

Date: March 23, 2009

Sub: Policy on dormant client account for trading

This document outlines approach we need to follow in case of dormant client accounts which is applicable only for retail client segment. This does not apply for institutional clients.

**Dormant client definition:**

If a client does not trade at least once in any of the segments (i.e. NSECash, NSEF&O and BSECash) during a period of 365 days, such client is categorized as a dormant client.

The Operations group will compile such list as on 31<sup>st</sup> March every year and inform the RMS group for necessary action at their end.

**Treatment of dormant clients:** Once the account is classified as dormant client account, the RMS group will deactivate the client code in the trading system (ODIN/Omnesys) and no further trades will be allowed for that client thereafter.

A list of such clients will be circulated by the RMS group to the business groups (including branches) once they are updated every month.

**Resumption of trading by dormant clients:**

Once a client is classified as dormant and deactivated in the trading system, the trades will be allowed in that account only after receipt of specific request from the Branch Manager/Regional Manager and duly approved by Head of Business group to the RMS group.

RMS group will ensure that such request is received only from the person who is authorized to make such request i.e. the concerned branch manager/regional manager or business head.

**Closure of dormant client accounts:**

No closure of dormant client account is made unless the client clears all his dues (or we agree to waive the dues if any) and we receive a specific request from the client to close his trading account..

The above policy to be effective with immediate effect.