

## **INACTIVE/DORMANT ACCOUNT POLICY**

This policy is applicable to all Stock Broking and Depository Participant Client accounts of Harjivandas Nemidas Securities Pvt. Ltd.(HNSPL)

For the Stock Broking accounts: “Activity” refers to any transaction in the stock broking account of the client involving buying or selling of securities.

Harjivandas Nemidas Securities Pvt. Ltd.(HNSPL) as a matter of policy accepts and realizes that the investor community is made of traders as well as investors. Whereas traders trade frequently, the investors trade with long gaps.

“Inactive/ Dormant account” refers to a Stock Broking account of the client with no activity for more than 12 months.

### **What happens when a client is declared inactive?**

On a client being declared inactive,

1. All the securities of the client are transferred into the last known demat account of the client
2. All the funds of the client are returned to the client
3. In case the demat account/ bank account details are not available and the client is not contactable, the securities/ funds are transferred into a separate account of Harjivandas Nemidas Securities Pvt. Ltd.(HNSPL) and upstreamed to Clearing Corporation and held till such time Harjivandas Nemidas Securities Pvt. Ltd.(HNSPL) hears from the client or their representatives
4. Trading in the client account is stopped

For the Depository Participant accounts: “Activity” refers to any transaction in the Depository Participant account of the client.

“Inactive/ Dormant account” refers to any Depository Participant client account having no transactions in the last 6 months.

### **Client declared inactive voluntarily**

A client may write to Harjivandas Nemidas Securities Pvt. Ltd.(HNSPL) stating that he wishes to transfer his “inactive” account into “active” status or vice-versa, based on which the account will be marked as requested by the client.

### **Client declared inactive by passage of time**

Any client who has not traded continually for a period of 1 year will automatically be moved to the “inactive” category.

### **Client declared inactive by law**

Any client will be moved to the “inactive” category if required by law.

### **Procedure to activate the client**

To reactivate the account, the client is expected to provide in writing to Harjivandas Nemidas Securities Pvt. Ltd.(HNSPL) requesting for activation of the account, based on which the account would be activated after due diligence by Harjivandas Nemidas Securities Pvt. Ltd.(HNSPL)