



KK SECURITIES LIMITED

Member : National Stock Exchange of India Ltd. (CM, F&O and Currency)

Member : BSE Ltd. (CM, F&O)

Member : Metropolitan Stock Exchange Ltd. (CM, F&O)

Participant : National Securities Depository Ltd.

CIN : U74899DL1994 PLC060238

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Regd. Office : 76-77, Scindia House, 1st Floor,
Janpath, Connaught Place, New Delhi-110 001
Tel.: 23722916, 46890000 (25 Lines)
Fax : 011-23723571 Email : kksl@kksecurities.com

POLICY ON SHORTAGES IN OBLIGATION ARISING OUT OF INTERNAL NETTING OF TRADES

Objective: The objective of policy is to appropriately deal settlement of shortages in obligations arising out of internal netting of trades. This policy shall be applicable to Clients.

Purpose: Stock broker shall not be obliged to deliver any securities or pay any money to the client unless and until the same has been received by the stock broker from the exchange, the clearing corporation/clearing house or other company or entity liable to make the payment and the client has fulfilled his/her/its obligation first.

Procedure to handle shortages in obligations arising out of internal netting of trades:-

1. The Short delivering client is debited by an amount equivalent to two Days highest purchase price in KKSL or two days closing price, whichever is higher and the amount shall be credited to the short purchasing client.
2. Notwithstanding anything contained in Clause No.1 as above, in case the shortages in obligations arising out of internal netting of trades of Physical Settlement in Equity Derivatives, then the delivering client is debited by an amount equivalent to higher of
 - a) 2% above the official closing price on the auction day in case the scrip is a part of Nifty Index otherwise 5%
 - OR**
 - b) The highest traded price from first trading day of the settlement till the auction day.The amount shall be credited to the short purchasing client.

This revised policy was reviewed and approved at the Board meeting of KK Securities Limited held on February 16, 2024.

For Board of Directors of KK Securities Limited


(Mukesh Rustagi)
Director Corp., Compliance Officer & Principal Officer



Dated : 16/02/2024

Place : New Delhi