



Policy on providing facility of Voluntary Freezing/ Blocking of Trading Accounts by Clients

Introduction

This policy has been made as per the SEBI Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2024/4 dated January 12, 2024 and Exchange Circular no. NSE/INSP/60277 dated January 16, 2024 and NSE/INSP/61529 dated April 08, 2024 on the subject “Ease of Doing Investments by Investors - Facility of voluntary freezing/ blocking of Trading Accounts by Clients”.

This document is a handbook for the clientele of Kalpalabdhi Financials Private Limited (*hereinafter referred to as KLFS*), outlining the process and mode(s) through which they can request to freeze / block & unfreeze/unblock their trading account. Other details, such as the timelines, clients’ onuses, etc., to facilitate the same are also mentioned.

Purpose

The procedures outlined herein are per regulatory requirements in the aforementioned circulars. All clients are requested to note that the forthcoming guidelines are issued to facilitate the freezing/blocking of their respective online trading accounts upon explicit requests from the client’s end in case they notice any suspicious activity on their trading accounts.

A few instances of suspicious activities would include:

- Fresh positions being taken without the client’s knowledge or action.
- Holdings being sold without the client’s knowledge or action.
- A client is unable to access his/her account.
- A client notices a change in their linked bank account/ email/ mobile number without them having placed a request.
- A share transfer via gift/ easiest is initiated without the client’s knowledge or action.

Procedure to Freeze/Block The Online Trading Account

In line with regulatory requirements, upon the explicit request from a client to block the online access to their trading account through any of the modes mentioned in the forthcoming sections, all efforts will be taken by KLFS Personnel to fulfil the request as per the below timelines:

1. For requests received within trading hours, all efforts shall be taken to block the account within 15 min.
2. For requests received after trading hours up until before the market opening time, all efforts will be taken to block the account before the start of the next trading session.

Clients can report suspicious activities on their trading account via the following mediums:

1. By mailing on the dedicated email ID: stoptrades@kalpalabdhi.com
 - a. Clients are recommended to mail from their registered email address (email ID registered with KLFS).
 - b. Clients are requested to give relevant and detailed information regarding the suspicious activity they have noticed on their trading accounts.



2. By calling the dedicated number: **+91- 9820364297** (Monday – Friday between 8:30 am and 5:00 pm (excluding trading holidays)
 - a. Clients should call the dedicated number, **+91- 9820364297**, from their registered phone numbers (number registered with KLFS).
 - b. Please note that stringent identity verification will be conducted before considering any client's block requests. Hence, all clients are requested to keep all basic Personal Identification Information (PII) handy to facilitate the smooth and fast processing of requests.

Details of open positions (if any) shall be communicated to the client along with contract expiry information within one hour from the freezing/blocking of the trading account.

Basic Checks & Initial Steps (Mandatory)

KLFS personnel would ask a series of questions (basic checks) to understand the gravity of any request received. These queries would relate to the existing positions in the client's account, inadvertent sharing of login credentials, OTPs, orders, devices used for trading, etc.

Clients are requested to kindly cooperate with the KLFS personnel and furnish all the information required, as this is essential for assessing the situation of the trading accounts.

KLFS authorized personnel shall communicate to the client the details of the client's existing open positions. Subsequently, the personnel will solicit input from the client regarding their preferred course of action for these positions. Upon the client's directive and subject to successful authentication of the client, KLFS will proceed to close the client's open positions and cancel all open orders. In such instances, applicable call and trade charges will be imposed.

Clients are requested to make an informed decision based on these suggestions and communicate their decisions clearly and unequivocally so that the KLFS personnel can proceed with the blocking/freezing of their trading accounts.

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 prescribed above
- Please note that the client must mandatorily complete [the Re-KYC procedure](#) successfully to have their trading account unfrozen/unblocked.
- Following the successful completion of the Re-KYC procedure and after carrying out any other necessary due diligence, the client shall be intimated via mail regarding the status of their request.

Appropriate records/logs will be maintained including, but not limited to, request received to freeze/block the online access of trading account, confirmation given for freezing/blocking of the online access of the trading account and cancellation of pending orders, if any, sent to the clients.



Periodic Review

This document essentially helps curb clients' risk and hence forms an integral part of KLFS internal Risk Management Policy. As such, it shall be reviewed on a yearly basis unless an earlier review is necessary to ensure that the policy remains updated as per regulatory changes.

Clarifications

It is clarified that:

1. Freezing/blocking is only for online access to the client's trading account, and there shall be no restrictions on the Risk Management activities of KLFS.
2. 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.