

Circular No.: NSDL/POLICY/2021/0007

February 04, 2021

Subject: Acceptance of Delivery Instructions through Demat Gateway.

Attention of Participants is invited to NSDL Circular No. NSDL/POLICY/2021/0004 dated January 28, 2021 regarding acceptance of Delivery Instructions through Demat Gateway. In this regard, Participants are requested to take note of the following clarifications as issued by SEBI to both depositories vide its email dated February 03, 2021 with respect to process of seeking mandate/Pre-trade authorisation:-

1. It is mandatory for the client to specify the settlement number / settlement date at the time of providing the pre-trade authorisation/mandate.
2. Mandate provided for multiple ISINs shall not lapse if the debit is effected only for one particular ISIN, however such mandate shall be valid only for a particular settlement number/date as specified in the mandate.
3. Mandate received from client should only be for a single settlement number/date as provided by client. The same cannot be exercised before or after the given settlement date.

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

In case of any information / clarifications w.r.t availing Demat Gateway facility, Participants are requested to contact the following officials:-

Name of the Official	Telephone No. / Mobile No.	Email Address
Ms. Richi Savla	(022) 2499 4544 / +91 8080506500	richis@nsdl.co.in
Mr. Narayan Venkat	(022) 2499 4479 / +91 9819219486	narayanv@nsdl.co.in

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

Digitally signed by

Name : Chirag Shah

Date : 04-Feb-21 4:08:17 PM

Reason : Authentication



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CDSL/OPS/DP/SETTL/2021/54

February 08, 2021

ACCEPTANCE OF DELIVERY INSTRUCTIONS THROUGH ONLINE PORTAL OF INTERMEDIARIES

DPs are aware that CDSL is providing a facility of accepting Delivery Instructions through Online Portal of Depository Participant (DP) / Stock Brokers (herein after referred to as “intermediaries”) is known to the intermediaries as ‘e-DIS’ facility.

In this context, DPs are informed to note that SEBI letter dated January 20, 2021 addressed to both depositories states as under:

- A. SEBI has examined the facility of accepting Delivery Instructions through Online Portal of intermediaries which has been enabled by CDSL as e-DIS and its process of seeking authorizations / mandate.
1. e-DIS facility: The facility of e-DIS has to be true to its label and should:
 - a) Necessarily capture all details that are otherwise being captured in physical DIS, including settlement number and actual quantity to be transferred in case of on-market transfers.
 - b) Be an instruction toward actual transfer of securities to meet obligation for a single settlement number / date.
 2. Pre-trade authorisation / Mandate: The following shall be required to be ensured:
 - a) The mandate should be received from client authorising the concerned intermediary to transfer specific securities for meeting on-market settlement obligation only.
 - b) Such mandate should necessarily pertain to a single settlement number / settlement date.
 - c) Client shall be required to authorise each mandate valid for a single settlement number / settlement date, by way of OTP and TPIN / Password, both generated at Depositories end.
 - d) Prior to executing actual transfer of securities based on details provided by intermediary, Depositories need to match and confirm the same with mandate provided by client as well as client-wise net delivery obligation arising from the trade executed on exchange, as provided by Clearing Corporation to Depositories for each settlement date.



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- e) Securities transferred on basis of mandate provided by client should be credited only to client's trading member pool account.
 - f) Intermediary providing this facility have enabled its client to revoke / cancel the mandate provided by them.
- B. Intermediaries providing this facility shall ensure that mandate provided by client adheres to following requirements:
- 1. The mandate provided by client should:
 - a) Be in favour of the concerned SEBI registered intermediary only.
 - b) Not provide the authority to transfer the mandate in favor of any assignees of the concerned Intermediary.
 - c) Require the Intermediary to return the securities to client(s) that may have been received by them erroneously or those securities that it was not entitled to receive from the client(s).
 - 2. The mandate provided by client shall not facilitate Intermediaries to do the following:
 - a) Transfer of securities for off-market trades.
 - b) To execute trades in the name of client without client's consent.
 - c) To open an email ID on behalf of the client for receiving relevant communications.
 - d) Prohibit to issue DIS to beneficial owner.
 - e) Prohibit client from operating the account.
- C. DPs are also informed to note of the following clarifications as issued by SEBI to both depositories vide its email dated February 03, 2021 with respect to process of seeking pre-trade authorisation / mandate:
- 1. It is mandatory for the client to specify the settlement number / settlement date at the time of providing the pre-trade authorisation / mandate.
 - 2. Mandate provided for multiple ISINs shall not lapse if the debit is effected only for one particular ISIN, however such mandate shall be valid only for a particular settlement number / date as specified in the mandate.
 - 3. Mandate received from client should only be for a single settlement number / date as provided by client. The same cannot be exercised before or after the given settlement date.



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D. Also, DPs are informed to take note of following timelines to implement specific directions as mentioned in SEBI letter dated February 5, 2021 issued to both the Depositories;

- 1. Dual authorization through OTP and TPIN:** Depositories shall ensure implementation of dual authorization through OTP and TPIN/Password by **February 20, 2021**.
- 2. Revocation of pre-trade authorization mandate:** Depositories shall ensure implementation of revocation of pre-trade authorisation/mandate by **March 15, 2021**.
- 3. Matching delivery obligations with CC files:** Depositories shall ensure implementation of matching of delivery obligations with files of Clearing Corporations by **March 15, 2021**.
- 4. Single settlement number / settlement date:** Depositories shall ensure implementation of single settlement number / settlement date by **February 20, 2021**.

CDSL is in the process of issuing a separate communique to its DPs elaborating operational modalities towards implementing above-mentioned SEBI directives.

Queries regarding this communiqué may be addressed to:

- ❑ **CDSL – Settlement Desk** on (022) 2305-8611, 2305-8508, 2305-8635, 2305-8612, 2305-8501 or 2305-8601. Emails may be sent to: operations@cdslindia.com.
- ❑ **CDSL – Helpdesk** on telephone numbers (022) 2305-8624, 2305-8639, 2305-8642, 2305-8663, 2305-8640, 2300-2041 or 2300-2033. Emails may be sent to: helpdesk@cdslindia.com.

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Prashant Kokate
Asst. Vice President – Operations