to face in the market. While the risk of loss is inherent in the market, the ' Aetram Trades Risk Management Policy' referred to as Risk Policy here after seeks to make the client aware of the risk controls and measures taken by Aetram Trades to minimize potential losses. It is important for a customer to be aware of the Risk Policy and the way the policy would operate to regulate transactions. The Risk Policy adopts measures and precautions to contain risks to the minimum, however, the Risk Policy is not an insurance against losses. The Risk Policy is subject to change according to risk Perceptions of the market and SEBI/Exchange regulations.

Risk policy is subject to change and modification depending on market scenarios, regulatory changes and Aetram Trades discretion. New policy would be approved and uploaded on URL for reference whenever its changes.