

### Performance Summary

Particulars	As on February 28, 2023	As on March 31, 2023	As on April 30, 2023
Investor Accounts	3,01,36,161	3,14,63,053	3,16,85,643
Participants	284	283	283
Participant service centres	58,956	59,401	59,651
Demat Custody	₹ 301.36 Lakh Crore	₹ 302.18 Lakh Crore	₹ 313.51 Lakh Crore
Settlement Value	₹ 3.74 Lakh Crore	₹ 4.03 Lakh Crore	₹ 3.14 Lakh Crore
Companies available for demat	40,652	40,987	41,234
Number of Instruments			
Certificates of Deposit	307	325	314
Commercial Paper	1,613	1,529	1,630
Debentures/Bonds	20,906	21,170	21,375
Securitized Instruments	3,744	3,765	3,864

## News

### 1. Encryption of files by Depository Participants (DPs)

SEBI vide its circular had informed regarding "Cyber Security and Cyber Resilience framework of Stock Exchanges, Clearing Corporation and Depositories" wherein it has been inter-alia stated that the 'Data-in motion and Data-at-rest should be in encrypted form by using strong encryption methods such as Advanced Encryption Standard (AES), RSA, SHA-2, etc.'

In view of the aforesaid, NSDL has developed a product (e-signer) to digitally sign and encrypt the instructions files (generated from the back-office system) to be uploaded on NSDL eDPM system and the same is available as a value-added service to the Participants. Participants may avail the NSDL e-signer facility or may implement it on their own to comply as per the SEBI requirement.

**Reference :** Circular No. [NSDL/POLICY/2023/0059](https://www.nsdl.com/Policy/2023/0059) dated May 15, 2023 available on NSDL website.

### 2. Revision of Multi-Protocol Label Switching (MPLS) - Connectivity charges for Participants

With effect from April 1, 2023, below are the MPLS connectivity charges

Sr. No.	Bandwidth	Proposed Revision of Annual recurring charges for Business Partner (Rs)	Sr. No.	Bandwidth	Proposed Revision of Annual recurring charges for Business Partner (Rs)
1	64 Kbps	40,000	5	1 Mbps	90,000
2	128 bps	45,000	6	2 Mbps	1,50,000
3	256 Kbps	50,000	7	4 Mbps	1,70,000
4	512 Kbps	65,000	8	10 Mbps	2,00,000

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**Note:**

- 1) One Time Installation charges are Rs.10,000/- plus taxes for new connection.
- 2) All above charges will be exclusive of the taxes.

**Reference :** Circular No. [NSDL/POLICY/2023/0057](#) dated May 04, 2023 available on NSDL website.

### 3. Framework for deactivation of demat accounts in cases of inadequate KYCs

SEBI, through its communication to MIs, has revised the duration of completion of the process of delivery of SCN/ Order from 30 working days to 15 working days from the date of receipt of Notices/Orders from SEBI. In case the SCN/ Order is not delivered within 15 days, such clients demat account(s) will be suspended for Debit and Credit (except for corporate actions) based on the Permanent Account Number (PAN) within 5 working days from the last unsuccessful delivery report.

**Reference :** Circular No. [NSDL/POLICY/2023/0056](#) dated May 04, 2023 available on NSDL website.

### 4. Guidelines in pursuance of amendment to SEBI KYC (Know Your client) Registration Agency (KRA) Regulations, 2011

*Clients whose KYC records are not found to be valid by KRA after the validation process shall be allowed to transact in securities market only after their KYC is validated”.*

Participants need to comply with the above requirement and ensure that clients whose KYC records are not found to be valid by KRA after the validation process shall be allowed to transact in securities market only after their KYC is validated by KRA.

Further, in case the existing clients whose KYC records are not found to be valid by KRA after the validation process, as per intimation received from KRA, Participants should suspend such demat accounts for debit and credit with the freeze reason code as **“08 - Account Holder related - KYC non-compliant”** with remarks as **“KYC record not found valid by KRA”** and Participants may remove the suspension from such demat accounts only after KYC for such account is validated by KRA.

Further, Participants are advised to inform/follow up with their Clients (whose KYC records are not found to be valid by KRA after their validation process) to complete the validation/verification of their KYC details (i.e., email ID and mobile number etc.,) through online facility provided by the KRA’s. It may be further noted that in case where email ID or mobile number or both needs a change/ updation, such clients shall raise a modification request to that effect for the KYC record/s with their respective KRA as per extant procedure.

