

POLICY ON TREATMENT OF INACTIVE/DORMANT TRADING ACCOUNTS

(The Policy is framed in terms of circulars issued by NSE vide its circular ref no.: NSE/INSP/43488 dated February 10, 2020, circular ref no.: NSE/INSP/46506 dated December 1, 2020 & circular ref no.: NSE/INSP/ 49743 dated September 27, 2021.)

Definition of Inactive Trading Accounts:

In case of trading account, the term inactive account refers to such account wherein no trades have been carried out since last 12 (Twelve) months across all Exchanges.

Identification of inactive Accounts

If a client does not trade at least once in any one of the segments/exchanges the client has signed up, for during a period of 12 months, such client accounts shall be categorized as inactive accounts. Such accounts will be flagged as "Inactive" in the back office as well as in exchange`s UCC database.

Client can get his account reactivated only on fulfilling the following requirements:

1. The Pre-trade client confirmation has been obtained for the proposed activity either through any of the following method:
 - a. Physical record written & signed by client,
 - b. Telephone recording,
 - c. Email from authorized email id,
 - d. Log for internet transactions,
 - e. Record of messages through mobile phones,
 - f. Any other legally verifiable record.
2. If re-activation of inactive/dormant client is to be done within one year of being marked as inactive/dormant:
 - While reactivating the client, it shall be ensured that the basic details of such client like Address, Mobile number, Email ID, Bank/DP account are updated in its records as well in the UCC records of the Exchange. In case of any changes, necessary documents shall be collected.
 - IPV is not mandatory.
3. The fresh documentation, due diligence and IPV is required where an inactive/dormant client is coming for reactivation after a period of one year of being flagged as inactive. However, in case a client has undertaken transactions with respect to IPO/ Mutual Funds subscription and DP operations during this period, the same can be considered and the requirement for fresh documentation, due diligence, and IPV would not be required.

4. If KYC documents are submitted through Aadhaar authentication / verification of UIDAI or through online KYC form where KYC documents are submitted through Digi locker or any other source which could be verified online, IPV is not required.
5. Wherever it is mandatory under the local regulations, we must demonstrate that:
 - In-Person Verification (IPV) of the concerned client has been done.
 - "No Change" confirmation on existing KYC information of the client is obtained or revised KYC documents (wherever applicable) are obtained from the client.
6. Operations shall reactivate the trading account of such clients only upon receipt of information as mentioned in above points.

Reactivation of such account would be subject to necessary due diligences, confirmations and documentary requirements as India Advantage Securities Pvt. Ltd. may deem fit.

Exchange Compliance

The correct status of the client code should be uploaded in the UCC database of the Exchanges prior to the execution of the trades.

Company Policy for Closure of Clients Accounts / Dormant Accounts:

For closure of trading account we ask client to give written application to close the account. After verifications of all the details and settling all the dues, the account is suspended for trading in the admin terminal since trading account cannot be closed.

In case of Dormant Account we verify the authenticity of the client by confirming the trading code and name of the client before doing the trades.

For transfer of Client from one branch to another-procedure adopted is that we take NOC from both the Branch heads before changing the mappings of the client, so that there is no issue regarding the obligation of the dues.

If the account is dormant for more than three months then we insist for upfront payment and authenticity of the client before doing the trade.

