

Circular No.: NSDL/POLICY/2018/0035

Date: July 9, 2018

**Subject: Capturing payment details in case of off-market transfers made for the reason 'off-market sale'.**

All Participants are hereby informed that pursuant to a Surveillance meeting at SEBI, it has been decided as follows:

1. For all off-market transfers made for the reason 'off market sale', in addition to mandatorily capturing consideration, Participants must also mandate clients to provide evidence of the consideration details.
2. The consideration details to be captured will include:
  - a. Mode of payment which can be Cash, Cheque or Electronic payment
  - b. Date of payment
  - c. In case mode of payment is Cheque or Electronic payment,
    - i. Transferee's name, bank account number and bank name.
    - ii. Transaction reference number for electronic payments or cheque number for cheque payments.
3. In case of an off market transfer, the reason 'others' can be selected only if it does not fall in any other specified reasons, and thus if the reason given by the client is 'sale', it must not be captured in 'others' category.
4. Participants are requested to take note that the changes in the system required to enable capturing of the same will be notified separately.

Participants are requested to take note of the above.

For and on behalf of  
**National Securities Depository Limited**

**Ashish Kini**  
**Senior Manager**

FORTHCOMING COMPLIANCE			
Particulars	Deadline	Manner of sending	Reference
Investor Grievance Report (Monthly)	By 10 <sup>th</sup> of the following month.	Through e-PASS	Circular No. NSDL/POLICY/2015/0096 dated October 29, 2015
Compliance Certificate (January - June) Digitally signed by Name : Ashish Kini Date : 7/9/2018 7:12:05 PM Reason : Authentication	July 31st every year	Digitally signed compliance certificate by email at nsdl-bp-inspection@nsdl.co.in Alternatively, by hard copy to Inspection Department.	Circular No. NSDL/POLICY/2010/0017 dated February 22, 2010 and Circular No. NSDL/ POLICY/2018/0028 dated May 21, 2018.



**National Securities Depository Limited**

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 Tel.: 91-22-2499 4200 | Fax: 91-22-2497 6351 | Email: [info@nsdl.co.in](mailto:info@nsdl.co.in) | Web: [www.nsdl.co.in](http://www.nsdl.co.in)  
 Corporate Identity Number: U74120MH2012PLC230380

Circular No.: NSDL/POLICY/2019/0041

July 15, 2019

**Subject: Change in off-market transfers reason codes.**

All Participants are hereby informed that pursuant to surveillance meeting at SEBI, it has been decided as follows:

- Following changes will be made in off-market transfer's reason codes listed below with effect from August 3, 2019:

Existing Reason Code	Existing Reason Code Name	New Reason Code	New Reason Code Name	Change
2	Margin to stock broker	2	Margin to stock broker / PCM	Renamed
3	Margin returned by stock broker	3	Margin returned by stock broker / PCM	Renamed
5	Open Offer / Buy-back	12	Buy-back	Open Offer & Buy-back code separated
		13	Open offer for Acquisition	
		91	Payout - On payment for unpaid securities	New Reason Code
8	Gift / Donation	92	Gift	Gift & Donation code separated
		93	Donation	
11	Transmission	11	Transmission	Reason code available in respect of transfer of securities from BO account held in NSDL system to BO account held in other depository.  Reason code is now enabled for transfer of securities between BO accounts held in NSDL system
		94	Refund of securities by IEPF Authority	New Reason Code
		95	ESOP/Transfer to employee	New Reason Code
96	Govt. / Regulatory directions orders	96	Implementation of Govt./Regulatory Direction/Orders	Renamed
97	Reversal of erroneous transfers	97	Erroneous Transfer pertaining to Client Securities	Renamed
98	Legitimate Dues of the stock broker	98	Meeting Legitimate Dues of Stock Broker	Renamed
99	Other (please specify)			Discontinued

- The list of revised off-market transfer's reason codes applicable with effect from August 3, 2019 is enclosed as Annexure A in track change mode and as Annexure B without track change mode.


