

DORMANT ACCOUNT POLICY

This policy is further to circulars issued by Exchanges (BSE Notice No. 20200210-47 dated February 10, 2020 and BSE Notice No. 20201201-27 dated December 1, 2020; NSE download reference no. NSE/INSP/43488 dated February 10, 2020 and NSE download reference no. NSE/INSP/46406 dated December 1, 2020; MCX circular no. MCX/INSP/087/2020 dated February 11, 2020 and MCX circular no. MCX/INSP/908/2020 dated December 2, 2020) concerning the treatment of Inactive (Dormant) Accounts.

General

- A trading account will be treated as dormant if the client has not executed any trade for a period of 12 months from the date of activation (*this date is recorded as 'agreement date' in the system*) or last trading date* across all exchanges. This is applicable for both online and offline clients who are trading in securities and/ or currency derivatives.

It is further provided that dormant account shall be deemed as 'Active' solely for the purpose of sale of stocks for recovery of debits in client ledger and shall continue to remain dormant for all other purposes.

- All such dormant accounts shall remain suspended for trading and shall be re-activated for trading only upon receipt of request from the client to PL- Head Office (PL-HO) and subject to fulfillment of the required procedure and submission of relevant documents / proofs, as applicable from time to time including completion of due diligence and IPV where a client is coming for reactivation after a period of 1 year of being flagged as inactive or as otherwise deemed necessary by PLPL's Compliance Division.

Provided that in case a client subscribed to an IPO or for Mutual Funds through PLPL or transacted through PL-DP during the period, the requirement for fresh documentation, due diligence, and IPV shall be exempt for such clients. Furthermore, IPV shall not be required in cases where;

- i. Where the KYC of the Client is completed using the Aadhaar authentication / verification of UIDAI.
- ii. When the KYC form has been submitted online, documents have been provided through Digi locker or any other source which could be verified online.

*sale trades carried out for recovery of client debit shall be excluded.

Procedure for activation of dormant accounts

- Client may send a request to the Trading Member to re-activate the Dormant Trading Account. Such request may be initiated through
 - (a) Dormant Account Re-Activation Request Letter (DRRL) to be duly signed by client in the format as prescribed by the Compliance Officer from time to time; or
 - (b) E-mail request from registered mail id of the client, provided that the e-mail Id is exclusively used for such trading account of the client and not recorded in any other client trading account(s) and no other physical documents are required to be collected from client

Provided that where ever a client is required to submit physically signed documents to PLPL, re-activation can be allowed on the basis of a legible scanned copy/ photograph of documents required from the client, as an exception in which case client shall be required to send the hard copy of the request to PL-Head office within a period of 7 working days thereafter, failing which the clients account shall be deactivated at back end until the documentation requirement have been duly complied with.

(c) SMS request from registered mobile number of the client, provided the mobile number is exclusively used for such trading account of the client and not recorded in any other client trading account(s) and no other physical documents are required to be collected from client.

- Following documents / *information must be available /updated in the database:*
 - a. KRA- KYC or KRA- Modification form along with supporting documents
 - b. Bank a/c details
 - c. Smart Account Form
 - d. Active Demat a/c
 - e. Running a/c letter for trading in equity and/ or derivatives
 - f. Proof of income for those clients opted for trading in derivatives
 - g. Nomination form (applicable to an Individual client only, if he/she wishes to nominate)
 - h. Tariff sheet
- If the above details are already updated in the database and remains unchanged, client may verify and confirm the same in the DRRL.
- All Authorized Person (AP)/ Branch Manager (BM)/ Head of Department (HOD) should ensure that any pending documents in respect of the above details are also received along with the DRRL.
- In case of changes in Correspondence Address, Mobile Number or E-mail Id, Client Activation Team (CAT) shall seek telephonic confirmation from client on such changes and only then confirm DRRL in the system. CAT shall validate all other changes with due supporting given by client. On satisfactory completion of the above activities, CAT shall update such details in the system and the Client's account shall be activated for trading on the subsequent trading day.
- Client shall undergo fresh In Person Verification (IPV) wherever the same is necessary or otherwise deemed so by PLPL's compliance division and related documentation shall be made available to CAT.
- If all the above documents /information are available and found to be in order, email as per format prescribed by the Compliance Officer must be sent to the dormant client by EOD for re-activation of account and client account to be re-activated in the data base.
- In case, any discrepancy is observed, client /AP /BM /HOD must be informed to rectify the same. Until the discrepancy is resolved, re-activation of the dormant account of the client shall be kept in abeyance.

If the request is routed through AP/BM, they will be required to ensure due compliance as mentioned above. In such cases, Head- Client Relations will be authorized to re-activate the account by sending email to RMS team to activate the account. Further, Client Relations (CR) team will insert an indication in the system whereby payout of funds/securities will be withheld until all the required documents are received.

Once all the required documents are received and are in order, CR team will remove the aforesaid indication whereby the funds/securities will be released.

However, if the Client does not submit the documents within prescribed time limit, the account may be de-activated and the same may be re-activated only after receipt of all the required documents.

Effective Date:

The policy shall be effective from the date of passing the Board Resolution.

Review of the policy:

The policy will be reviewed, in accordance with the circulars that the regulatory authorities may issue from time to time, and changes will be incorporated in consultation with the concerned Head of Department.

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