

Circular No.: NSDL/POLICY/2019/0087

December 13, 2019

Subject: Change in off-market transfers reason codes.

Attention of Participants is invited to NSDL circular no. NSDL/POLICY/2019/0077 dated November 15, 2019 regarding changes in off-market transfer reason codes.

In aforesaid Circular, it has been informed that the effective date for discontinuation of following off-market reason codes shall be notified separately.

Reason Code	Reason Code Name
9	Account Closure
10	On-market Sale (Transfer towards Pay-in)
11	Transmission

In this regard, the necessary changes in respect of discontinuation of aforesaid three reason codes will be made effective in the DPM system at EOD of **December 13, 2019**.

As regards to the discontinuation of aforesaid three off-market reason codes, following system enhancements will be implemented:

1. Account closure and Transmission instructions under Transfer of Holding module of DPM system will be enhanced to facilitate inter-depository transfers in cases where the target account is held with other depository.
2. Transmission instructions under Transfer of Holding module of DPM system will be enhanced to facilitate transfers to multiple target demat accounts in respect of Transmission cases with the reason as 'Transmission To Nominee' (i.e. Multiple Nominations) and 'Transmission To Court Order / Legal Heirs'.
3. As regards to the discontinuation of off-market reason code viz., '**10 - On-market Sale (Transfer towards Pay-in)**', following changes will be implemented:
 - a. The reason code i.e. '**10 - On-Market Sale (Transfer towards Pay-in)**' will be excluded from the list of off-market reason codes available in IDT module.
 - b. On IDT module screen, the field name will be changed from "**Reason Code**" to "**Reason Code / Market Identifier**". The Market Identifier will be applicable only for processing the Market IDT instructions wherein the Source demat account maintained with NSDL is



Beneficial Owner account and Target demat account maintained with other depository is Clearing Member pool account.

- c. Under the new field viz., “**Reason Code/Market Identifier**”, a new market identifier will be incorporated (by replacing the existing reason code i.e. ‘**10 - On Market Sale**’) i.e. ‘**10 - Market IDT Identifier**’, which needs to be selected by the Participants while processing Market IDT instruction. There will be no change in the file format in respect of Participants back-office system as existing reason code i.e. ‘**10 - On Market Sale**’ shall be renamed as ‘**10 - Market IDT Identifier**’ which shall be used for selecting Market IDT Identifier.
- d. Participants shall select the code as ‘**10 - Market IDT Identifier**’ only in respect of processing the Market IDT instruction based on the explicit declaration provided by the client in the field “reason/purpose” of Inter-Depository Delivery Instruction Slip alongwith settlement details that the given instruction is pertaining to Market IDT.

Participants are requested to take note of the aforesaid and inform their clients accordingly. The detailed features in respect of aforesaid functionalities will be notified separately.

For and on behalf of
National Securities Depository Limited

Chirag Shah
Senior Manager

FORTHCOMING COMPLIANCE			
Particulars	Deadline	Manner of sending	Reference
Investor Grievance Report (Monthly)	By 10 th of the following month.	Through e-PASS	Circular No. NSDL/POLICY/2015/0096 dated October 29, 2015
Compliance Certificate (July - December)	January 31st every year	Digitally signed compliance certificate by email at nsdl-bp-inspection@nsdl.co.in Alternatively, by hard copy to Inspection Department.	Circular No. NSDL/POLICY/2010/0017 dated February 22, 2010 and Circular No. NSDL/ POLICY/2018/0028 dated May 21, 2018.