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 Corporate Identity Number: U74120MH2012PLC230380

3. Following changes will be made in off-market transfer's reason codes as listed below with effect from September 14, 2019:

Reason Code	Reason Code Name	Change
6	Transfers to PMS account	Discontinued
7	Transfers from PMS account	Discontinued
9	Account Closure	Discontinued
10	On-market Sale (Transfer towards Pay-in)	Discontinued
11	Transmission	Discontinued

4. The list of revised off-market transfer's reason codes applicable with effect from September 14, 2019 is enclosed as Annexure-C in track change mode and as Annexure-D without track change mode.
5. To discontinue the off-market reason codes mentioned above at point no.3, following system enhancements will be implemented with effect from September 14, 2019:
- SEBI registered Portfolio Managers will be given a facility to open pool account as currently available for clearing members. Accordingly, all debit and credit transfers from/to the pool account of Portfolio Manager will be considered as "Market" transfers, instead of "off-market" transfers. Post enhancement, off-market reason code 6 – 'Transfers to PMS Account' and 7 – 'Transfers from PMS account' will be discontinued.
  - Enhancement will be carried out in respect of Inter Depository Transfer (IDT) module to identify Market transfers and off-market transfers separately in the DPM system. For this purpose, necessary changes i.e. Market Transaction flag will be incorporated in the IDT module of DPM system. Upon operationalization of aforesaid flag, transfers To / From the pool account held with other depository will be treated as "Market" transfers instead of "off-market" transfers. Post enhancement, off market reason code 10 - 'On-market Sale (Transfer towards Pay-in)' will be discontinued.
  - Account closure and Transmission instructions under Transfer of Holding module of DPM system will be enhanced to facilitate inter-depository transfers in cases where the target account is held with other depository. Upon operationalisation, off-market transfers with reason code 9 - 'Account Closure' and 10 - 'Transmission' will be discontinued.
  - Transmission instructions under Transfer of Holding module of DPM system will be enhanced to facilitate transfers in respect of Transmission cases with the reason as 'Transmission To Nomination' (i.e. Multiple Nominations) and 'Transmission To Court Order / Legal Heirs'. Upon operationalization of aforesaid facility, off-market transfers with reason code 10 - 'Transmission' will not be required.
6. Participants are requested to take note of the changes in the system for capturing revised reason codes and format of information of revised reason codes to be printed on the inside front cover of the Delivery Instruction Slip (DIS) booklet will be notified separately.
7. Participants are requested to take note of the aforesaid and are requested to inform their clients accordingly.

Participants are required to take note of above and ensure compliance.

For and on behalf of  
**National Securities Depository Limited**

**Chirag Shah**  
**Senior Manager**

Enclosed: Four

FORTHCOMING COMPLIANCE			
Particulars	Deadline	Manner of sending	Reference
Investor Grievance Report (Monthly)	By 10 <sup>th</sup> of the following month.	Through e-PASS	Circular No. NSDL/POLICY/2015/0096 dated October 29, 2015
Artificial Intelligence I/Machine Learning Reporting Form (if offering or using such technologies as defined) (Quarterly)	By 15 <sup>th</sup> of the following month	By email at <a href="mailto:Participant-Interface@nsdl.co.in">Participant-Interface@nsdl.co.in</a>	Circular No. NSDL/POLICY/2019/0016 dated March 27, 2019
Cyber Security & Cyber Resilience framework of Depository Participants (Quarterly)	By 15th of the following month.	By email at <a href="mailto:dpinfosec@nsdl.co.in">dpinfosec@nsdl.co.in</a>	Circular No. NSDL/POLICY/2019/0039 dated July 9, 2019.
Compliance Certificate (January - June)	July 31st every year	Digitally signed compliance certificate by email at <a href="mailto:nsdl-bp-inspection@nsdl.co.in">nsdl-bp-inspection@nsdl.co.in</a> Alternatively, by hard copy to Inspection Department.	Circular No. NSDL/POLICY/2010/0017 dated February 22, 2010 and Circular No. NSDL/ POLICY/2018/0028 dated May 21, 2018.

Digitally signed by

Name : Chirag Shah  
Date : 7/15/2019 5:50:39 PM  
Reason : Authentication

Circular No.: NSDL/POLICY/2019/0047

July 31, 2019

**Subject: Change in off-market transfer reason codes.**

Attention of Participants is invited to NSDL Circular no. NSDL/POLICY/2019/0041 dated July 15, 2019 regarding uniform / standardised reason codes for off-market transfers by both depositories which will be effective from August 03, 2019 (phase 1) and from September 14, 2019 (phase 2).

