

Circular No.: NSDL/POLICY/2023/0052

April 12, 2023

Subject: Operational guidelines in respect of Handling of Clients Securities by Trading Members (TM) / Clearing Members (CM).

Attention of Participants is invited to NSDL Circular No. NSDL/POLICY/2023/0028 dated February 27, 2023 in respect of SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD1/P/CIR/2022/153 dated November 11, 2022 regarding Handling of Clients Securities by Trading Members (TM) / Clearing Members (CM) – Client Unpaid Securities Pledgee Account. At para A (2) of Annexure A of aforesaid NSDL Circular it was stated that *“Participants are requested to close all the existing “Client Unpaid Securities Accounts” (CUSA) on or before April 15, 2023 as per SEBI guidelines. The CUSA which are not closed before April 15, 2023, Participants are advised to freeze such accounts for debit and credit before EOD of April 15, 2023.”*

In partial modification to the aforesaid circular dated February 27, 2023, Participants are hereby informed that the CUSA which are not closed on or before April 15, 2023, such CUSA shall be suspended (for debit and credit) at EOD of April 15, 2023 by NSDL instead of Participants.

Further, Participants are requested to close all the existing NIL holdings “Client Unpaid Securities Accounts” (CUSA) on or before April 15, 2023 in compliance with above mentioned SEBI circular dated November 11, 2022 and send intimation to their respective clients after closure of demat accounts via letter/ email/ SMS or any other mode which the Participant may deem fit.

In case Participants have CUSA account with holding balance, such Participants are requested to inform their TM / CM clients suitably that *“the securities lying in such accounts shall either be disposed off in the market or be transferred to the client’s demat account by the TM/CM accordingly, failing which such accounts shall be frozen for debit and credit at EOD of April 15, 2023”*

Participants are requested to take note of the above and ensure compliance.

**For and on behalf of
National Securities Depository Limited**

**Arockiaraj
Manager**

**National Securities Depository Limited**

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FORTHCOMING COMPLIANCE

Particulars	Deadline	Manner of sending	Reference
Investor Grievance Report (Monthly)	By 10th of the following month.	Through e-PASS	Circular No. NSDL/POLICY/2015/0096 dated October 29, 2015
Artificial Intelligence /Machine Learning Reporting Form (if offering or using such technologies as defined) (Quarterly)	By 15th of the following month	Through e-PASS	Circular No. NSDL/POLICY/2021/0102 dated October 04, 2021
Cyber Security & Cyber Resilience framework of Depository Participants (Quarterly)	By 15th of the following month.	Through e-PASS	1. Circular no. NSDL/POLICY/2020/0069 dated May 15, 2020. 2. Circular No. NSDL/POLICY/2021/0047 dated May 10, 2021
Reporting of status of the alerts generated by Participants- (Quarterly)	Within 15 days from end of the quarter	Through e-PASS	1. Circular No. NSDL/POLICY/2021/0072 dated July 15, 2021 2. Circular No.: NSDL/POLICY/2022/001 dated January 03, 2022
Risk based Supervision of Participants (Half yearly)	April 30	Through e-PASS	1. Circular No. NSDL/POLICY/2015/0046 dated April 30, 2015 2. Circular No. NSDL/POLICY/2018/0050 dated September 25, 2018
Internal/ Concurrent Audit Report (Half yearly)	May 15	Through e-PASS	Circular No.: NSDL/POLICY/2023/0048 dated April 01, 2023
Tariff Sheet (Yearly)	April 30	Through e-PASS	Circular No.: NSDL/POLICY/2023/0049 dated April 05, 2023