



POLICY ON INACTIVE CLIENT ACCOUNTS

Version 1.1

Name of The Policy	Policy on Inactive Client Accounts
Prepared By	Compliance Department
Approved By	Board of Directors
Review/ Approval Date	October 10, 2025
Version	1.1
Classification	Internal

1. Introduction:

The Securities and Exchange Board of India ("SEBI") vide circular MIRSD/SE/Cir-19/2009 dated December 3, 2009, Bombay Stock Exchange of India ("BSE") vide circular 20200210-47 dated February 10, 2020 and 20241025-25 dated October 25, 2024 and National Stock Exchange ("NSE") vide circular NSE/INSP/43488 dated February 10, 2020 and NSE/INSP/64718 dated October 25, 2024 (together referred to as the "Circulars"), have directed the stock brokers to frame a policy with respect to treatment of Inactive / Dormant accounts which, inter-alia, covers aspects of time period, return of client assets and procedure for reactivation of the same.

2. Scope & Objective:

Objective of this policy is to appropriately deal with the Inactive/dormant clients, where clients have not traded for more than 24 continuous months.

This document outlines the policy & minimum procedures for classification and reactivation of inactive accounts for non-institutional clients. This policy does not apply to accounts opened by institutional clients.

3. Directives:

➤ Inactive / Dormant Account

The term Inactive/ Dormant account refers to such an account wherein no trades have been carried out in the last 24 (twenty-four) months across all the Exchanges. An account in which a client has placed an order or effected a pay-in / pay-out or placed a trade with a Trading member would be construed as an operative account for the purpose of this policy.

Once the Trading account has been identified as an Inactive/ Dormant account, the Operations team shall inform the respective dealer/ salesperson and will initiate the process of in-activation / marking the UCC as 'Dormant' in the Back Office, front-end trading database and the UCC at the Exchange level. The following process will be followed:

1. The status of the client account shall be changed to 'Inactive/ Dormant' in the back office and front-end trading database.
2. Update the status of the client as dormant / Inactive in the UCC database of all the respective stock Exchanges (BSE / NSE).

➤ Consequences

With the client account being treated as Inactive / Dormant, such accounts shall be flagged as 'Inactive / Dormant' by ACL in UCC database of all the respective Exchanges.

The client's fund account/(s) shall be settled. ACL will ensure that any further trading by

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such a client, would be allowed only after undertaking sufficient due diligence and obtaining updated information / reactivation documents related to KYC / Re KYC from the concerned Client.

➤ **Reactivation of Trading account**

The Inactive / Dormant Account will be re-activated only after receiving the duly signed request from the client / account holder along with the supporting and updated documents. Client can also send a reactivation request from their registered email id.

ACL shall then undertake a KYC review including due diligence. The Operations team, upon verifying the documentation, may activate the client's trading code in the Back Office and Front-end database and subsequently reactivate the same in the UCC database of the Stock Exchanges and inform the client and its respective dealer / salesperson.

All communication pertaining to the reactivation of the account, shall be saved by the Operations team for future reference and records.

4. Review:

This Policy shall be reviewed once a year. However, during the course of the year, if there is a regulatory amendment, this policy will be updated and approved by MANCOM.