National Securities Depository Ltd.

Participant Interface
Circular

Circular No.: NSDL/POLICY/2009/0116 Date: December 5, 2009

Sub: Facility for holding mutual fund units in dematerialised form

All Participants are hereby informed that as per the scheme envisaged by SEBI vide Circular No. SEBI/IMD/CIR No.11/183204/2009 dated November 13, 2009 (copy enclosed) for transacting in mutual funds through stock exchange platform, NSDL has enabled holding these mutual fund units in dematerialised form.

In order to encourage investors to avail this facility, it has been decided not to charge any fee to Participants till March 31, 2010 in respect of mutual fund units [security type code '20' Mutual Fund Units (TRASE)] routed through the stock exchange platform. The list of the mutual funds which have joined NSDL so for is given below:

Sr. No.	Name of Fund
1	Birla Sun Life Mutual Fund
2	Fidelity Mutual Fund
3	HDFC Mutual Fund
4	ICICI Prudential Mutual Fund
5	Reliance Mutual Fund
6	Religare Mutual Fund
7	SBI Mutual Fund
8	TATA Mutual Fund
9	UTI Mutual Fund

Features:

1. The existing depository accounts can be used for holding these mutual funds units in dematerialised form.

2. **Subscription:**

   On subscription for mutual fund units by investor through stock exchange, Asset Management Company (AMC)/ Registrar & Transfer Agent (RTA) will credit the depository account of the Client directly through credit corporate action.

3. Redemption:

(a) For redemption purpose, in addition to the investor placing an order through stock exchange the client will have to give an instruction through a delivery instruction slip (DIS) to its Participant to transfer the units to a designated Pool account of the Clearing Corporation (CC) of the stock exchange. The designated Pool accounts are given below:

Sr. No.	Stock Exchange Name	CC Name	CM BP ID	Market Type	Settlement Number	Execution Date	Pay-in deadline
1	National Stock Exchange	National Securities Clearing Corporation Ltd.	IN565576	12 (Mutual Fund)	As applicable		4.30 PM on Trade day (Order Day)
2	Bombay Stock Exchange Limited	Indian Clearing Corporation Ltd.	IN619960	02 (Mutual Fund)			

(b) Participants are required to execute the DIS in the DPM system promptly. The CCs either have a standing instruction to receive credits or will execute a corresponding receipt instruction to receive units in its account. For those instructions which are matched in the depository system, the units will be debited from the account of the client and credited to the account of CC.

(c) The redemption proceeds will be sent by AMC/ RTA through appropriate payment mode such as direct credit, NEFT or cheque as decided by AMC from time to time, as per the bank account details of the Client available in the depository system.

4. Transaction Statements:

Participants must continue sending the Transaction Statement to their Clients as per the existing frequency which will include mutual fund units also.

For and on behalf of
National Securities Depository Limited

Samar Banwat
Vice President

Signature Not Verified
Digitally signed by Samar Banwat
Date: 2009.12.05 16:30:50 +05:30
Reason: Authentication
Location: NSDL, Mumbai

Encl: a/a