Pursuant to the aforesaid Circular, representations were received from market participants for providing additional reason codes to cover certain types of transactions. Accordingly, in consultation with SEBI, it has been decided as follows:

1. Following additional off-market transfer reason codes shall be added to the list of reason codes with effect from August 3, 2019:

New Reason Code	New Reason Code Name	Remarks
14	Redemption of Mutual Fund Units	To be used for transfer of Mutual Fund Units from client BO account to AMC's BO account on account of redemption
15	Transposition – Between joint account of same holders	To be used for transfer of securities between joint account of same holders (order of holders different in both accounts).
16	Merger/ Demerger of corporate entity	For these types of transfers supporting documents needs to be provided by corporate entities to its Participants
17	Dissolution/Restructuring/Winding up of Partnership Firm/Trust	For these types of transfers, supporting documents needs to be provided by transferor/ account holder(s) to its Participants
18	Conversion of Depository Receipt (DR) to underlying securities and vice versa	To be used for transfer of underlying securities for issuance/cancellation of Depository Receipts
19	Trust to Beneficiaries/On HUF dissolution to Karta & Coparceners	For these types of transfers, supporting documents/ Deeds needs to be provided by transferor/ account holder(s) to Participants

2. Further, the following types of transfers shall be permitted under off-market transfer reason code "Others" till August 31, 2019:
  - a) Processing of corporate debt transaction by custodian.
  - b) Return of client securities by NBFC (which were transferred to NBFC through off market transfer prior to August 03, 2019).
  - c) Reversal of off market transfers effected before August 03, 2019 for reasons not included in the updated list.
3. For transactions involving off-market transfers of securities between two entities including between family members / relatives, the reason code "Gift", "Donation" or "for Off-Market Sale" may be used depending on the nature of transaction between the concerned parties.
4. SEBI prescribed Stock Lending & Borrowing (SLBM) mechanism may be used for loan of securities.
5. In case of securities being given as collateral to NBFC/Bank or to any other person, pledge mechanism available in depository system shall be used.

The aforesaid enhancements will be implemented in eDPM and SPEED-e system at EOD of Friday, August 2, 2019. Participants are requested to take note of the aforesaid and are requested to inform their clients accordingly.

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 <sup>th</sup> of the following month.	Through e-PASS	Circular No. NSDL/POLICY/2015/0096 dated October 29, 2015
Compliance Certificate (January - June)	July 31st every year	Digitally signed compliance certificate by email at nsdl-bp-inspection@nsdl.co.in Alternatively, by hard copy to Inspection Department.	Circular No. NSDL/POLICY/2010/0017 dated February 22, 2010 and Circular No. NSDL/ POLICY/2018/0028 dated May 21, 2018.

Digitally signed by  
 Name : Chirag Shah  
 Date : 31-07-2019 23:06:01  
 Reason : Authentication

Circular No.: NSDL/POLICY/2019/0048

August 2, 2019

**Subject: Change in off-market transfer reason codes.**

Attention of Participants is invited to NSDL Circular no. NSDL/POLICY/2019/0047 dated July 31, 2019 regarding off-market transfer reason codes.

In this context, in consultation with SEBI, it has been clarified that the provisions of Para 2 (a) of aforesaid circular dated July 31, 2019 (on change in off market transfer reason codes) for permitting the transfers in respect of corporate debt settlement under the reason code "Others" shall be extended to non-custodial trades as well till August 31, 2019.

Participants are required to take note of the same.

For and on behalf of  
**National Securities Depository Limited**

**Ganesh Choure**  
**Manager**

FORTHCOMING COMPLIANCE			
Particulars	Deadline	Manner of sending	Reference
Investor Grievance Report (Monthly)	By 10 <sup>th</sup> of the following month.	Through e-PASS	Circular No. NSDL/POLICY/2015/0096 dated October 29, 2015
Networth Certificate and Audited Financial Statements.	September 30 <sup>th</sup> every year.	By hard copy to Participant Interface Department.	Circular No. NSDL/PI/98/414 dated September 1, 1998.

Digitally signed by

Name : Ganesh Choure

Date : 8/2/2019 6:26:06 PM

Reason : Authentication


**National Securities Depository Limited**

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 Corporate Identity Number: U74120MH2012PLC230380

Circular No.: NSDL/POLICY/2019/0049

August 2, 2019

**Subject: Change in off-market transfer reason codes.**

Attention of Participants is invited to NSDL Circular no. NSDL/POLICY/2019/0047 dated July 31, 2019 regarding off-market transfer reason codes.

In this context, it has been clarified that the provisions of Para 2 of aforesaid circular dated July 31, 2019 (on change in off market transfer reason codes) for permitting certain types of transfers under off-market transfer reason code "Others" till August 31, 2019.

