



# **Policy Pertaining to Treatment of Inactive/ Dormant Account**

VERSION 2.0

A. K. STOCKMART PRIVATE LIMITED

## Document Details

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Dormant Account

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## Version Details

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1	1	May 18 2024	Sneha Chandan	Tejas Davda	Board of Director	Approved
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## Summary of Change

Date	Content
May 16, 2025	The updated policy on inactive/dormant accounts for A.K. Stockmart Private Limited (AKSPL) introduces several key changes to align with the latest NSE circular. The definition of an inactive account has been extended from 12 to 24 months without trading activity or other specified actions, such as KYC updates or successful IPO applications, across any segment. The reactivation process now requires In-Person Verification (IPV/Video-IPV) and mandates clients to confirm any changes in their registered details, with updates reflected in both UCC and KRA records if applicable. Additionally, the policy emphasizes ongoing due diligence, requiring AKSPL to perform regular Re-KYC checks and apply enhanced scrutiny for high-value transactions. Communication protocols have been revised to notify clients about potential inactivity without prompting trading to avoid inactive status. Reporting has been adjusted to exclude inactive clients with NIL balances from daily submissions but mandates reporting for those with funds or securities. The updated policy also clarifies procedures for settlement efforts for untraceable clients and emphasizes an audit trail for these attempts. These changes ensure compliance with NSE guidelines and enhance client account management and regulatory

adherence.

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## Introduction

A.K. Stockmart Private Limited (**AKSPL**) as a matter of policy accepts and realizes that the investor community is made up of traders as well as investors. Whereas traders trade frequently, the investors trade with long gaps. The inactive client policy is framed keeping the same in mind. This policy aims to outline the procedures for identifying, managing, and reactivating inactive/dormant trading accounts in compliance with the latest guidelines issued by the Stock Exchange (NSE & BSE) and the Securities and Exchange Board of India (SEBI).

## SCOPE

This policy applies to all trading accounts maintained with A.K. Stockmart Private Limited (hereinafter referred to as 'AKSPL'). It is applicable across all market segments including Equity (Cash), Equity Derivatives, Currency Derivatives segments

## Meaning

An account will be classified as inactive if there are no trading transactions or specified activities for a continuous period of 24 months across any of the following:

- Trading in any exchange segment (Cash/Equity Derivative/Currency Derivative/Commodity Derivative/Debt).
- Participation in Offer for Sale (OFS), Buy-back, Open Offers.
- Successful IPO applications, Sovereign Gold Bond (SGB) purchases, or Mutual Fund investments (lumpsum or SIP).
- KYC updates (modification of email, mobile number, or address).

## Identification and Flagging of Inactive Accounts

Accounts identified as inactive based on the criteria above will be flagged in the Unique Client Code (UCC) database of all exchanges where AKSPL operates. System-generated debits like charges or interest will not be considered as trading activity for determining inactivity. The client's account would be reactivated only after undertaking proper due diligence process and fulfillment of such conditions as may be deemed fit.

## Reactivation of Client Accounts

To reactivate an account flagged as inactive:

- Mandatory In-Person Verification (IPV/Video-IPV) as per SEBI's KYC guidelines.
- Clients must confirm any changes in their KYC details (Address, Mobile Number, Email ID, Bank/DP Account, etc.).
- If the client's KRA status is "On hold", "Rejected", or "Registered through another intermediary", fresh KYC documentation must be obtained and uploaded to the KRA for validation.

The Client can get such accounts reactivated by placing a reactivation request and



submitting below mentioned documents. For any queries, the Client can also get in touch at 022- 66349300 or by sending documents directly to the address mentioned below:

**A.K. Stockmart Private Limited.**

601-602, 6th Floor, Windsor, Off CST Road, Kalina, Santacruz (East), Mumbai - 400098

The Clients request through letter/ registered mail id/ recorded telephone lines may be impressed upon to reactivate the account or to carry out fresh transaction in a dormant account

## **Documents Required for Account Reactivation**

1. Account Reactivation Letter, if any.
2. Financial Proofs (List of Valid Proof is mentioned below)
  - List of Documentary Evidence of Financial Details (Individuals)  
Copy of Income Tax Return acknowledgment, Copy of Form 16, Salary Certificate, Bank Statement of 6 Months, DP Holding Statement, Net worth Certificate.
  - List of Documentary Evidence of Financial Details (Corporate)  
Copies of Financial Statement and Annual report for the last 2 financial years, Copy of ITR acknowledgment, Net worth Certificate (duly attested by CA).

## **Reporting and Compliance**

For inactive clients:

Accounts with funds or securities balances will continue to be reported. Compliance with NSE and BSE reporting guidelines will be ensured

## **Settlement of Inactive Client Accounts**

Monthly or quarterly settlements of client accounts (as per client preference) will be ensured. If a client is untraceable, AKSPL will make all reasonable efforts to contact them and maintain an audit trail of these attempts. Any claims from inactive clients will be addressed promptly, ensuring that settlements are made to the rightful owner

## **Debit Transaction in Dormant Demat Accounts in Dormant Demat Accounts**

The Demat accounts wherein no debit transaction has taken place for a continuous period of 12 (Twelve) months shall be flagged as Dormant/ Inactive accounts. Additional due diligence would be observed over and above the normal verification procedure while processing any debit transactions in such accounts. The transaction shall also be verified with the BO in case of high value debits and the details of the process, date, time, etc., of the verification on the instruction slip shall be recorded under the signature of a senior official.



## **Internal Controls and Review**

This policy will be reviewed periodically and updated as per new regulatory guidelines issued by NSE, SEBI, or any other competent authority. Regular internal audits will be conducted to ensure compliance with this policy.

## **Exceptions**

This policy is supplementary to AKSPL's existing Anti-Money Laundering (AML) and Know Your Client (KYC) policies. Any deviations from the above guidelines will be considered on a case-by-case basis, ensuring compliance with applicable regulations.