National Securities Depository Ltd.

Participant Interface
Circular

Circular No.: NSDL/POLICY/2009/0126 Date: December 31, 2009

Sub: Launch of SPICE (S**ubmission of **P**ower of attorney based **I**nstructions for **C**lients **E**lectronically)* on ***SPEED-e / IDeAS

All Participants are hereby informed about the introduction of a facility for auto pay-in of securities named **SPICE** ***(S**ubmission of **P**ower of attorney based **I**nstructions for **C**lients **E**lectronically)*** using the infrastructure of ***SPEED-e*** and ***IDeAS***. The details of the facility are given below:

(I) Introduction :

This facility is in respect of demat accounts operated on the basis of Power of Attorney (POA). Many investors execute POA in favour of their stock brokers *(i.e. Clearing Members)* and advise their Participants accordingly. Based on the POA, Clearing Members (CMs) submit instructions *(auto pay-in)* to the Participants *(where Clients maintain demat accounts)* to debit the demat accounts of the Clients. **SPICE** would enable such CMs to submit digitally signed instructions to Participant through the ***SPEED-e*** facility thereby eliminating the need to give paper based delivery instructions to the Participants.

(II) Process :

a) CMs can set up registration requests in respect of their Clients *(who have given POA in their favour)* on ***SPEED-e***.

b) Registration requests can be confirmed by the Clients' Participant through ***SPEED-e*** or ***IDeAS*** *(if not subscribed for **SPEED-e** facility)*.

c) Upon confirmation by the Clients' Participant, the Client accounts get registered for the **SPICE** facility.

d) After Clients are registered for this facility, CM can submit digitally signed instructions to debit the demat accounts of Clients and credit its pool account through ***SPEED-e*** facility.

e) Participants of the Clients *(where Clients maintain demat accounts)* will download these instructions and import it into their DPM system for execution.

(III) Pre-requisites:

Entities	Subscription to	Remark
Clearing Member	***SPEED-e***	Client should have given POA in favour of the CM for submission of instructions.
Participant of the CM	***SPEED-e***	-
Client (beneficiary accountholder)	-	Must have given POA in favour of the CM and POA must have been submitted to the Participant.
Participant of the Client	Either ***SPEED-e*** *or* ***IDeAS***	Must have taken the POA *(given by Clients in favour of the CM)* documents in its records.

(IV) Registration:

The Participant of the CM *(where the CM maintains the CM Pool Account)* and the CM should have subscribed for the ***SPEED-e*** facility for availing the facility of **SPICE**. In case the CM has not subscribed for ***SPEED-e*** facility, the CM will be required to register on ***SPEED-e*** by following the existing process.

CMs who wish to avail **SPICE** facility *(existing as well as new subscribers of* ***SPEED-e****)* will be required to submit an application as per Annexure 1 (enclosed) to their Participants *(subscribed for* ***SPEED-e*** *facility)*. Clients of such CMs should have given Power of Attorney (POA) in favour of the CM and POA documents must be in the records of the Participants where the Clients are maintaining their demat accounts. Participants of the CM will be required to forward Annexure 1 *(duly authorized by their Compliance Officer)* to NSDL for activating the **SPICE** facility for their CMs.

In case CMs shift their CM Pool Accounts, then such CMs will be required to re-register their Clients and follow the procedures mentioned above.

(V) Workflow:

Workflow enclosed at Annexure A.

(VI) Back office file formats:

Back office file formats for CMs and Participants enclosed at Annexure B. Further, the file formats will be displayed on ***SPEED-e*** website and NSDL SQLASSIST intranet site (https://sqlassist). Participants are also requested to inform their CMs about the new file formats.

(VII) Charges :

Particulars	Charges payable
Client	Free
Participant	Free
CM	No additional charges for CMs for availing **SPICE** facility. The existing charge of Rs.125 payable per quarter towards subscription for ***SPEED-e*** will continue.

For more information / clarification, Participants are requested to contact the following officials :

Name of the official	Telephone Number	Email address
Mr. Yogesh Parve	(022) 2499 4490	yogeshp@nsdl.co.in
Mr. Sandeep Kumar	(022) 2499 4361	sandeepk@nsdl.co.in
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For and on behalf of
National Securities Depository Limited

Samar Banwat
Vice President

Encl.: As above

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