RM GROWING MONEY

Rajendra Modi Share Brokers Private Limited

Members of NSE, BSE, CDSL, MCX

Name of the Policy	Treatment of Inactive Trading Account Policy
Date of Passing Board Resolution	7^{th} April, 2026
Approved by:	Board of Directors
Frequency of Review:	Yearly or as and when any update comes change in the Relevant Regulation comes or any change in the Company's internal control or Structure whichever is earlier.

For Rajendra Modi Share Brokers Pvt. Ltd.

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Treatment of Inactive Trading Account Policy

1. Purpose and Scope

Securities and Exchange Board of India (SEBI) vide Circular No. MIRSD/SE/Cir-19/2009 dated December 03, 2009 issued to Stock Exchanges, NSE vide Circular No. NSE/INSP/13606 dated December 03, 2009, BSE vide Notice No. 20091204-7 dated December 04, 2009, and NSE vide Circular No. NSE/INSP/43488 dated February 10, 2020 and BSE vide Notice No. 20200210-47 dated February 10, 2020, NSE/INSP/46506 dated December 01, 2020 and NSE/INSP/49743 dated September 27, 2021 NSE/INSP/64718 dated October 25, 2024 and BSE circular 20241025-25 dated October 25, 2024 have instructed members to frame a policy regarding treatment of inactive accounts covering aspects of time period, return of client assets and procedure for reactivation of the same.

Rajendra Modi Share Brokers Private Limited (RMSBPL) shall also display the same on their website

2. Objective and Purpose of the Policy

The purpose of this Policy is to put in place guidelines for handling inactive trading accounts in line with the regulatory requirements, to specify the time period for considering an account as inactive, to define the policy for return of client assets, process for reactivation of such accounts, etc. Further, the main purpose of reclassifying the accounts as inactive is to reduce the risk of fraud in accounts. By reclassifying the accounts as active, it involves risk and hence it is required to carry out due diligence before allowing any fresh transaction through them

3. Definition of Inactive Trading Account

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

1) Trading or participation in OFS/buy-back/Open Offer across any of the exchanges/segments (*Cash/Equity Derivative/ Currency Derivative/ Commodities Derivative/EGR /Debt/Online Bond Platform/ Execution Only Platform /Any other segment as may be allowed by SEBI/stock exchanges from time to time) of the exchanges through the same Member; or

2) 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 stock exchanges through the same Member; or

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3) Modification/Updating of e-mail Id/Mobile Number/Address in KYC record of client through the same Member and the same has been uploaded to KRA to ensure Validated/Registered status.

Clarification: Change in email-id and mobile number, address which has not led to change of status at KRA from non-validated/ non-registered to Validated/Registered status will not re-trigger the calculation of 24 months.

4. Flagging and Re-activation of Inactive Trading Accounts

Flagging of Inactive Accounts: Accounts identified as inactive based on applicable criteria shall be flagged as "**Inactive**" in the UCC database of all respective Exchanges and Back Office simultaneously by RMSBPL.

Once the code is deactivated client cannot trade, unless client start reactivation process.

Reactivation of Inactive Accounts: When an inactive client requests reactivation of their trading account, the following steps shall be followed by RMSBPL.

Steps to follow: -

a. **Verification Requirements**

- Conduct mandatory In-Person Verification (IPV) or Video In-Person Verification (VIPV) as per regulatory requirements.

b. **Confirmation and Update of Client Details**

- Confirm with the client if there have been any changes in their basic details, including: - Address - Mobile Number - Email ID - Bank/DP Account - Income Details
- If any changes are reported, the updated details must be: - Recorded in RMSBPL internal system.
- Updated in the UCC records of the respective Exchanges.
- **For clients with KRA Validated Status or those registered through the same intermediary**, RMSBPL may: - Retrieve and display existing details from KRA for client confirmation. - Update any changed details in the UCC records of Exchanges and KRA. - Maintain verifiable logs if the client confirms no changes.

