

## Policy for Voluntary Freezing / Blocking of Trading Account - Dhani Stocks Limited

**Introduction:** The policy for voluntary freezing/blocking of trading account has been designed in accordance with the guidelines prescribed by SEBI vide circular SEBI/HO/MIRSD/POD-1/P/CIR/2024/4 dated January 12, 2024 on the subject "Ease of Doing Investments by Investors-Facility of voluntary freezing/ blocking of Trading Accounts by Clients" and the subsequent guidelines prescribed by the stock exchanges (NSE vide Circular no. NSE/INSP/61529 Dated April 08, 2024 and BSE vide circular no. 20240408-12 dated April 8, 2024) on the subject "Framework for Trading Members to provide the facility of voluntary freezing/blocking the online access of trading account to their clients".

**Purpose:** The procedures/details mentioned in this document are in accordance with the guidelines mentioned in the above mentioned SEBI & exchange circulars. These guidelines aim to facilitate the freezing/blocking of the client's online trading account (based on request received from the client) incase any suspicious activity is noticed by the client in his/her/its account.

**Scope:** This policy is applicable to all clients who have opened their trading account with Dhani Stocks Limited (DSL). However, it is pertinent to note that –

1. Freezing/blocking is only for the online access to the client's trading account and there shall be no restrictions on DSL to carry out any Risk Management activities
2. The request for freezing/ blocking does not constitute request for marking the client's Unique Client Code (UCC) as inactive in the Exchange records.

**Procedure to Freeze/Block the Online Trading Account:** This policy has been framed by DSL that outlines the modus operandi to help curb client's risk and thereby forms part of DSL's Risk Management Policy.

The client may request for voluntary freezing/blocking of online access to his/her trading account through any of the modes mentioned below. All efforts will be taken by DSL personnel to fulfil the client's request in the below timeline –

1. **Timelines:** DSL intends to follow below timelines to freeze/block the online trading account in accordance with the request received from the client.
  - a. **Request received during the trading hours & within 15 minutes before start of trading** - within 15 minutes.
  - b. **Request received after the trading hours & 15 minutes before start of trading** - before the start of the next trading session.
2. **Modes:** Clients can place a request to report any suspicious activity or to voluntarily freeze their trading account via the following modes–
  - a. By sending an email from his/her/its registered email id to [stoptrade@dhani.com](mailto:stoptrade@dhani.com)
  - b. By calling on customer care desk at 022-61446300 from their registered mobile number during normal business hour.
 

**Note:** stringent identity verification will be conducted before considering any client's block requests. Hence, all clients are requested to keep all their Personal Identification Information (such as PAN, DOB, Trading ID, Demat ID etc.) handy to facilitate smooth and fast processing of requests.
3. While sending email to report any suspicious activity and simultaneously freezing of their trading account, clients are requested to provide detailed information about the suspicious activity that they have noticed in the said account.
4. **Process:** DSL shall follow the below process for the requests received through any mode of communication mentioned above –

- a. Verify whether request is received from the registered mobile number/e-mail ID of the client.
    - If the request is received from another mobile number and/or email id (other than the registered email id/mobile number), proper verification of the client shall be done.
    - During the verification process, DSL personnel would ask the client/s a series of questions (basic checks) to understand the gravity of the request received. These questions would relate to but will not be limited to the existing positions in the client's account, inadvertent sharing of login credentials, OTPs, orders, devices used for trading, etc.
  - b. Freeze / block the online access of the client's trading account and simultaneously cancel all the pending orders, if any, of the said client.
  - c. Send the acknowledgement to the client's registered email ID and/or mobile number stating that the online access to the trading account has been frozen / blocked and all the pending orders in the client's trading account, if any, have been cancelled.
  - d. In addition to the above, details of open positions (if any) to also be communicated to the client on his/her/its registered email ID along with contract expiry information. This shall help to eliminate unwanted the risk of unwanted delivery settlement.
5. Clients are requested to make an informed decision based on these suggestions and communicate their decisions clearly and unequivocally such that DSL personnel can proceed with blocking/freezing of client's trading account.

**Procedure to Unfreeze/Unblock the Online Trading Account:** Clients can unfreeze/unblock their online trading accounts by raising a request via any of the modes –

- a. By sending an email from his/her/its registered email id to [stoptrade@dhani.com](mailto:stoptrade@dhani.com)
- b. By calling on customer care desk at 022-61446300 from their registered mobile number.

In order to unfreeze/unblock the trading account, the client would need to undergo stringent due diligence checks including validation of reactivation request and/or mandatory re-KYC.