National Securities Depository Ltd.

Participant Interface
Circular

Circular No.: NSDL/POLICY/2010/0140 Date: December 30, 2010

Sub: Amendments to Business Rules - Redemption or Repurchase and Annexure HA

As Participants are aware, mutual fund units held in demat accounts can be redeemed by Clients through two modes i.e., through their Participants or Stock Brokers. To redeem the mutual fund units through Participants, Clients are required to submit Repurchase / Redemption Form (RF) to Participants. The current procedure requires the Participants to execute electronic redemption request in the eDPM System and forward the physical copy of the RF to the Issuer / Registrar and Transfer Agent (RTA). In this regard, the redemption process has been simplified as follows:

(i) As per SEBI's advice, Participants need not forward the physical copy of the RF to the Issuer / RTA. After due verification, the RF submitted by Clients will be retained by the Participants. Participants are required to only execute electronic redemption request in the eDPM System.

(ii) The RF has been re-designed to make it simpler for Clients and Participants to fill and process the RF respectively.

Accordingly, Rule 11.3.3, Rule 11.3.5 and Annexure HA (*i.e., Repurchase / Redemption form*) to Business Rules have been amended, Rule 11.3.7 to Business Rules has been deleted and Rule 11.3.8 to Business Rules has been amended and re-numbered as 11.3.7. The amended Business Rules in track change mode and Annexure HA are enclosed.

For and on behalf of
National Securities Depository Limited

Samar Banwat
Senior Vice President

Encl: a/a

Signature Not Verified
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