



## ISS Enterprise Limited

(Erstwhile : ISE Securities & Services Ltd.)

**Corporate Office :** 6th Floor, 601, "Dakshna" Next to Raigad Bhavan, Sector - 11, CBD - Belapur, Navi Mumbai - 400 614, Tel : (022) 61829500, Fax : (022) 61829547, e-mail : helpdesk@iseindia.com  
Internet URL : <http://www.iseindia.com>, **Investor grievance e-mail :** invgrieviss@iseindia.com  
CIN : U67100MH2000PLC123707



Ref.: 21-22/ISS/CNS/ 7747/KM  
February 17, 2022

To:  
**All Registered Intermediaries of ISS**

Dear Sir/Madam,

### **Sub: Voluntary Auction for Internal Shortages or Closed Out Procedure**

In continuation to our policy circular reference no.19-20-ISS/CNS/7327/NK dated December 11, 2019, we hereby modify the said circular as follows:

Exchange shortage quantities in CM Segment will be settled after the due auction buy-in process at the Exchange/Clearing Corporation. All auction shortage, close-out debits received from the Exchange/Clearing Corporation will be debited to the client's account. The client shall reimburse ISS for all costs incurred in the auction procedure. ISS shall not be liable for any loss incurred by the client due to wrong transfer of shares to the different settlements or different settlement types.

ISS shall not be obliged to deliver any securities or pay any money to the client unless and until the same has been received by ISS from the exchange/clearing corporation/clearing house or entity liable to make the Delivery or Payment and the client has to fulfilled his/her/its obligations prior to the deadline.

For handling internal auction in Capital Market segment, ISS will participate in the voluntary self-auction which is conducted by the exchange on a daily basis vide exchange circular no. **NCL/CMPT/50275** dated November 11, 2021. For participating the internal auction, members are requested to confirm the shortage on T+1 Day from the trade date on or before 6.00 p.m. to ISS which will enable to prepare and upload the files to exchange/clearing corporation after due validation and participate the voluntary auction and close the position as per exchange auction mechanism.

In case, if the member fails to communicate about the shortage and the said position is part of internal shortage, ISS will close out the position as follows:

The Short delivering client is provisionally debited 150% of selling value and closed out on **highest traded price from the first trading day to auction settlement date** to the defaulting client's position. Further, necessary charges, penalties if any, debited by exchange due to short delivery will be pass on to the client at appropriate rates from time to time is debited to the short delivering seller client along with reversal entry of provisionally amount debited earlier.

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 on the highest traded price from first trading day of the settlement till the auction day.

This circular will affect from the settlement no. 2022033 which trade date is 17<sup>th</sup> February 2022. For any further query / clarification you may contact the undersigned or your Relationship Managers on 61829527/526/528/541 or write mail at [customercare@iseindia.com](mailto:customercare@iseindia.com).

Thanking you,  
**Yours faithfully**  
**For ISS Enterprise Ltd.**  
(Erstwhile: ISE Securities & Services Limited)

  
**S Krishnamurthy**  
Head - Operations

**ISS Enterprise Limited**  
(Erstwhile : ISE Securities & Services Ltd.)  
**SEBI Registration No. IN2000157633**

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