MUNI BROKING HOUSE LIMITED
Corporate Office: The Legacy, Unit 41A/43, 25A Shakespeare Sarani, Kolkata - 700017
CIN - U66120WB2023PLC260758 GSTIN - 19AAQCM6975R1Z0

POLICY REGARDING TREATMENT OF INACTIVE/ DORMANT ACCOUNT

Last Reviewed on	Reviewed By	Approved By
05-03-2026	Compliance Officer	Management

POLICY REGARDING TREATMENT OF INACTIVE/ DORMANT ACCOUNT

Muni Broking House Limited, hereinafter referred to as Muni, is the SEBI registered Stock Broker & Depository Participant.

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:

MUNI BROKING HOUSE LIMITED 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 complaint 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.
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.

The inactive accounts identified based on the above criteria shall be flagged as ’Inactive’ in UCC database of all the respective Exchanges. MUNI BROKING HOUSE LIMITED shall also ensure that any further trading by such client should be allowed only after undertaking sufficient due diligence including IPV (mandatory after 2 years from being classified as Inactive) and obtaining the updated information related to KYC from the concerned Client. Further, in case a client has undertaken transaction with respect to IPO/Mutual Fund subscription and DP operations during this period, the same can be considered and the requirement for fresh documentation, due diligence, and IPV may not be required.

Additionally, in the below mentioned conditions, as stipulated in SEBI circular dated April 24, 2020 bearing reference number SEBI/HO/MIRSD/DOP/CIR/P/2020/73, the requirement for undertaking an IPV shall not be required: -

• Where the KYC of the investor is completed using the Aadhaar authentication / verification of UIDAI.

• When the KYC form has been submitted online, documents have been provided through Digi locker or any other source which could be verified online.

Compliance officer is advised to upload correct status of the client code in the UCC database of the Exchanges prior to the execution of the trades.

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 authorized person along with documents such as Address Proof – such as Aadhar Card, Electricity Bill, Passport Copy etc. 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.

3. Any procedure prescribed by the Exchange / Regulator from time to time may be adopted for classification / re-activation of Dormant Account.

4. In this regard, it should be ensured that none of the employee, dealers or AP shall indulge in any kind of activity of urging their clients to execute trade in their accounts to prevent them from being flagged as inactive. In case any client comes across any such practice, he is requested to bring the same into the notice of the compliance officer.

SETTLEMENT OF INACTIVE ACCOUNT:

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

In case we unable to settle the client accounts due to non-availability of client's bank account and demat account details and non-traceability of client, it shall be ensured that one separate Client Bank/Client collateral Demat account is/are opened immediately to set aside the funds and securities of those clients in such account. Further, we shall ensure, that an audit trail of UCC wise client funds transferred to/from such bank account and UCC wise / BO ID wise securities transferred to/from such demat account is maintained.

Finally, in case of receipt of any claims from such clients, we shall settle the accounts immediately and ensure that the payment/delivery is made to the respective clients only.

CONTROLS AFTER ACTIVATION OF INACTIVE ACCOUNTS:

Alert generation & monitoring at Head Office in case of substantial trades in any Inactive account which is made Active.

APPROVAL AUTHORITY AND REVIEW POLICY:

This policy is approved by the Board of MUNI BROKING HOUSE LIMITED.

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.