

CONSORTIUM CAPITAL PRIVATE LIMITED

Policy for Internal Shortage

The policy and procedure for settlement of shortages in obligations arising out of internal netting of trades is as under:-

- a. The short delivering client is debited by an amount equivalent to the selling rate of the security. The securities delivered short are purchased/received from the market/client on T+3 day which is the Auction Day of the Exchange and the purchase consideration (inclusive of all statutory taxes & levies) is debited to the short delivery seller client along with reversal entry of provisionally amount debited earlier.
- b. If Securities cannot be purchased from market due to any force majeure condition, the short delivering seller is debited at the closing rate on T+3 day or Auction day on
- c. Exchange +10%. Where the delivery is matched partially or fully at the Exchange Clearing, the delivery and debits/credits shall be as per Exchange Debits and Credits.

In cases of securities having corporate actions all cases of short delivery of cum transactions which cannot be auctioned on cum basis or where the cum basis auction payout is after the book closure/record date, would be compulsory closed out at higher of 10% above the official closing price on the auction day or the highest traded price from first trading day of the settlement till the auction day.