



ACUMEN CAPITAL MARKET (INDIA) LIMITED

Acumen Capital Market Risk Management Policy

We, Acumen Capital Market (India) Ltd (ACML) are following margin-based system while providing limits /exposures along with specific controls as and when required by Regulators or based on our risk assessment. Our Clients can take positions of the available balance in his ledger A/c based on our RMS policy.

Collateral value can be considered based on specific written request from clients. Exposure /margin on collaterals shall be provided after deducting Var /Exposure/ Span margin/other haircuts based on the nature of collaterals. Further orders were restricted only up to the applicable client wise position limits set by the Exchanges/Regulators from time to time.

Marking of Transactions

Marking of Transactions are very important while placing orders through our Trading platforms. In case any doubts on this, the same should be clarified immediately from our Risk Management System operators via call or through email. Delivery transactions must be marked as delivery and such delivery payments / obligations has to be made before T+2. Derivatives (capital/commodity and currency) carry forwarded transactions should be marked as Carry forwarded book type

Squaring / Position Monitoring of Existing Positions of Client

Client may take exposure upto the amount of margin available with Acumen Capital Market (India) Ltd (ACML). Client may not be allowed to take position in case of non-availability/shortage of margin as per RMS policy of the Company.

Intra-day Squaring off due to MTM losses.

All existing positions of the clients are also liable to square off/close out from 65% of MTM losses without any intimation due to Intra-day/opening MTM losses. Therefore, it is the duty of clients to monitor their positions and keep sufficient margin as well as funds to cover the possible intraday and overnight loses. It is also to be noted that Such square may be happening at the available market price which may fluctuate wildly and due to this there will not be any guarantee on the square off price or percentage. Such square off may lead to heavy losses in constituent account as it is inherent in Capital, Commodity and Currency trading . In this

regard ACML, its Directors and employees shall not be responsible for any loss or damages arising out of such selling.

The existing positions of the client are also liable to square off/close out on the following instances.

·Non making of payment for their pay in obligation

Non maintenance of sufficient margins

2 days prior to delivery period for those clients whose delivery intentions with supporting documents were not submitted to broker

·Heavy volatility in the Securities, Derivatives Contracts or any other trading units.

·Due to non-clearance of outstanding debts

Securities /Contracts Ban Period

Exchanges and SEBI may announce Securities breaching the open position limits and may declare "Contract Ban "at any time as and when it occurs and such cases it would be the duty of the client to understand such notices/circulars from Exchange website / our Terminal messages and monitor their position in such contracts and comply with the regulations from time to time. Any penalty on breaching of such position's limits should be borne by the clients.

System & procedures of Client unpaid securities account (CUSA)

"As per the SEBI circular no. CIR/HO/MIRSD/DOP/CIR/P/2019/75 dated 20.06.2019 on Handling of Client's Securities Acumen Capital Market (India) Ltd Ltd shall transfer the securities purchased by the client to client's demat account within 1 working day of the pay out if clear payment is received from the client and if the client fails to make the payment in full then Acumen Capital Market (India) Ltd Ltd shall transfer the securities to the "client unpaid securities account (CUSA)". The securities kept in the CUSA shall either be transferred to the demat account of the client upon fulfillment of its funds pay-in obligation or in case of the payment is not received by the client it shall be disposed off in the market by Acumen Capital Market (India) Ltd Ltd **within 5 trading days** after the date of pay out without any notice to the client to the extent of debit balance of the client and/or as per Acumen Capital Market (India) Ltd Ltd's Risk Management policy and balance securities shall be transferred to the respective client's demat account."

In the event of liquidation or square off of the open positions, the bill summary will be send to client registered mobile numbers and also such details were placed in client back office software.

All losses to the client on account of the above shall be borne solely by the client and Acumen Capital Market (India) Ltd (ACML) shall not be responsible for the same

With regards to the transfer of Shares to client Demat account from CUSA account , Acumen Capital Market (India) Ltd may transfer the shares of debit clients to client Demat account

on the specific client request and approval by the Manager ,Surveillance or the discretion of Manager Surveillance.

