# FARSIGHT SECURITIES LTD.

**H.O.**: 17A/55, WEA, TRIVENI
PLAZA, GURUDWARA ROAD,
KAROL BAGH,
NEW DELHI – 110 005

| | |
|---|---|
| Policy created by | Operational staff and Compliance Officer |
| Policy reviewed by : Compliance Head | Policy reviewed on : 12.06.2026 |
| Approval authority | Chairman – Dr. Naresh Maheshwari |
| Policy approved on : 12.06.2026 | Previous Review : 17.06.2025 |
| Periodicity of Review periodicity : Yearly | Last reviewed on : 04.08.2024 |
| Version number : SS-2026-1 | Policy on Website : Yes |

## **POLICY ON SHORT SALE**

"Short selling" IS defined as selling a stock which the seller does not own at the time of trade.

1. All classes of investors, viz., retail and institutional investors, shall be permitted to short-sell.
2. Naked short selling shall not be permitted in the Indian securities market and accordingly, all investors would be required to mandatorily honor their obligation of delivering the securities at the time of settlement.
3. No institutional investor shall be allowed to do day trading i.e., square-off their transactions intra-day. In other words, all transactions would be grossed for institutional investors at the custodians' level and the institutions would be required to fulfill their obligations on a gross basis. The custodians, however, would continue to settle their deliveries on a net basis with the stock exchanges.
4. A scheme for Securities Lending and Borrowing (SLB) shall be put in place to provide the necessary impetus to short-sell. The introduction of a full-fledged securities lending and borrowing scheme shall be simultaneous with the introduction of short selling by institutional investors.
5. The securities traded in the F&O segment shall be eligible for short selling. SEBI may review the list of stocks that are eligible for short-selling transactions from time to time.
6. The brokers has been mandated to collect the details on scrip-wise short-sell positions, collate the data, and upload it to the stock exchanges before the commencement of trading on the following trading day. Client (Investors) are required to inform short sale from their registered email to Farsight at trading@farsightshares.com
7. Farsight will upload this data to NSE / NCL as per prescribed manner
8. NCL will settle this short sale by getting shares through auction mechanism or if shares are not available in auction through close out

Reviewed: 12.06.2026