Inactivation and Reactivation Policy

(As per NSE/INSP/64718 dated October 25, 2024, and internal controls of Pluswealth Capital Management LLP)

1. Introduction

Pluswealth Capital Management LLP ("Pluswealth") is a SEBI registered market intermediary engaged in retail broking business in Equity, Equity Derivatives, Currency and Commodity Markets, and as a Depository Participant. This policy lays down the framework for identification, suspension, and reactivation of inactive trading accounts in compliance with SEBI and Exchange guidelines.

2. Scope

This policy applies to all client trading and demat accounts maintained with Pluswealth across all stock exchanges and depositories.

3. Definitions

- Client: An Individual, HUF, Body Corporate, Firm, etc. registered as a client of Pluswealth.
- Inactive/Dormant Account: An account where none of the following activities have been carried out for 24 months:
  • Trading or participation in OFS / Buy-back / Open Offer across any exchange/segment.
  • Applying or subscribing in IPOs, Sovereign Gold Bonds (SGBs), Mutual Funds (lumpsum or SIP via exchange platform).
  • Modification/updation of email ID, mobile number, or address in KYC records through Pluswealth (uploaded to KRA).
- Suspended Account: An account flagged as inactive and disabled from trading.
- Management: Partners/Authorised Officials of Pluswealth.
- Risk Management Committee: Committee constituted by Partners to oversee risk and compliance matters.

4. Identification of Inactive Accounts

1. Accounts fulfilling inactivity criteria for 24 months shall be flagged as 'Inactive'.
2. Flagging will be done in:
   - Trading system
   - Back-office system
   - UCC database of all exchanges
3. Process to be run on a daily/weekly/monthly basis post EOD activities.

5. Client Communication

- Clients will be intimated prior to account being flagged inactive through email/SMS.
- Such communication shall not solicit trades from clients to prevent inactivation.
- Once flagged, a confirmation email/SMS shall also be sent.

6. Reactivation Process

To reactivate an inactive account, the following steps shall be undertaken:

1. Client Request: Written/electronic request to Pluswealth.
2. Mandatory IPV/VIPV: Conduct In-Person Verification (IPV) or Video IPV.
3. Confirmation of Details: Seek confirmation of address, mobile, email, bank/DP account, income, etc.
   - If details unchanged → maintain verifiable logs.
   - If details changed → obtain supporting documents, update records, and upload to KRA & UCC.
4. KRA Validation: If client KRA status is "On Hold/Rejected/Registered with other intermediary", update KRA with required details/documents before reactivation.
5. PAN & Aadhaar Linking: PAN copy (linked with Aadhaar for individuals), address proof, and latest bank statement may be sought for due diligence.
6. Reset of Timeline: After reactivation, 24-month period shall be counted afresh from reactivation date.

7. Reporting Requirements

- Inactive clients with NIL balances need not be uploaded in daily submissions (Holding Statement, Segregation & Monitoring of Collateral).
- Clients with funds or securities balances shall continue to be reported even if marked inactive.

8. Ongoing Due Diligence

- Inactive clients remain subject to ongoing Re-KYC, AML/PMLA obligations.
- Pluswealth shall perform due diligence as per its KYC/AML policy and SEBI guidelines.

9. Return of Client Assets

- Settlement of client accounts shall continue on monthly/quarterly basis as per client preference.
- If client is untraceable:
  - Make best efforts to trace client (emails, calls, letters).
  - Maintain an audit trail of efforts.
  - Keep unsettled funds upstreamed to Clearing Corporation.
- On claim from client, assets shall be released immediately, ensuring payment/delivery to the rightful client.

10. Review & Amendment

This policy shall be reviewed periodically to align with changes in SEBI/Exchange guidelines. Any amendment will be approved by the Risk Management Committee and reported to the Partners.