

Circular No.: NSDL/POLICY/2018/0057

Date: October 5, 2018

Subject: Facility to allow transfer of securities wherein Maturity Date has expired in respect of Account Closure instruction through Transfer of Holdings (Account Closure) Module.

As Participants are aware, NSDL had vide circular nos. NSDL/POLICY/2013/0020 dated January 30, 2013 and NSDL/POLICY/2015/0099 dated October 30, 2015 facilitated Participants to execute "Account Closure" instruction through Transfer of Holdings (Account Closure) module wherein securities held under free balances as well as Locked-in balances lying under source depository account can be transferred to target depository account in NSDL depository system. Further, securities lying in the source depository account wherein maturity date of securities has expired used to remain in the source depository account and hence, Participant were not able to close source depository account.

In this regard, NSDL has enhanced the Transfer of Holding (Account Closure) module to facilitate Participants to transfer securities for which maturity date has expired from the source depository account to the target depository account where both source and target depository accounts within NSDL depository system are of the same person.

The features of the same are given below:

1. Upon execution of Account Closure instructions through transfer of holdings module, in case there are any securities wherein maturity date has expired in the source depository account, such securities will be moved to the target account provided:
 - a. PAN flag is enabled in both source and target depository accounts.
 - b. PAN in the source depository account and target depository account are matching across holders and are in the same pattern of holding.
 - c. The ISIN is either in "Active" or "Suspended" status.
 - d. Standing Instruction (SI) indicator to receive credits is enabled in the target depository account. (If Standing Instruction (SI) indicator to receive credits is disabled in the target depository account, the instruction status will be updated as "Counter Party Instruction awaited" and such instruction will be cancelled at EOD.)
2. Upon successful validation, the status of the Account Closure instructions will be updated as "Accepted". In case PAN validation fails, then the transfer of such securities (i.e. securities wherein maturity date has expired) will be rejected.



3. Securities (if any) those are lying under below status will continue to remain in the Source Client depository account and the Account Closure instructions in respect of below securities will be updated as "Rejected".
 - i. Pending Demat
 - ii. Pending Remat
 - iii. Pledge balance / unconfirmed pledge
 - iv. Blocked Inter Depository Transfer
 - v. Quantity level freeze
4. In case the source depository account is not closed due to non-transfer of securities as per any of the above reasons, Participants are requested to ensure to freeze the account i.e. "Suspended for Debit and Credit".

The aforesaid feature will be implemented on eDPM system at EOD of **October 5, 2018**.

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
Risk Assessment Template	October 31 st , 2018	Through e-PASS	Circular No. NSDL/POLICY/2018/0050 dated September 25, 2018
Networth Certificate and Audited Financial Statements.	October 31 st for financial year 2017-18.	By hard copy to Participant Interface Department.	1. Circular No. NSDL/PI/98/414 dated September 1, 1998. 2. Circular No. NSDL/POLICY/2018/0055 dated October 1, 2018
Internal/ Concurrent Audit Report (April - September)	November 15 th every year	Through e-PASS	Circular No. NSDL/POLICY/2018/0042 dated August 3, 2018