In addition to the aforesaid permitted transaction, the off-market transfers in respect of primary issuance of Commercial Papers (CP) under the reason code "Others" shall be extended till August 31, 2019.

Participants are required to take note of the same.

For and on behalf of  
**National Securities Depository Limited**

**Ganesh Choure**  
**Manager**

FORTHCOMING COMPLIANCE			
Particulars	Deadline	Manner of sending	Reference
Investor Grievance Report (Monthly)	By 10 <sup>th</sup> of the following month.	Through e-PASS	Circular No. NSDL/POLICY/2015/0096 dated October 29, 2015
Networth Certificate and Audited Financial Statements.	September 30 <sup>th</sup> every year.	By hard copy to Participant Interface Department.	Circular No. NSDL/PI/98/414 dated September 1, 1998.

Digitally signed by

Name : Ganesh Choure

Date : 8/2/2019 7:02:11 PM

Reason : Authentication


**National Securities Depository Limited**

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Corporate Identity Number: U74120MH2012PLC230380



Circular No.: NSDL/POLICY/2019/0050

August 6, 2019

**Subject: Change in off-market transfer reason codes.**

Attention of Participants is invited to NSDL Circular no. NSDL/POLICY/2019/0047 dated July 31, 2019 regarding off-market transfer reason codes.

In this context, it has been clarified that the provisions of Para 2 of aforesaid circular dated July 31, 2019 (on change in off market transfer reason codes) for permitting certain types of transfers under off-market transfer reason code "Others" till August 31, 2019.

In addition to the aforesaid permitted transaction, the off-market transfers in respect of redemption of Certificate of Deposit (CD) under the reason code "Others" shall be extended till August 31, 2019.

Participants are requested to take note of the same.

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 <sup>th</sup> of the following month.	Through e-PASS	Circular No. NSDL/POLICY/2015/0096 dated October 29, 2015
Networth Certificate and Audited Financial Statements.	September 30 <sup>th</sup> every year.	By hard copy to Participant Interface Department.	Circular No. NSDL/PI/98/414 dated September 1, 1998.

Digitally signed by

Name : Chirag Shah

Date : 8/6/2019 6:52:55 PM

Reason : Authentication

Circular No.: NSDL/POLICY/2019/0053

August 14, 2019

**Subject: Change in off-market transfer reason codes.**

Attention of Participants is invited to following NSDL Circulars regarding standardised reason codes for off-market transfers by both depositories:

- NSDL/POLICY/2019/0041 dated July 15, 2019
- NSDL/POLICY/2019/0047 dated July 31, 2019
- NSDL/POLICY/2019/0048 dated August 02, 2019
- NSDL/POLICY/2019/0049 dated August 02, 2019
- NSDL/POLICY/2019/0050 dated August 06, 2019

Pursuant to the aforesaid Circulars, representations were received from market participants for providing additional reason codes to cover certain types of transactions. Accordingly, in consultation with SEBI, it has been decided as follows:

1. Following additional off-market transfer reason codes shall be added to the list of reason codes with effect from August 17, 2019:

New Reason Code	New Reason Code Name	Remarks
88	Transfer between Minor Account and Guardian Account	To be used for transfer of securities between Minor Account and Guardian Account
89	Transfer between specified family members	<p>To be used for transfer of securities between specified family members: Participants should obtain the "relation" between the transferor and transferee &amp; keep the same on record. Family members means relatives as given below:</p> <ol style="list-style-type: none"> <li>1. Spouse,</li> <li>2. Father (including step-father),</li> <li>3. Mother (including step-mother),</li> <li>4. Son (including step-son)</li> <li>5. Son's wife,</li> <li>6. Daughter,</li> <li>7. Daughter's husband,</li> <li>8. Brother (including step-brother),</li> <li>9. Sister (including step-sister)</li> <li>10. Members of same HUF.</li> </ol>

New Reason Code	New Reason Code Name	Remarks
		Requisite system changes to enable capturing the “relation” shall be notified subsequently.
90	Transfer between Partner and Firm, or Director and Company	To be used for transfer of securities between Partner and Partnership Firm in which he/she is a partner or transfer of securities between Director and the Company in which he/she is a director.

2. Further, to ease out the operational difficulties, following type of transactions shall be permitted under the reason code “Others” till September 30, 2019 instead of August 31, 2019.

