

SPARK SECURITIES PRIVATE LIMITED

CIN: U67120WB1994PTC064172

10/4B, LALA LAJPAT RAI SARANI, KOLKATA 700020

TEL: 91 33 22908100; E-MAIL ID: spark@sparksecurities.com

INACTIVE ACCOUNT POLICY

Policy Approved By:

1. Mr. Sanjeev Bubna, Director
2. Mr. Gulab Chand Baid, Compliance Officer

Policy Prepared By:

Mr. Anil Mishra
Compliance Manager

Policy Review Date: 08th day of October 2021

Place: Kolkata

SPARK SECURITIES PRIVATE LIMITED

CIN: U67120WB1994PTC064172

10/4B, LALA LAJPAT RAI SARANI, KOLKATA 700020

TEL: 91 33 22908100; E-MAIL ID: spark@sparksecurities.com

Background:

NSE vide its circular download ref no. NSE/INSP/43488 dated February 10, 2020, download ref no. NSE/INSP/46506 dated December 01, 2020, download ref no. NSE/INSP/ 49743 dated September 27, 2021 and BSE vide its Notice no. 20200210-47 dated February 10, 2020, Notice no. 20201201-27 dated December 01, 2020, Notice no. 20210928-53 dated September 28, 2021 have instructed Stock Brokers to frame a policy regarding treatment of Inactive accounts covering aspects of time period, return of client assets and procedure for reactivation of the same.

Objective:

The objective of the policy is to appropriately deal with the Inactive clients and 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.

Concepts:

The compliance officials, on a quarterly basis, shall review and analyze the Trading Accounts of the Clients and flag them as "In-active account" based on the parameters defined below, as part of Customer Due Diligence Process.

The term "In-active account" refers to such trading account wherein no trades have been executed in last 12 (Twelve) months across all Exchanges.

Monitoring

The Compliance team shall monitor all the client accounts to check for any inactive account on a quarterly basis by end of the calendar quarter to ensure compliance with the laid down procedures.

Procedure for deactivation of Inactive accounts

- i) Based on the above criteria, compliance team shall identify the accounts wherein no trades have been carried out since last 12 (Twelve) months across all Exchanges.
- ii) Identified accounts shall be flagged as 'Inactive' in UCC database of all the respective Exchanges as well as in the back office software.
- iii) It should be ensured that no further trading is allowed to the client until the said client is reactivated.



SPARK SECURITIES PRIVATE LIMITED

CIN: U67120WB1994PTC064172

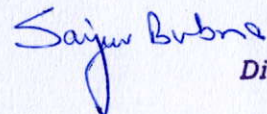
10/4B, LALA LAJPAT RAI SARANI, KOLKATA 700020

TEL: 91 33 22908100; E-MAIL ID: spark@sparksecurities.com

Procedure for re-activation of Inactive accounts:

- i) "In-active Account" may be re-activated for trading on receipt of written application for re-activation from the client along with necessary supporting documents.
- ii) Fresh documentation, due diligence and IPV should be undertaken 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. However, in case a client has undertaken transaction through the Member, with respect to IPO/Mutual Fund subscription and DP operations (if the Member is a DP) during this period, the same can be considered and the requirement for fresh documentation, due diligence, and IPV may not be required.
- iii) The client may be asked to visit the office and submit the "request letter" for activation of trading account. The compliance team shall carry out "In-Person" verification of the inactive clients and verify the supporting documents submitted by the clients with the originals.
- iv) The compliance team shall check whether the client is listed as a Debarred entity.
- v) The trading account may get re-activated within 7 working days of submission of application, subject to satisfaction of the Compliance officer.
- vi) The compliance officer upon satisfying himself with the aforesaid process shall re-activate the account over the Stock Exchange Interface and back office software.

For SPARK SECURITIES PRIVATE LTD.


Director

SPARK SECURITIES PVT. LIMITED

CIN No. : U6712WB1994PTC064172

CORPORATE MEMBERS :

NATIONAL STOCK EXCHANGE OF INDIA LTD.
BSE LTD.

Regd. Office :

10/4B, Lala Lajpat Rai Sarani
3rd Floor, Kolkata-700 020
Phone/Fax : 22908100/8104/8105
E-mail : spark@sparksecurities.com

EXTRACT OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF SPARK SECURITIES PRIVATE LIMITED HELD ON FRIDAY 08TH DAY OF OCTOBER 2021 AT 10/4B, LALA LAJPAT RAI SARANI, 3RD FLOOR, KOLKATA 700020 AT 17:00 P.M

REGARDING APPROVAL OF MEMBER INACTIVE ACCOUNT POLICY

The Chairman informed the board that the Inactive Account Policy of the Company shall be reviewed and necessary modifications should be made in the said policy and after due discussion, the following resolution was passed unanimously:-

"RESOLVED THAT clients who have not traded in the last 12 months across all exchanges should be flagged as inactive in UCC database of the Exchange and fresh documentation along with due diligence and IPV should be undertaken in case the 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."

"RESOLVED FURTHER THAT Mr. Sanjeev Bubna (DIN 00031225) and/or Mrs. Rashmi Bubna (DIN 00180739), directors of the company be and are hereby authorized severally to sign and submit all the necessary papers, documents, reports, etc. that may be required by the authority from time to time for the maintenance of the policy."

"RESOLVED FURTHER THAT a copy of the above resolution duly certified as true by any of the above director of the company be furnished to such other parties as may be required from time to time in connection with the above matter."

For Spark Securities Private Limited

Sanjeev Bubna

Mr. Sanjeev Bubna
Director
DIN: 00031225

