



Harendra D. Mehta Share & Stock Broker Pvt. Ltd.

MEMBER > NSE Equity Segment > BSE Equity Segment

Stock Exchange Rotunda Building, PG -12, Ground Floor, Mumbai Samachar Marg, Mumbai - 400 001.

Phone : 2272 2392 / 2272 2190 / 2272 2546 / 2272 2548 • E-mail : bhm264@gmail.com

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POLICY REGARDING TREATMENT OF INACTIVE/DORMANT ACCOUNT

OBJECTIVE

The objective of the policy is to appropriately deal with the Inactive/dormant clients, where the clients have not traded for more than twelve continuous months.

The policy is also applicable for accounts which have been marked as inactive on account of Rules, Byelaws, Circulars and guidelines issued by SEBI, Stock Exchange and Internal Risk Management Policies.

POLICY

It is prudent to keep a track of dormant and inactive accounts, which could be the breeding ground for any unauthorised transactions. Hence, a closer look is warranted for handling dormant accounts and also to lay down a procedure for reactivating them.

PROCEDURE TO HANDLE INACTIVE/DORMANT ACCOUNTS:

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 Funds & Securities belonging to such Inactive Clients shall be returned to them within a week of marking as Inactive Account.

All the accounts marked as 'INACTIVE/DORMANT' shall be set to a 'zero limit' in the exposures. If the client wants to make the account 'ACTIVE' afterwards, necessary permission will have to be obtained from the operations in-charge/proprietor. AND have to submit Three Months Bank Statement, Annual Updation, PAN and AADHAAR. In case, the client account is made inactive due to submission of documents or any other information, the same will be insisted upon and then only the account shall be reactivated. 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 will be collected, verified and incorporated in the client master and then only the activation will be carried out. The client account shall be made active after due verification as per rules and company policy in vogue at those times.

CONTROLS AFTER ACTIVATION OF INACTIVE ACCOUNTS

Trades in accounts that have been reactivated after a lapse of 12 months or more shall be confirmed by a person from head office (back office section), who would not have punched the orders.

APPROVAL AND REVIEW

The policy shall be reviewed as and when there are any changes introduced by any statutory authority or as and when it is found necessary to change on account of business needs and Risk Management Policy.

POLICY COMMUNICATION

A copy of this policy shall be made available to all the relevant staff/persons such as: compliance officer / department in-charge of registration of clients and sub-broker / authorised persons.