

Date: - 25/08/2010

Circular No: - OPS/1011/002

Applicable to: - ALL

File Attachment:- NIL

Department: - OPERATIONS

Date of Execution: - 25/08/2010

Sub: New Policy for Dormant and Inactive Accounts

Dear All,

This policy lays down the basis for classification of clients accounts maintained with the Company as Dormant/Inactive.

Definition of Dormant/Inactive Accounts

In case of trading accounts all accounts will be termed as Dormant/Inactive if no transactions have been carried out since last 6 (six) calendar months.

In case of Demat accounts all accounts will be termed as Dormant/Inactive if no debit transaction has taken place for a continuous period of 6 (six) calendar months.

Transaction in Dormant/Inactive Trading Accounts

All accounts identified as Dormant based on the above criteria will be highlighted in Kellton's records. Kellton reserves the right to freeze/deactivate such accounts and no fresh transactions will be allowed to be carried out in the account. The Dormant/Inactive account will be reactivated only after undertaking proper due diligence process and other requirements as may be deemed fit in case where the account has been frozen/deactivated.

The request for reactivation has to be either through letter/registered e-mail id/recorded telephone lines subsequent to which the account will be reactivated and fresh transaction will be allowed to be carried out.

Transaction in Dormant Demat Accounts

All accounts identified as Dormant based on the above criteria will be highlighted in Kellton's records. In this regard additional due diligence would be observed over and the normal verification procedure for fresh processing of debits transaction in such accounts. Such transactions shall also be verified with the BO in case of high value debits and the details of the process, date, time etc of the verification on the instruction slip shall be recorded under the signature of a senior official.

The above policy may vary from time to time depending on the various rules and regulations of the regulators (SEBI/BSE/NSE) or any other authority or as per Internal policy of Kellton from time to time.

Thanking you,

Best Regards,
Kuldip Ghosh
Sr.VP & Head - Operations
Kellton Group
Hyderabad