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c. **Verification of KRA Status For clients with KRA statuses such as "On Hold," "Rejected," or "Registered through other intermediaries,"** RMSBPL shall:

- Collect basic details (Address, Mobile Number, Email ID, Bank/DP Account, Income) and necessary documents.
- Upload the updated details to KRA for validation or registration before allowing the client to trade

Above Scenario are summarized as under:

Sr. No.	Scenario	Requirements
1	NO CHANGE in client's KYC Details as well as non-KYC details	IPV or VIPV requirement is mandatory for all inactive clients as prescribed by SEBI
2	NO CHANGE in client's KYC Details and CHANGE in Non-KYC details	IPV or VIPV requirement is mandatory for all inactive clients as prescribed by SEBI
		Client shall be re-activated upon updating Non-KYC Details along with the necessary supporting documents and updating UCC/ back-office records. Upon updating, the account shall be reactivated subject to compliance with prescribed KRA Requirements
3	CHANGE in client's KYC Details	We shall obtain the updated details along with the necessary supporting documents and upload the same with KRA to ensure "Registered"/ "Validated" status as per KRA before permitting client to trade on the Exchanges. On status of the client KYC getting Registered/ Validated, our back office and UCC records of the respective Exchanges shall be updated. Upon updating, we shall reactivate the account
4	NO CHANGE in KYC Details and status with KRA is Registered / Validated through us	IPV or VIPV requirement is mandatory for all inactive clients as prescribed by SEBI
		We will fetch the necessary details and documents from the KRA records and present them for the client's confirmation. If any changes are noted, we will follow the procedure outlined in "Sr. No. (3)" above. If the client confirms that there are no changes to the KYC details, we will proceed with reactivating the account.
5	REACTIVATION where client status as per KRA is not validated (i.e. "On hold" or "Rejected" or" Registered through other intermediary" etc.)	We shall obtain the updated details along with the necessary supporting documents and upload the same with KRA to ensure "Registered"/ "Validated" status as per KRA

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		before permitting client to trade on the Exchanges. On status of the client KYC getting Registered/ Validated, our back office and UCC records of the respective Exchanges shall be updated. Upon updating, we shall reactivate the account.

5. **Communication to Clients**

RMSBPL may send prior communication/notifications to clients before flagging their trading accounts as inactive.

6. **Reporting Requirements**

- Details of inactive clients with NIL balances do not need to be included in the daily submission of the Holding Statement to the Exchange.
- Clients flagged as "Inactive" with fund balances or securities must continue to be reported.

7. **Ongoing Due Diligence**

- RMSBPL shall ensure adequate due diligence, including periodic Re-KYC in compliance with PMLA guidelines and PMLA policy.
- Regular monitoring of inactive accounts will be conducted to ensure compliance with all regulatory requirements related to managing inactive accounts.

8. **Process to be followed for return of client assets**

Periodic Settlement of Client Accounts: RMSBPL shall settle all client accounts on a monthly or quarterly basis, as per the preferences specified by the clients and in accordance with regulatory guidelines.

Efforts to Trace Non-Traceable Clients: If RMSBPL is unable to settle a client account due to non-availability of account details or the client being untraceable, the following actions shall be taken:

- Make all reasonable efforts to trace the client and settle their account.
- Maintain a detailed audit trail documenting all efforts made to trace the client and settle their account.

Settlement Upon Receipt of Claims: If a claim is received from such clients, RMSBPL shall:

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- Immediately settle the account.
- Ensure payments or delivery of assets are made to the respective clients only.

Upstreaming of Unsettled Funds: RMSBPL shall ensure that any unsettled funds are up streamed to Clearing Corporations in accordance with regulatory requirements

9. Monitoring and Review

Regularly monitors the performance of implemented changes.

10. Clarification/Information

In case of any clarification/information required on the implementation of the Policy, please contact the IT Head/Compliance Officer on Email rjndrmodi@yahoo.com

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Managing Director