

## **POLICY OF INTERNAL SHORTAGE**

We have followed the policy prescribed by the Exchange in case of any internal shortage issues

### **Shortages in obligations arising out of internal netting of trades**

RKSV Securities shall have the right to adopt a policy of its choice for internal auctions arising out of internal netting of trades and charge to defaulter seller and compensate the impacted purchaser as per the policy. The current procedure for internal auction is displayed on the website, which may be amended from time to time with prospective effect after publishing the same on the corporate website. The client hereby agrees that if he/she/it has short delivered any securities against his/her/its pay-in – obligation which resulted into internal shortage, i.e. buy position of another client of RKSV Securities, self auction of Internal short scrip will be carried out by RKSV Securities

### **Internal Shortage in NSE**

In case of internal shortage of security in NSE, the securities will be bought in the open market by RKSV Securities in NSE on T+2 day or on settlement day. The seller client will be debited at sale rate or at the rate at which stock bought by RKSV Securities in the open market, whichever is higher. Securities payout will be passed on to the buyer. The profit, arising on account of buy rate lower than the sell rate, the benefit, if any, will be passed on to buyer. In case of or any other reason whatsoever, if RKSV Securities is unable to buy such quality in NSE as the case may be the outstanding security pay-in obligation of the seller client shall be closed out at the rate of the closing rate of T+3 or on the next settlement day plus penalty calculated as below. The buyer client will be credited at same closing rate at which seller client was debited.

### **Shortage From Exchange**

In case of short delivery from the exchange, the securities shall be delivered to the purchaser on the deliveries received from the exchange.