

Standard Operating Procedure (SOP) for reversal of Erroneous Transfer (ET) Cases

Sr. No.	Heading	Particulars
1	Reversal of Erroneous Transfer (ET)	<p>Procedure for reversal of securities transferred erroneously by client or Depository Participant (DP) of NSDL :</p> <ul style="list-style-type: none"> (i) from demat account held with it to demat account held with other DP of NSDL or (ii) from demat account held with DP of NSDL to demat account held with DP of CDSL.
2.	Definition	<p>Intra Depository Erroneous Transfer : Erroneous transfer takes place from Demat account held with NSDL DP to Demat account held with other DP of NSDL.</p> <p>Inter Depository Erroneous Transfer: Erroneous transfer takes place from Demat account held with DP of one depository (NSDL) to demat account held with DP of other depository (CDSL).</p> <p>Source Depository Participant (DP): NSDL DP having demat account from where securities are erroneously debited.</p> <p>Target Depository Participant (DP):</p> <ul style="list-style-type: none"> (i) For Intra Depository ET cases - NSDL DP having demat account to which erroneously transferred securities are credited. (ii) For Inter Depository ET cases – CDSL DP having demat account to which erroneously transferred securities are credited. <p>Internal Committee for reversal of Erroneous Transfers: The Committee formed as per SEBI circular dated August 08, 2023 for examining Intra depository ET cases where OTP challenge(s) being faced.</p> <p>Joint Committee for reversal of Erroneous Transfers : The Committee formed as per SEBI circular dated August 08, 2023 for examining Inter depository ET cases where OTP challenge(s) being faced.</p>
3.	Scenarios for Erroneous Transfer	<p>Erroneous transfer may take place in following events: -</p> <ul style="list-style-type: none"> i. DP error: The DP makes an error in punching/executing instructions given to it by its client. ii. Client error: The client makes an error while (i) filling up details in Delivery Instruction Slip (DIS) and submits the same to DP for execution OR (ii) submitting instructions through online mode(s).
	Part A	Intra Depository (NSDL to NSDL) reversal of Erroneous Transfer
1	Process	i) Source DP to make a written request to NSDL for rectification of erroneous transfer of securities by providing reasons/ exceptional

		<p>circumstances due to which securities were erroneously transferred and reversal request is raised by the DP.</p> <p>ii) In addition to request for erroneous transfer, a Source DP shall also provide to NSDL suitable indemnity obtained from client (in case error is committed by the client while filling up the delivery instruction slip) and other documents as may be sought by NSDL.</p> <p>iii) If documents received by DP are found to be order, then NSDL may advise the Target DP to rectify the erroneous transfer.</p> <p>iv) In case the Target DP communicates to NSDL that it is facing challenge in obtaining OTP from Target client and thus unable to carry reversal of erroneously transferred securities, then such matter be referred to Internal Committee for reversal of Erroneous Transfers as per SEBI circular dated August 08, 2023.</p> <p>v) The Internal Committee shall have meeting/hearing of the concerned parties (DPs/Clients) .</p> <p>vi) In absence of either party during meeting/hearing, the Internal Committee may proceed on the basis of documents that are available on records.</p> <p>vii) The decision of the Internal Committee will be communicated to DPs by following process as specified in SEBI circular dated August 08, 2023.</p>
	Part B	Inter Depository (NSDL to CDSL) Erroneous Transfer
1	Process	<p>In case of Inter Depository Erroneous Transfer cases, the process prescribed above in Part A (para 'i' and 'ii') remains same.</p> <p>Further, on receipt of complete documents from Source DP, NSDL shall:</p> <p>i) Communicate/request to CDSL for rectification of the erroneous transfer under intimation to NSDL.</p> <p>ii) NSDL will receive communication from CDSL about (a) successful reversal of erroneous transferred securities or (b) challenge faced by its target DP in obtaining OTP from concerned target client for reversal of Erroneous Transfer.</p> <p>iii) The matter with OTP challenge as mentioned in 'ii (b)' above will be referred by NSDL to "Joint Committee".</p> <p>Further process of Committee meeting/hearing etc. will remain same as mentioned in Part A (para 'vi' to 'viii') above.</p>

Note: Investor may approach his/her Depository Participant (DP) or can send an email on relations@nsdl.com for such cases.