- a. Return of client securities by NBFC (which were transferred to NBFC through off market transfer prior to August 03, 2019).
- b. Reversal of off market transfers effected before August 03, 2019 for reasons not included in the updated list.

The aforesaid enhancements will be implemented in eDPM and SPEED-e system at EOD of Friday, August 16, 2019. Participants are requested to take note of the aforesaid and are requested to inform their clients accordingly.

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 <sup>th</sup> of the following month.	Through e-PASS	Circular No. NSDL/POLICY/2015/0096 dated October 29, 2015
Networth Certificate and Audited Financial Statements.	September 30 <sup>th</sup> every year.	By hard copy to Participant Interface Department.	Circular No. NSDL/PI/98/414 dated September 1, 1998.

Digitally signed by  
 Name : Chirag Shah  
 Date : 8/14/2019 10:45:10 PM  
 Reason : Authentication

Circular No.: NSDL/POLICY/2019/0057

August 28, 2019

**Subject: Change in off-market transfer reason codes.**

Attention of Participants is invited to following NSDL Circulars regarding standardised reason codes for off-market transfers by both depositories:

- NSDL/POLICY/2019/0041 dated July 15, 2019
- NSDL/POLICY/2019/0047 dated July 31, 2019
- NSDL/POLICY/2019/0048 dated August 02, 2019
- NSDL/POLICY/2019/0049 dated August 02, 2019
- NSDL/POLICY/2019/0050 dated August 06, 2019
- NSDL/POLICY/2019/0053 dated August 14, 2019

Pursuant to the aforesaid Circulars, representations were received from market participants for providing additional reason codes to cover certain types of transactions. Accordingly, it has been decided that:

1. Following additional off-market transfer reason codes shall be added to the list of reason codes with effect from August 31, 2019:

New Reason Code	New Reason Code Name	Remarks
20	Certificate of Deposit Redemption	To be used for transfer of Certificate of Deposit (CD) from Investors account to the Issuers 'CD Redemption Account' at the time of redemption.
22	Commercial Paper Issuance	To be used for transfer of Commercial Papers (CP) from Issuing & Paying Agents (IPA's) account to Investors account at the time of primary issuance.

2. For the reason code 'Commercial Paper Issuance', it will be mandatory to specify 'Consideration'.

The aforesaid enhancements will be implemented in eDPM and SPEED-e system at EOD of Friday, August 30, 2019.

Participants are requested to take note of the aforesaid and inform their clients accordingly.

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) Digitally signed by	By 10 <sup>th</sup> of the following month.	Through e-PASS	Circular No. NSDL/POLICY/2015/0096 dated October 29, 2015
New Certificate of Deposit Audited Financial Statements. Reason : Authentication	September 30 <sup>th</sup> every year.	By hard copy to Participant Interface Department.	Circular No. NSDL/PI/98/414 dated September 1, 1998.



# Central Depository Services (India) Limited

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## COMMUNIQUE TO DEPOSITORY PARTICIPANTS

CDSL/OPS/DP/SYSTM/2019/352

July 15, 2019

### UPDATED LIST OF REASON CODES FOR OFF MARKET TRANSACTIONS

DPs are advised to refer to following CDSL Communiqués regarding reason codes used while executing off market transactions.

- CDSL/OPS/DP/SYSTM/6085 dated August 17, 2016
- CDSL/OPS/DP/SYSTM/2017/442 dated September 11, 2017
- CDSL/OPS/DP/SYSTM/2018/275 dated May 28, 2018

During a Surveillance meeting at SEBI, it has been decided to implement uniform / standardized reason codes for off-market transfers by both depositories, to provide an audit trail of reasons associated with such transfers as a risk mitigation measure.

**A.** Accordingly **with effect from August 03, 2019**, the following reason codes will be available to DPs for executing off-market transfers (intra depository or inter-depository):

