



ACEMONEY INTERMEDIARIES PRIVATE LIMITED

Short-Selling Policy

In accordance with SEBI Circular No. SEBI/HO/MRD/MRD-PoD-3/P/CIR/2024/1 dated January 05, 2024

1. Definition of Short Selling

Short selling is the act of selling securities that are not owned by the seller, with the intention of repurchasing them later at a lower price. It involves borrowing shares to sell them in the market and then buying them back to return to the lender.

2. Restriction on Short Selling

Policy Amendment

- Short selling shall be permitted only in securities that are part of the approved list of F&O (Futures & Options) segment securities as notified by the exchange from time to time.
- Short selling shall be strictly prohibited in all other securities not included in the approved F&O list.

System Controls

- RMS shall configure system-level restrictions to:
 - Allow short selling only in exchange-approved F&O securities.
 - Block short selling in all non-F&O securities.
- The approved F&O list shall be updated periodically in line with exchange notifications.

3. Process for Accepting Holding Statements (Other Demat Accounts)

Objective

To allow selling limits for clients who hold delivered shares in a demat account not mapped with the firm.

Process

1. All clients who have a Demat account available with AIPL and whose Demat holdings are displayed on the trading terminal will be able to sell their securities. Clients whose holdings are outside of AIPL will first be required to submit their holding statement, after which we will verify the details and provide the appropriate sell limit.

2. Client must email a copy of their latest holding statement and CML to: rms@acemoneyindia.com



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3. holding statement must:

- Be recent (Must be same day).
- Clearly display client name and demat account number.
- ISIN, quantity, and free balance available.

4. If delivery is not received on settlement date, standard auction/penalty provisions shall apply.

4. Client Intimation of Non-Delivery

If, under any scenario, a client is unable to deliver the securities sold, the client must promptly the firm **by 6:00 PM (EOD)** on the same trading day, so that the firm can report the non-delivery to the exchange in a timely manner.

5. Penalties & Auction Settlement

• *Failure to Square-Off:*

If a short position is not squared off by the close of the market, the position will be subject to compulsory auction settlement by the exchange.

• *Auction Penalties:*

In the event of an auction settlement, the short seller will be liable to pay the auction price, which may be higher than the market price. A fixed penalty may also be levied by the exchange as per its guidelines.