

EQUIRUS WEALTH PRIVATE LIMITED
(AMFI Registered Mutual Fund Distributor)
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INTERNAL AUCTION POLICY OF EQUIRUS WEALTH PRIVATE LIMITED

Internal Auction:

As per the Exchange Settlement Norms the Pay in Obligation for securities are netted at member level and only net obligation is paid in to the exchange. It could be possible that within the members client, there could be opposite positions in the same scrips, which then, necessitates the internal adjustment/netting. In case a seller client fails to deliver which was to be paid out for the account of another of our clients, such a situation necessitates the Internal Auction.

Scripts Traded in NSE:

As per the present policy the methodology used for the internal shortage of the scrip traded in NSE is given below:

1. Auction price of the scrip informed by the NSE for that settlement number or highest price of the scrip prevailing in the NSE from the first day of the relevant trading period till the day of closing out on the auction day whichever is higher;
2. If Auction Price is not available in NSE for a scrip for that settlement, then our closeout price will be calculated at the highest price prevailing in the NSE from the first day of the relevant trading period till the day of closing out or 20% above the official closing price on the auction day, whichever is higher plus 5% penalty and other statutory charges

Generally, the auction day is considered to be T+3 day or the day next to the official settlement day.

Please note that the above procedure is expected to change in case NSE makes any changes in their auction procedure.

Scripts Traded in BSE:

In case of BSE, there is an option of informing the internal shortages to the exchange for considering it into the auction process, the same will be informed to BSE and normal auction process followed by BSE will be applicable.

Brokerage on Auction: The Member shall charge auction brokerage of 0.5% of value to all short sellers.