

NOTICES

Notice No.	20210928-53	Notice Date	28 Sep 2021
Category	Compliance	Segment	General
Subject	Treatment of Inactive Trading account		

Content

This has reference to Exchange circulars 20200210-47 dated February 10, 2020, and 20201201-27 dated December 01, 2020 with respect to Treatment of Inactive trading account.

As per the said circulars, members are required to flag the client as inactive in UCC database of the Exchange in case the said clients have not traded in the last 12 months across all Exchanges. Members are required to undertake fresh documentation, due diligence and IPV where a client is coming for reactivation after a period of 1 year of being flagged as inactive i.e. after 2 years from their last trading date. It has come to the notice of the Exchange that members are seeking re-KYC and IPV from clients even if the clients are requesting for activation of their inactive account within 12 months from the date of marking the client account as inactive i.e. within 2 years from their last trading date.

It has also come to the notice of the Exchange that members are urging clients to trade to prevent accounts from being flagged as inactive, referring to the above-mentioned circulars.

In view of the same, it is reiterated that while member shall flag the client as inactive in UCC database of the Exchange in case clients have not traded in the last 12 months, fresh documentation, due diligence and IPV should be undertaken only when the client seeks reactivation after a period of 1 year of being flagged as inactive i.e. after 2 years from their last trading date. Further, no communication seeking clients to trade in order to prevent accounts from being flagged inactive should be sent.

All members are advised to take note of the above and strictly comply with the same.

For and on behalf of BSE Ltd.

Hiteshkumar Desai
Additional General Manager
Broker Supervision

Sandeep Sharma
Asst. General Manager
Broker Supervision