

KUNVARJI FINSCTOK PVT. LTD

POLICY FOR MARKING CLIENT INACTIVE AND REACTIVATION OF INACTIVE CLIENTS

Preamble:

Kunvarji Finstock Pvt. Ltd. (KFPL) had framed policy for marking clients inactive and reactivation of inactive clients in 2016 in accordance with SEBI Circular no. SEBI/HO/MIRSD/MIRSD2/CIR/P/2016/92 dated September 23, 2016.

Pursuant to various circulars issued by BSE and NSE thereafter from time to time, the said policy is required to be updated and hence KFPL has framed the updated policy for marking client inactive and reactivation of inactive clients.

Policy:

1. If no trades have been carried out by a client in the last 12 months on any segment/ /exchange for which the client is registered, such client's trading account shall be marked inactive at the end of the month in which the period of 12 months from last trade date falls.
2. If such client approaches for execution of trade within next 12 months of such client's trading account having been marked inactive, such order shall be accepted after marking the client' trading account active and will be taken up for execution.
3. If such client whose trading account has been marked inactive and if such client has not placed any order within next 12 months after such client's trading account has been marked inactive, any further order from such client shall be accepted after obtaining any of the following documents from the client.
 - a. In case the client's KYC details have not changed, upon submission of a reactivation request letter duly signed (physically or digitally) by the client stating that none of his/her/its KYC attributes have undergone any change.
 - b. In case any of the KYC attributes of such client has undergone any change, the client is required to submit self-attested copies of documents as per the prescribed KYC requirements along with duly filled up KRA form if applicable with IPV.
 - c. While undertaking reactivation, the KYC team shall follow such process for due diligence as may be prescribed from time to time.

- d. As per point a above, such reactivation request letter shall not be required in case of the client having allotment of IPO or Mutual Fund units pursuant to his/her/its application in his/her/its demat account with KFPL.
4. However, in case of a client who has not executed any order within 12 months from the date when his/her/its trading account has been marked inactive, but has undertaken modification of any of the KYC attributes through online mode or physical mode, such client shall not be marked inactive till 12 months after the end of the month in which such modification has been done by the client.
5. In case of re-KYC undertaken by such client through online re-KYC module provided by KFPL, there shall be no requirement of any physical documents or IPV.
6. KFPL shall ensure that appropriate due diligence process is undertaken on ongoing basis in respect of all client trading accounts in compliance with PMLA guidelines.
7. In case of NRI clients, the reactivation request of the client shall be processed based on request received from the client from his/her registered email ID stating that none of his/her KYC attributes have undergone any change.

The policy shall be implemented from 1st March, 2020.