



Vedika Vanijya Pvt. Ltd.

**MEMBER: BSE, NSE, MSEI, MCX**

## **Policy regarding treatment of inactive/dormant client accounts**

### **Objective:**

The objective of the policy is to appropriately deal with the

Inactive/dormant clients, where clients have not traded for more than 12 continuous months\*\*.

The policy is also applicable for accounts which have been marked inactive on account of Rules, Bye laws, circulars and guidelines issued by Sebi, Exchanges and Internal Risk Management Policies.

\*\* (Member may have their own policy for deciding the period after which clients can be made Inactive / dormant based on their Internal Controls & Risk Management Policy).

### **Background:**

SEBI vide circular no. Dated December 3, 2009 and national stock exchange Vide circular no. NSE/INSP/13606 dated December 3, 2009 directed that a Policy be framed by stock brokers to deal with the inactive/dormant accounts.

### **Policy:**

If there is no transaction (buy / sell) entered into by the account holder for more than 12 continuous months, the account will be marked as "INACTIVE/DORMANT".

All the accounts marked as "INACTIVE/DORMANT" needs to be monitored carefully in order to avoid unauthorized transactions in the account. If the client wants to make the account

"ACTIVE" after 12 continuous months or after providing the required documents supporting the financial status, the client needs to submit a request to reactivate his/her account. In case

there is any change in the information such as; address, mobile number, email id, bank/demat account, financial disclosure provided in KYC at the time of registration as client, the same has to be submitted along with the request.

After proper verification of the updated / revised details and approval from the compliance officer / or concerned department in-charge of registration of clients, the account can be made ACTIVE" and transaction can take place.