

POLICY ON INACTIVE TRADING ACCOUNTS

1. Introduction

The Policy on Inactive Trading Account describes the broader policy for treatment of a trading account as inactive.

2. Definition of Inactive Trading Accounts:

Definition of Inactive Trading Account: In case of trading account, the term inactive account refers to such account wherein any of below mentioned activities has not been carried out by client since last 24 (Twenty-Four) months across all exchanges:

- Trading or participation in OFS/buy-back/Open Offer across any of the exchanges/ segments of the Exchanges;
- Transaction in nature of applying/subscribing IPOs (where the IPO bid is successful & not cancelled)/SGBs/Mutual Funds (lumpsum investment or investments through successful SIP instalment payments) on the Mutual Fund platform of the Exchanges; or
- Modification/updation of e-mail Id/Mobile Number/Address in KYC record of client and the same has been uploaded to KRA to ensure Validated/Registered status.

Such accounts will be flagged as “Inactive” in the back office as well as in the Exchange’s UCC database. Once the account is deactivated, the client will not be able to place any orders in any segments.

3. Reactivation of Inactive Trading Codes:

Trading Accounts flagged as ‘Inactive’ can be reactivated only by following the below procedure:

- Mandatorily comply with In-Person Verification/Video In-Person Verification (IPV/VIPV)
- If there are any changes in clients’ basic details such as Address, Mobile number, Email ID, Bank/DP account, income, etc. as registered with DBFS the same shall be updated by way of Re-KYC.
- If client has confirmed that there is no change in the basic details, the same may be confirmed by the client in writing.
- If the client status as per KRA is not validated (i.e. "On hold"/"Rejected"/"Registered" etc.) the KYC status has to be updated as “Validated/Registered” status as per KRA, before permitting client to trade on the Exchanges.

4. Review of Policy:

This policy will be reviewed by the Designated Director and Board of Directors on regular Basis.

Updated version of this policy was placed before the Board of Directors and was reviewed and adopted in the Board Meeting held on 27th April, 2026.