**Reference :** Circular No. NSDL/POLICY/2023/0055 dated April 30, 2023 available on NSDL website.

### 5. Annual assessment of default status of debt securities

Annual assessment of default status in respect of debt securities which have been identified as Defaulted in Redemption in NSDL system as on March 31, 2023, has been conducted. Accordingly, based on the updates on

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redemption payment of the aforesaid debt securities provided by respective Issuers / Debenture Trustees, the details of the assessment of debt securities that continue to remain in Defaulted in Redemption status in NSDL system and which have been removed from the list of debt securities defaulted in redemption pursuant to repayment of maturity proceeds / restructuring and restriction on transactions post maturity / redemption date have been imposed, have been mentioned in NSDL Circular No. [NSDL/POLICY/2023/0053](#) dated April 17, 2023 available on NSDL website.

#### 6. Linking of PAN with Aadhaar

As per the said CBDT Notification, it was clarified that the PAN allotted to a person shall become inoperative if it is not linked with Aadhaar by March 31, 2023.

In this context, Central Board of Direct Taxes (CBDT) has extended the timeline for linking of PAN and Aadhaar to **30th June, 2023**. Relevant extract of the same is given below:

*"In order to provide some more time to the taxpayers, the date for linking PAN and Aadhaar has been extended to 30th June, 2023, whereby persons can intimate their Aadhaar to the prescribed authority for Aadhaar-PAN linking without facing repercussions"*

Participants are hereby advised to take all possible measures so that the eligible demat accounts are compliant before the timeline of June 30, 2023.

**Reference :** Circular No. [NSDL/POLICY/2023/0050](#) dated April 10, 2023 available on NSDL website.

#### 7. Streamlining the onboarding process of FPIs

- a) SEBI (Foreign Portfolio Investors) (Amendment) Regulations, 2023 vide its notification dated March 14, 2023 had issued a circular for streamlining the onboarding process of FPIs.
- b) In terms of Regulation 3 (2) of the SEBI (Foreign Portfolio Investors) Regulations, 2019 (hereinafter referred to as 'FPI Regulations'), an application for the grant of certificate as a foreign portfolio investor shall be made to a Designated Depository Participant ('DDP') in the Form and manner specified by the Government or the Board from time to time and shall be supported by the fee specified in Part A of the Second Schedule and any documents in the manner specified by the Board from time to time.
- c) Accordingly, in order to ease the onboarding process of FPIs and reduce the time taken for granting registration and opening of demat, trading and bank accounts of FPIs, SEBI vide its Circular No. SEBI/HO/AFD-2/CIR/P/2022/175 dated December 19, 2022 (hereinafter referred to as 'Master Circular') has specified the modifications to the 'Master Circular for Foreign Portfolio Investors, Designated Depository Participants and Eligible Foreign Investors'.

**Reference :** Circular No. [NSDL/POLICY/DDP/2023/0001](#) dated April 06, 2023 available on NSDL website.

#### 8. Facility for submission of Charge Structure in electronic form through e-PASS

NSDL has developed a facility for submission of charge structure on yearly basis through online portal i.e., e-PASS (<https://www.epass.nsdl.com>). Accordingly, Participants are requested to take note to submit charge structure on

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yearly basis through e-PASS platform with effect from **April 05, 2023**. The current practice of submission of yearly charge structure by Participants through email (on email id: [dpfees@nsdl.co.in](mailto:dpfees@nsdl.co.in)) will be discontinued. The procedure for submitting the charge structure on yearly basis through e-PASS and its salient features is mentioned in the Annexure to this circular. For submitting the charge structure, the maker / checker user of Participants will be able to access e-PASS through their existing log-in IDs created for submission of other periodic compliances.

Further, for updation of subsequent changes (addition/deletion/modification) in aforesaid charge structure by Participants during the year, participants will continue to use the existing process of updation through email ([dpfees@nsdl.co.in](mailto:dpfees@nsdl.co.in)).

**Reference :** Circular No. [NSDL/POLICY/2023/0049](#) dated April 05, 2023 available on NSDL website.

## 9. Internal and Concurrent Audit of depository operations

As per Bye Law 10.3, each Participant is required to have its depository operations audited by a qualified Chartered Accountant or a Company Secretary or a Cost and Management Accountant holding a Certificate of Practice. Based on such audit, a copy of the report should be submitted to NSDL on a half-yearly basis.

