

Policy regarding treatment of Inactive/Dormant Account

Policy regarding treatment of Inactive/Dormant Account is created by the Compliance Officer and approved by the Board of Directors 22-03-2024

Objective:

The objective of the policy is to appropriately deal with the Inactive/dormant clients, where clients have not traded for more than 12 continuous months. The policy is also applicable for accounts which have been marked inactive on account of Rules, Bye laws, circulars and guidelines issued by Sebi, Exchange and the internal risk Management Policy.

Policy:

Procedure to handle Inactive/dormant accounts:

VCPL may carry out periodic review of client account and may suspend the accounts from trading (i.e. prohibiting any market transactions, only allowing the client shares/ ledger balance settlement to take place) under any of the following circumstances:

1. Where the client is inactive for the last 12 months.
2. Where the client has not cleared his dues after repeated reminders.
3. Where physical statements or contract notes, etc, are received back undelivered and the client is not responding to update the correct address.
4. Where the client is reported or known to have expired.
5. Where client lodges a complain directly with VCPL or through the exchange relating to alleged unauthorized trades being executed in his account.
6. Where the account is under investigation by any regulatory body.
7. As per direction of exchanges, SEBI or any other regulatory body.
8. On written request received from the client and the same can be activated on the written request of the client only.
9. The client account can be closed on the written request of the client provided the client account is settled. If the client wants to reopen the account then the client has to again complete the KYC requirement.

All the accounts marked as "INACTIVE/DORMANT" needs to be monitored carefully in order to avoid unauthorized transactions in the account.

After proper verification of the updated / revised details the account can be made "ACTIVE" and transaction can take place.

Process for reactivation of Inactive / dormant account :

The Client can follow any of the below processes:

1. Client can give the duly signed request in writing at any of the branch/main offices of trading member or office of sub-broker or authorized person along with documents such as Address Proof – such as Aadhar Card, Electricity Bill Passport Copy. Identity Proof such as Aadhar Card , Passport Copy, Pan Card and financial Information required for trading in derivative segment. The Client may also courier/ post the same for activation of account or

2. Client can also send an email from registered mail id for reactivation request.

Settlement of Inactive Account:

All the funds and demat account of the inactive clients should be settled as per the Rules, Bye laws, circulars and guidelines issued by Sebi, Exchange.

Controls after activation of Inactive Accounts:

1. Checking of daily trade sheet by the person authorized.
2. Alert generation & monitoring at Head Office in case of trade in any Inactive account which is made Active.

Approval Authority and Review policy:

This policy is approved by the Board of Vardhaman Capital Pvt. Ltd. On

The policy may be reviewed by the Compliance Officer/ Director and place the changes in policy before the Board.

Policy communication:

A copy of this policy shall be made available to all the relevant staff/persons such as: compliance officer / department in-charge /authorized persons.

Further, a copy of this policy has to be displayed on our website www.vardhamancapital.co.in