

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS
RAJYA SABHA

UNSTARRED QUESTION NO: 2615

TO BE ANSWERED ON 21st DECEMBER, 2021/ AGRAHAYANA 30, 1943 (SAKA)

“INACTIVE DEMAT ACCOUNTS”

2615: SHRI B. LINGAIAH YADAV

Will the Minister of **FINANCE** be pleased to state:

- (a) the conditions under which a demat account of a customer opened by a bank or broker is declared as inactive;
- (b) whether maintainance charges can be levied on inactive demat accounts of customers by banks or brokers, if so, details thereof; and
- (c) the complaints received, redressal offered and rules position in this regard?

ANSWER

SHRI PANKAJ CHAUDHRY

MINISTER OF STATE FOR FINANCE

(a) SEBI has informed that if a demat account is not operated by the client for a period of 6 months, the account is considered as ‘dormant’ by the Depositories. However, in case client has not provided 6-KYC attributes i.e. Name, PAN, Address, Mobile Number, Email-Id and Income Range on or before December 31, 2021 or nomination/opt out nomination before March 31, 2022, such non-compliant demat accounts will be liable to be made inactive i.e. no debit transaction will be allowed in such demat account.

(b) Maintenance charges can be levied on dormant/inactive demat accounts also. In the case of Basic Services Demat Account, the annual maintenance charges are restricted to ‘Nil’ or Rs.100/- depending on the value of securities held therein. In case of normal demat accounts, maintenance charges will be levied as per the charge structure of the respective Depository Participants and agreed by clients at the time of account opening.

(c) SEBI has informed that Regulation 7(g) of SEBI Depository and Participants Regulations, 2018 states that the depository shall redress the grievances of the participants and the beneficial owners within thirty days of the date of receipt of any complaint from a participant or a beneficial owner and keep the SEBI Board informed about the number and the nature of redressals. The details of the complaints received by the Depositories and resolved by them are as follows:

Financial Year	Total Complaints Received		Total Complaints Resolved		Complaints received in reference to Annual Maintenance Charges		Complaints resolved in reference to Annual Maintenance Charges	
	NSDL	CDSL	NSDL	CDSL	NSDL	CDSL	NSDL	CDSL
2020-21	18848	9184	18847	9184	192	252	192	252
2021-22 (upto 30-11-2021)	9408	10849	9210	10768	168	213	166	206