Further, Participants are advised to take note of the following:

- a) Audit should cover all facets of the depository operations. Auditor may expand the scope of audit / add more audit points to achieve the given objectives. Participants are advised to extend full co-operation to their auditors to enable them to perform an effective audit. All circulars / guidelines issued by NSDL / SEBI from time to time and other information / records desired by the auditors should be made available to them within a reasonable time.
- b) Participants are required to submit the audit report as per the schedule given below to NSDL.

Audit Period	Due date for Submission of report to NSDL
April 01 to September 30	November 15
October 01 to March 31	May 15

- c) The Participants which remain operational for less than three months in an audit period can submit audit report for that audit period along with the audit report for the next audit period. For example, if a Participant is made operational by NSDL on July 01, 2022, then it can submit its first audit report for period July 01, 2022 - March 31, 2023.

**Reference :** Further details is mentioned in Circular No. [NSDL/POLICY/2023/0048](#) dated April 1, 2023 available on NSDL website.

## 10. Nomination for Eligible Trading and Demat Accounts – Extension of timelines for existing account holders

Based on the representations received from various stakeholders regarding freezing of Eligible Trading and Demat

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Accounts for Nomination, SEBI has extended the timeline for freezing of accounts for existing account holders from March 31, 2023 to September 30, 2023.

Further, Participants are advised to encourage their clients to update 'choice of nomination' by sending a communication on fortnightly basis by way of emails and SMS to all such demat accounts wherein the 'choice of nomination' is not captured. The communication shall provide guidance through which the client can provide his/her 'choice of nomination'.

**Reference :** Circular No. [NSDL/POLICY/2023/0046](#) dated March 28, 2023 available on NSDL website.

#### 11. Clarification/Guidance w.r.t Nomination for Eligible Demat Accounts

SEBI has clarified that the re-submission of nomination details shall be optional for the existing investors, who have already provided the nominee details or used "*I/We do not wish to make a nomination*" option after issuance of NSDL Circular No. NSDL/POLICY/2009/0002 dated January 3, 2009.

Further, it has come to the notice of SEBI that the market participants are updating the nomination field on their own and marking the same as opting out of nomination in case the investor has not updated/submitted the choice of nomination. It may be noted that updating the 'choice of nomination' without the explicit consent of the investor is against the intention of the circulars and the same **has been viewed seriously**. Also, this requirement emanates from regulatory requirement and hence **no fee** may be charged for the same.

Participants are hereby advised that 'choice of nomination' is required to be updated either by the investors or by the Participant by obtaining their explicit consent. In any other case, the field of 'choice of nomination' shall not be updated by the Participants on their own.

**Reference :** Circular No. [NSDL/POLICY/2023/0044](#) dated March 27, 2023 available on NSDL website.

#### 12. Guidelines to curb spam SMSes and misuse of Headers and Content Templates by unauthorized Telemarketers (UTMs)

SEBI has issued guidelines to curb spam SMSes and misuse of Headers and Content Templates by Unauthorized Telemarketers (UTMs) and informed that in order to ensure that all promotional messages are sent only through Registered Tele-marketers (RTMs) and also to stop misuse of Headers and Message Templates which leads to increase in number of fraud/ spam, the Telecom Regulatory Authority of India (TRAI) has issued two separate directions to all Access Service Providers (ASPs) under the Telecom Commercial Communication Customer Preference Regulation, 2018 (TCCCPR - 2018).

Further, SEBI vide the said letter has advised that all intermediaries who send bulk SMS hereinafter referred to as Principal Entities (PEs), may be sensitized and the directions from TRAI may be noted for implementation.

**Reference :** Further details is mentioned in Circular No. [NSDL/POLICY/2023/0043](#) dated March 27, 2023 available on NSDL website.

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#### 13. Master Circular on Surveillance of Securities Market

In order to ensure availability of consolidated information contained in all the circulars pertaining to surveillance of securities market at one place, the provisions of the relevant circulars have been consolidated in this Master Circular which is issued by SEBI.

This Master Circular is categorized subject wise under various headings, viz., trading rules and shareholding in dematerialized mode, monitoring of unauthenticated news circulated by SEBI registered market intermediaries through various modes of communication and disclosure reporting under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

**Reference :** Further details is mentioned in Circular No. [NSDL/POLICY/2023/0042](#) dated March 24, 2023 available on NSDL website.