Reason Code	Description	Remarks
1	Gift.	Existing reason code
2	For Off-Market Sale / Purchase	Existing reason code
5	Transfer to own account(s)	Existing reason code "Transfer between 2 a/c of same holder(s)" is now renamed
10	Implementation of Govt/Regulatory Direction / Orders	Existing reason code
11	Erroneous Transfer Pertaining to Client Securities	Existing reason code
12	Meeting Legitimate Dues of Stock Broker	Existing reason code
13	Open Offer for Acquisition	Existing reason code "For Open Offer / Buy-Back" is now separated
14	Margin to stock broker/ PCM *	Existing reason code "For Margin Purpose" is now separated.
15	Refund of securities by IEPF Authority	Existing reason code "IEPF Refund" now renamed
16	Donation	New Code - to be used when off-market is arising out of donation of securities.
17	For Buy-Back	Existing reason code "For Open Offer / Buy-Back" is now separated
18	Margin returned by stock broker/ PCM *	Existing reason code "For Margin Purpose" is now separated.
19	ESOP/Transfer to employee	New Code - to be used when off-market is arising out of ESOP/securities transferred to employee.
20	Payout - On payments for unpaid securities *	New Code - The reason code to be used by broker when transferring securities to the respective client upon fulfillment of clients' funds obligation.



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## COMMUNIQUE TO DEPOSITORY PARTICIPANTS

Reason Code	Description	Remarks
21	Transfer to PMS Account	New Code - to be used when shares are transferred to PMS client account (PMS facility)
22	Transfer from PMS Account	New Code - to be used when shares are transferred from PMS client account (PMS facility)
23	On Market IDT transfer	New Code - to be used when securities are transferred from one depository to other depository for On Market transactions. i.e. where at least one leg to the transaction is a CM Settlement Account or CC Account.

Following 3 reason codes will be discontinued **with effect from August 03, 2019**:

Reason Code	Description
3	For Market Sale/Purchase
6	Others.
7	Transfer Between Family Members

**B. With effect from September 14, 2019**, the following reason codes will be available to DPs for executing off-market transfers (intra depository or inter-depository):

Reason Code	Description
1	Gift.
2	For Off-Market Sale / Purchase
5	Transfer to own account(s)
10	Implementation of Govt/Regulatory Direction / Orders
11	Erroneous Transfer Pertaining to Client Securities
12	Meeting Legitimate Dues of Stock Broker
13	For Open Offer Acquisition
14	Margin to stock broker/ PCM *
15	Refund of securities by IEPF Authority
16	Donation
17	For Buy-Back
18	Margin returned by stock broker/ PCM *
19	ESOP/Transfer to employee
20	Payout - On payments for unpaid securities



# Central Depository Services (India) Limited

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## COMMUNIQUE TO DEPOSITORY PARTICIPANTS

Following 3 reason codes will be discontinued **with effect from September 14, 2019**:

Reason Code	Description
21	Transfer to PMS Account
22	Transfer from PMS Account
23	On Market IDT transfer

CDSL system will be enhanced to identify PMS transactions and On-Market IDT transfers, so that the aforesaid reason codes can be discontinued with effect from September 14, 2019:

- ✓ DPs will be able to open a pool account for the Portfolio Managers similar to Clearing Member pool account. After release of system, transfers from and to the Pool Account of PMS Manager will be considered as market transfers.
- ✓ Necessary system changes will be implemented in Inter-Depository module to identify On-Market and Off-Market transfer separately.

DPs are advised to inform & educate their BOs regarding availability of new reason codes (while executing DIS) and dis-continuation of some codes. DPs should ensure correctness of entry while capturing the reason mentioned by the BO on DIS. DPs are also requested to inform their CMs and easiest BOs about the changes. **The updated list of reason codes (as mentioned above) will be available in CDSL system with effect from August 03, 2019 and September 14, 2019 respectively.**

DPs are advised to note the same and make necessary changes if any, in their back office system to incorporate the said change.

Queries regarding this communiqué may be addressed to **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](mailto:helpdesk@cdslindia.com).

Umesh Vishram  
Kambli

Umesh Kambli  
Asst. Vice President – Operations

Digitally signed by Umesh  
Vishram Kambli  
Date: 2019.07.15 17:23:43 +05'30'



# Central Depository Services (India) Limited

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## COMMUNIQUÉ TO DEPOSITORY PARTICIPANTS

CDSL/OPS/DP/SYSTM/2019/384

July 31, 2019

### UPDATED LIST OF REASON CODES FOR OFF MARKET TRANSACTIONS

DPs are advised to refer to CDSL Communiqués no. CDSL/OPS/DP/SYSTM/2019/352 dated July 15, 2019 wherein we have informed regarding uniform / standardized reason codes for off-market transfers by both depositories which will be effective from August 03, 2019 (phase 1) and from September 14, 2019 (phase 2).

