POLICY AND PROCEDURE FOR VOLUNTARY FREEZING / BLOCKING ONLINE TRADING FACILITY

1. Background:

SEBI vide its circular SEBI/HO/MIRSD/POD-1/P/CIR/2024/4 dated January 12, 2024 and Exchanges vide their circulars dated April 08, 2024 mandated trading members to provide the facility of voluntary freezing/blocking the online access of the trading account to their clients on account of suspicious activities.

The said circular also requires the trading members to frame a policy in line with the framework specified by the Exchanges, which shall be the part of the trading member's Risk Management Policy. The trading members shall disclose the said policy on their website. The said policy shall also form a part of the account opening kit for all new clients onboarded with effect from July 01, 2024.

2. Scope:

This policy shall be applicable as and when clients require to freeze / block online access to their trading account and subsequently desire to unfreeze the same.

3. Framework for Voluntary Freezing of Online Access of Client's Trading Account:

I. Request for Freezing:

a) Client may request for voluntary freezing / blocking the online access to their trading account through any one of the following modes:

- Dedicated Customer Care Phone No.: +91-XXXXXXXXXX (अपनी कंपनी का नंबर डालें)
- Dedicated Support Email ID: support@company.com (अपनी कंपनी की ईमेल आईडी डालें)
- Online Trading Portal / Mobile App: Via "Block Account" option provided in the portal.

b) The client shall submit a request for freeze specifying UCC and reason.

c) On receipt of such request, the online access of the client's trading account shall be frozen/blocked immediately (or within prescribed SLA) and simultaneously all pending orders including 'Good till date' (GTD), Good Till Triggered (GTT), and Equity SIP orders shall be cancelled.

d) Post freezing/blocking the client's trading account, an immediate communication shall be sent on the registered mobile number and registered e-mail ID of the client, stating that the online access to the trading account has been frozen/blocked. The communication shall also provide the details of all pending orders in the client's trading account that have been cancelled, along with the process of re-enablement for getting online access restored.

e) Details of open positions (if any) shall also be communicated to the client along with contract expiry information within such time as prescribed by regulators. This will eliminate the risk of unwanted delivery settlement.

f) Once the online access of the trading account is frozen / blocked, such client may place orders for closing open positions through alternate channels such as Call & Trade after proper identity verification.

II. Request for Un-freezing:

i. Client may request for unfreezing / unblocking the online access to their trading account through their registered e-mail ID or in writing through a physical request letter.

ii. Verification Process: Upon receipt of the unfreeze request, the compliance/RMS team shall perform due authentication and verification (such as OTP verification, Video-IPV, or ID proof verification) to ensure the request is genuinely placed by the client.

iii. An email acknowledgement shall be sent to the client informing him/her of the unfreeze request and the expected timeline by which online access shall be activated.

III. Important Points:

i. All logs of freeze and unfreeze requests, action timestamps, and communications sent shall be maintained securely for audit trail purposes.

ii. Freezing/blocking is strictly restricted to the online access to the client’s trading account, and there shall be no restrictions on Risk Management activities (RMS square-offs). The request for freezing/blocking does not constitute a request for marking the client's Unique Client Code (UCC) as inactive in the Exchange records.

iii. This policy shall be informed to all clients and shall also be a part of the account opening kit for all accounts opened with effect from July 01, 2024.

iv. The freeze, unfreeze, and issue of communication shall be strictly within the timelines specified by SEBI / Exchanges from time to time.

IV. Policy Review:

The said policy shall be a part of the Risk Management Policy and shall be reviewed along with the said policy on a half-yearly basis or whenever new regulatory circulars are issued by SEBI/Exchanges.