#### 14. Additional Operational guidelines in respect of Handling of Clients Securities by Trading Members (TM) / Clearing Members (CM) – Client Unpaid Securities Pledge Account

NSDL has issued operational guidelines for executing Inter Depository Transfer instructions in respect of Client Unpaid Securities Pledge Account (CUSPA) for necessary implementation of the SEBI guidelines. These changes have been implemented in NSDL DPM / SPEED-e system at EOD of March 31, 2023.

**Reference :** Circular No. [NSDL/POLICY/2023/0040](#) dated March 22, 2023 available on NSDL website.

#### 15. Common and simplified norms for processing investor's service requests by RTAs and norms for furnishing PAN, KYC details and Nomination

- a) SEBI has prescribed the 'Common and simplified norms for processing investor's service requests by RTAs and norms for furnishing PAN, KYC details and Nomination'.
- b) SEBI has received representations from investors regarding difficulties being faced by them with regard to certain procedural aspects of the provisions and varied interpretations with regard to the documentation required for processing investor service requests.
- c) Based on the investor feedback and consultation with Registrars Association of India (RAIN), the norms/procedural requirements for processing service requests of investors are specified in this circular.
- d) **Mandatory furnishing of PAN, KYC details and Nomination by holders of physical securities**

It shall be mandatory for all holders of physical securities in listed companies to furnish PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers.

**Reference :** Further details is mentioned in Circular No. [NSDL/POLICY/2023/0037](#) dated March 21, 2023 available on NSDL website.

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#### 16. Amendment to Business Rules of NSDL – Penalty Structure

NSDL has amended its business rules to include addition of a new penalty head for Participants under Chapter 18.1. The aforesaid amendments are in effect from April 01, 2023.

**Reference :** Circular No. [NSDL/POLICY/2023/0036](#) dated March 20, 2023 available on NSDL website.

#### 17. Changes in file format and booking narration codes in respect of Handling of Clients Securities by Trading Members (TM) / Clearing Members (CM) – Client Unpaid Securities Pledgee Account.

In regard to Handling of Clients Securities by Trading Members (TM) / Clearing Members (CM) – Client Unpaid Securities Pledgee Account, the following file formats in respect of the back-office interface with SPEEDe systems have been changed.

- CM to BO Instruction Upload – Inter Depository Transfer Instructions
- DP Download – Inter Depository Transfer (925)

Further, the booking narration codes in respect of DPM system pertaining CUSPA mechanism-based instructions is mentioned in Annexure B to this circular.

Participants should also note that while opening the demat accounts in respect of Stock Brokers Client Unpaid Securities Pledgee account, the flag viz., “**Standing Instruction Indicator for Auto Pledge Confirmation**” was to be enabled in local DPM system by March 24, 2023.

**Reference :** Circular No. [NSDL/POLICY/2023/0035](#) dated March 17, 2023 available on NSDL website.

#### 18. Addition of New Client Sub-Type for demat account opening

NSDL has informed that the following new client sub-type will be introduced in Client Maintenance Module of the DPM system to facilitate Participants to open demat accounts for below mentioned clients.

Client Type (Existing)	Client Type code (Existing)	New Client sub-type description	New Client sub-type code
Body Corporate	05	Asset Reconstruction Companies	42

Participants are requested to make necessary changes in their back office system as per the aforementioned static data codes in respect of Client Maintenance Module of DPM System.

**Reference :** Circular No. [NSDL/POLICY/2023/0034](#) dated March 16, 2023 available on NSDL website.

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#### Key Information for Investors


##### Investor Grievance Redressal Mechanism

1. SEBI Master Circular on the redressal of investor grievances through the SEBI Complaints Redress System (SCORES) platform dated November 7, 2022

Investors can access the master circular with the below link. [SEBI | Master Circular on the redressal of investor grievances through the SEBI Complaints Redress System \(SCORES\) platform](#)

2. We encourage investors to Read 'Investor Charter' at [https://nsdl.co.in/publications/investor\\_charter.php](https://nsdl.co.in/publications/investor_charter.php)
3. Online web-based complaints redressal system of NSDL can be accessed via link <https://nsdl.co.in/nsdlnews/investors.php> (Post your complaints/queries to NSDL)
4. Lodge your complaint with SEBI at [www.scores.gov.in/](http://www.scores.gov.in/) or SEBI Mobile App - SCORES
  - SEBI Toll free helpline - 18002667575 / 1800227575
  - NSDL helpline - 022-48867000 / 022-24997000
  - NSDL email for grievance - [relations@nsdl.co.in](mailto:relations@nsdl.co.in)
  - NSDL email for other information - [info@nsdl.co.in](mailto:info@nsdl.co.in)

##### NSDL on Social Media

NSDL is now present on Facebook, Twitter, Instagram, LinkedIn and YouTube. We invite all our esteemed readers to join us by clicking on the below icons. 