Shortage in Sale obligation

All delivery selling transactions should be honored by the clients by delivering such quantities of sales. All constituents make sure that, the necessary free stock are available in their Demat account.

Clients Shares showing in the terminals include previous days purchases and may not available as free holdings eligible to sell in their demat account therefore constituents always ensures the free holding in their custody before selling any delivery

Internal shortage

If the client defaults in their sale obligation by not delivering the shares sold by them, due to which an internal shortage arises in a particular scrip, then under such circumstances, after informing such defaulting seller client, the share to the extent of shortage due to non-delivery by the seller client will be purchased from the market on the next trading day as and when available, under the concerned seller client's code. It will then be delivered to the buying client on receipt of the same.

In case the share cannot be purchased back for any reason whatsoever, the same shall be closed out at 20% above the closing price on T day. Any loss of corporate benefit to the buyer shall be recovered from the defaulting seller client. Fines / penalties / charges shall be levied on the selling client on account of internal shortage.

Refusal of orders for Penny Stocks & Contracts.

Following type of scrips and contracts are categorised under the Penny Stock & Contracts; Scrips which are quoting at less than Rs.10/- on any of the Exchanges.

Scrips appearing in the list of illiquid securities issued by the Exchanges periodically.

Capital /Commodity & currency Derivatives contracts were trading is happening thinly.

We shall not entertain orders from any of the client for transacting (either buying or selling) in any penny stocks. However, it would be considered on case to case basis, which shall be at our sole discretion only.

In case any client wants to sell the penny stock already held by them in a Demat account, the same shall be allowed on a case to case basis, at our sole discretion.

Under the above circumstances, the client will have to provide a copy of their Demat Holding wherein the said penny stock is mentioned to be held by the client along with a valid reason for sale of such penny stock.

Suspending or closing a Client's account

Sometimes, the client may not be willing to undertake any transaction for a certain fixed period of time due to any reason. During such periods, if the client so wishes, they may temporarily

suspend or close their trading accounts so as to ensure the safety of their securities and account by submitting a written application duly signed by the holder themselves.

Besides, a clients trading account can also be temporarily suspended or closed by us if a client has reached its exposure limit and the outstanding is not being cleared within the stipulated time period, such accounts would be temporarily suspended till the time the client brings in additional deposit for increasing the exposure limit or clears the outstanding dues

De-registering a Client

Notwithstanding anything to the contrary stated in the agreement, we may at our sole discretion de-register the client's account in the circumstances including but not limited to the following;

- (a) The client has breached the Agreement, or has misrepresented facts at the time of entering into an Agreement or at the time of giving instruction or otherwise.
- (b) If the action of the client are prima facia illegal/improper or such as to manipulate the price of any securities or disturb the normal/proper functioning of securities market, either alone or in conjunction with other.
- (c) On the death / lunacy / winding up / bankruptcy / liquidation / legal incapacitation or other disability of the client.
- (d) Debarment of the client by any credit rating agency or any regulatory authority.
- (e) If there is any commencement of a legal process against the client under any law in force.
- (f) If the client fails to fulfill his/her/their payment obligation either fully or partially under this agreement, or suffers any adverse material change in its financial position.
- (g) If the client fails to maintain the Securities Account or any replacement thereof.

In such a case, the company shall have the right to close out the existing positions / contracts, sell the collateral to recover its dues, if any, before de-registering the client's account. The aforementioned policies and procedures have been framed out under various clauses mentioned in the Rules, Regulations, Bye-laws and guidelines prescribed by SEBI and the Exchanges as well as the amendments brought out from time to time. In case of any contravening clause framed herein, the relevant clause mentioned under the said Rules, Regulations, Bye-laws and guidelines of SEBI and the Exchanges shall overrule such contravening clause.