

## **DORMANT ACCOUNT POLICY**

This policy is further to SEBI vide circular no. dated December 3, 2009 and National Stock Exchange of India 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 and further National Stock Exchange of India vide circular no. NSE/INSP/43488 dated February 10, 2020, NSE/INSP/46506 dated December 01, 2020, NSE/INSP/ 49743 dated September 27, 2021 and NSE/INSP/64718 dated October 25, 2024 had issued circulars with respect to with respect to guidelines on Treatment of Inactive Trading Account.

### **General**

- If any of below mentioned activities has not been carried out by client since last 24 (Twenty-Four) months, then the account will be marked as “INACTIVE/DORMANT”:
- Trading or participation in OFS/buy-back/Open Offer across any of the exchanges/segments\* of the exchanges through the same Member or \*Cash/Equity Derivative/ Currency Derivative/ Commodities Derivative/EGR /Debt/Online Bond Platform/ Execution Only Platform /Any other segment as may be allowed by SEBI/stock exchanges from time to time.
- Transaction in nature of applying/subscribing IPOs (where the IPO bid is successful & not cancelled)/SGBs/Mutual Funds (lumpsum investment or investments through successful SIP instalment payments) on the Mutual Fund platform of the stock exchanges through the same Member or
- Modification/updation of e-mail Id/Mobile Number/Address in KYC record of client through the same Member and the same has been uploaded to KRA to ensure Validated/Registered status.

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 24 continuous months then the client needs to submit a request to reactivate his/her account along with the required supporting documents. 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 incharge of registration of clients, the account can be made “ACTIVE” and transaction can take place.

### **Procedure for activation of dormant accounts**

- Client may send a request to the Trading Member to re-activate the Dormant Trading Account. Such request may be initiated through

**Prabhudas Lilladher Private Limited**

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Tel: +22 6632 2222 | Compliance Officer: co@plindia.com | Website: www.plindia.com | CIN: U67190MH1983PTC029670

- (a) Dormant Account Re-Activation Request Letter (DRRL) to be duly signed by client in the format as prescribed by the Compliance Officer from time to time; or
- (b) E-mail request from registered mail id of the client, provided that the e-mail Id is exclusively used for such trading account of the client and not recorded in any other client trading account(s) and no other physical documents are required to be collected from client

Provided that where ever a client is required to submit physically signed documents to PLPL, re-activation can be allowed on the basis of a legible scanned copy/ photograph of documents required from the client, as an exception in which case client shall be required to send the hard copy of the request to PL-Head office within a period of 7 working days thereafter, failing which the clients account shall be deactivated at back end until the documentation requirement have been duly complied with.

- (c) SMS request from registered mobile number of the client, provided the mobile number is exclusively used for such trading account of the client and not recorded in any other client trading account(s) and no other physical documents are required to be collected from client.
- Following documents / *information must be available /updated in the database*:
  - a. KRA- KYC or KRA- Modification form along with supporting documents
  - b. Bank a/c details
  - c. Smart Account Form
  - d. Active Demat a/c
  - e. Running a/c letter for trading in equity and/ or derivatives
  - f. Proof of income for those clients opted for trading in derivatives
  - g. Nomination form (applicable to an Individual client only, if he/she wishes to nominate)
  - h. Tariff sheet
- If the above details are already updated in the database and remains unchanged, client may verify and confirm the same in the DRRL.
- All Authorized Person (AP)/ Branch Manager (BM)/ Head of Department (HOD) should ensure that any pending documents in respect of the above details are also received along with the DRRL.
- Incase of changes in Correspondence Address, Mobile Number or E-mail Id, Client Activation Team (CAT) shall seek telephonic confirmation from client on such changes and only then confirm DRRL in the system. CAT shall validate all other changes with due supporting given by client. On satisfactory

completion of the above activities, CAT shall update such details in the system and the Client's account shall be activated for trading on the subsequent trading day.

- Client shall undergo fresh In Person Verification (IPV) wherever the same is necessary or otherwise deemed so by PLPL's compliance division and related documentation shall be made available to CAT.
- If all the above documents /information are available and found to be in order, email as per format prescribed by the Compliance Officer must be sent to the dormant client by EOD for re-activation of account and client account to be re-activated in the data base.
- In case, any discrepancy is observed, client /AP /BM /HOD must be informed to rectify the same. Until the discrepancy is resolved, re-activation of the dormant account of the client shall be kept in abeyance.

If the request is routed through AP/BM, they will be required to ensure due compliance as mentioned above. In such cases, Head- Client Relations will be authorized to re-activate the account by sending email to RMS team to activate the account. Further, Client Relations (CR) team will insert an indication in the system whereby payout of funds/securities will be withheld until all the required documents are received.

Once all the required documents are received and are in order, CR team will remove the aforesaid indication whereby the funds/securities will be released.

However, if the Client does not submit the documents within prescribed time limit, the account may be de-activated and the same may be re-activated only after receipt of all the required documents.

**Effective Date:**

The policy shall be effective from the date of passing the Board Resolution.

**Review of the policy:**

The policy will be reviewed, in accordance with the circulars that the regulatory authorities may issue from time to time, and changes will be incorporated in consultation with the concerned Head of Department.