### Forthcoming Compliance

Particulars	Deadline	Manner of sending	Reference
Investor Grievance Report (Monthly)	By the 10 <sup>th</sup> of the following month.	Through e-PASS	Circular No. NSDL/POLICY/2015/0096 dated October 29, 2015
Annual System Audit Report (Yearly)	June 30	Through e-PASS	Circular No. NSDL/POLICY/2022/068 dated May 13, 2022

For Performance Summary during February - April 2023, visit [https://nsdl.co.in/securities\\_admitted\\_for\\_dematerialisation.php](https://nsdl.co.in/securities_admitted_for_dematerialisation.php)

For list of Companies which changed Name during February - April 2023, visit <https://nsdl.co.in/list-comchange.php>

# NSDL Update

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**Link your PAN to Aadhaar before June 30, 2023**

**Be a Surakshit, Samajhdar aur Atmanirbhar Niveshak**



**Hurry!! Last date is**  
**30<sup>th</sup> June, 2023**

### **LINK PAN TO AADHAAR**

- If your Demat account with PAN is not linked to Aadhaar, your demat account will be marked as inactive**
- In case of demat accounts with joint holders, linking PAN to Aadhaar is mandatory for all joint holders**



### **Link PAN to Aadhaar in 3 easy steps**

- Step 1: Visit [www.incometax.gov.in](http://www.incometax.gov.in)
- Step 2: Click on 'Link your PAN'
- Step 3: Enter your PAN and Aadhaar number and Validate

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**Hurry!! Nominate Your Loved Ones in your demat account by September 30, 2023**

**Nominate Karo - Surakshit, Samajhdaar,  
aur Atmanirbhar Niveshak Bano !**

**NOMINATE YOUR  
LOVED ONES IN YOUR  
NSDL DEMAT ACCOUNT TODAY!**



Visit

<https://eservices.nsdl.com/instademomat-kyc-nomination/#/login>

OR



SCAN TO  
NOMINATE  
ONLINE

Applicable to single demat account holders who have not opted-in/opted-out for Nomination in their demat account.

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## Mar-May 2023

Update your email ID & income range in your demat account

Be a Surakshit, Samajhdar aur Atmanirbhar Niveshak



## Update your email ID & income range in your demat account

Dear Investor,

If your demat account has been frozen due to non-update of email ID and income range, kindly update the details in  
**3 easy steps**

**Step 1** - Visit <https://eservices.nsd.com/kyc-attributes/#/login>,  
Enter DP ID, Client ID & PAN. Submit OTP

**Step 2** - Update email ID / income range

**Step 3** - e-Sign



Scan to  
know the  
procedure



Or

★ Download NSDL Speede Mobile App to update your email ID & income range



Play Store



App Store

Or

★ Visit your Depository Participant (DP) to update email ID and income range

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**Be Vigilant! Invest through a SEBI registered Intermediary**

Do Not Fall Prey To Stock Tips, Hot Picks etc. Circulated on Twitter, Instagram, WhatsApp, Telegram, Unsolicited SMS, YouTube Channels etc.



*Be a Prudent Investor – Consult a SEBI Registered Investment Advisor and Do Your Own Homework Before Investing*

## NSDL Head Office

Trade World, A-wing, 4th Floor, Kamala mills Compound, Lower Parel Mumbai - 400013  
022-48867000 / 022-24997000

## Branch Offices

● Ahmedabad ● Bengaluru ● Chennai ● Hyderabad ● Jaipur ● Kochi ● Kolkata ● Lucknow ● New Delhi

Published by Mr. Prashant Vagal (Editor) on behalf of National Securities Depository Limited.  
Printed at **Vcore Connect Unit no -214, 2nd Floor, Ajay Industrial Estate, Anjeer wadi, Mazgaon, Byculla, Mumbai - 400010**