Pursuant to the aforesaid communiqué, representations were received from market participants for providing additional reason codes to cover certain types of transaction. Accordingly, in consultation with SEBI, it has been decided as follows:

1. Following additional reason codes will be introduced **with effect from August 03, 2019**.

Reason Code	Description	Remarks
24	Redemption of Mutual Fund units	To be used for transfer of Mutual Fund Units from client BO account to AMC's BO account on account of redemption
25	Conversion of Depository Receipt (DR) to underlying Securities and vice versa	To be used for transfer of underlying securities for issuance/cancellation of Depository Receipts
26	Transposition	To be used for transfer of securities between joint account of same holders (order of holders different in both accounts).
27	Merger/Demerger of Corporate entity	For these types of transfers supporting documents need to be provided by Corporate Entities to DPs
28	Dissolution/ Restructuring/Winding up of Partnership firm/Trust	For these types of transfers, supporting documents need to be provided by transferor/ account holder(s) to DPs
29	Trust to Beneficiaries/On HUF dissolution to Karta & Coparceners	For these types of transfers, supporting documents/ Deeds need to be provided by transferor/ account holder(s) to DPs

2. The following types of transactions shall be permitted under the reason code "Other" till August 31, 2019.
  - a. Processing of corporate debt transaction by Custodian.
  - b. Return of client securities by NBFC (which were transferred to NBFC through off market transfer prior to August 03, 2019).
  - c. Reversal of off market transfers effected before August 03, 2019 for reasons not included in the updated list.





# Central Depository Services (India) Limited

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## COMMUNIQUE TO DEPOSITORY PARTICIPANTS

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3. For transactions involving off-market transfers of securities between two entities including between family members / relatives, the reason code "Gift", 'Donation, or 'for Off-Market Sale/Purchase' may be used depending on the nature of transaction between the concerned parties.
4. SEBI prescribed Stock Lending & Borrowing (SLBM) mechanism may be used for loan of securities.
5. In case of securities being given to NBFC/Bank or any other entity as collateral (for loan against securities), pledge mechanism available in depositories system shall be used.

DPs are advised to note the same and make necessary changes if any, in their back office system to incorporate the said change. DPs shall also educate their BOs accordingly.

Queries regarding this communiqué may be addressed to **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](mailto:helpdesk@cdslindia.com).

sd/-

**Nayana Ovalekar**  
**Chief Operating Officer**



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## COMMUNIQUÉ TO DEPOSITORY PARTICIPANTS

CDSL/OPS/DP/SYSTM/2019/388

August 02, 2019

### UPDATED LIST OF REASON CODES FOR OFF MARKET TRANSACTIONS

DPs are advised to refer to Communiqué no. CDSL/OPS/DP/SYSTM/2019/384 dated July 31, 2019 regarding updated list of reason codes for off-market transfers.

With regard to point no. 2 (a) of the aforesaid Communiqué, based on the representations received, it has been decided in consultation with SEBI to permit off-market transfers for non-custodial trades in respect of corporate bond settlement. Accordingly processing of all corporate debt settlement transactions will be permitted under the reason code "Other" till August 31, 2019

DPs are advised to note the same.

Queries regarding this communiqué may be addressed to **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](mailto:helpdesk@cdslindia.com).

Umesh Vishram  
Kambli

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Umesh Kambli  
Asst. Vice President - Operations



# Central Depository Services (India) Limited

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## COMMUNIQUÉ TO DEPOSITORY PARTICIPANTS

CDSL/OPS/DP/SYSTEM/2019/405

August 14, 2019

### UPDATED LIST OF REASON CODES FOR OFF MARKET TRANSACTIONS

DPs are advised to refer to following CDSL Communiqués regarding uniform / standardized reason codes to be used while executing off-market transactions:

- CDSL/OPS/DP/SYSTEM/2019/352 dated July 15, 2019
- CDSL/OPS/DP/SYSTEM/2019/384 dated July 31, 2019
- CDSL/OPS/DP/SYSTEM/2019/388 dated August 2, 2019

Pursuant to the aforesaid communiqués, further representations were received from market participants for providing additional reason codes to cover certain types of transaction. Accordingly, in consultation with SEBI, it has been decided as follows:

1. Following additional reason codes will be introduced **with effect from August 17, 2019**.

Reason Code	Description	Remarks
30	Transfer between Minor Account and Guardian Account	To be used for transfer of securities between Minor Account and Guardian Account
31	Transfer between specified family members	<p>To be used for transfer of securities between specified family members. Depository Participants should obtain the "relation" between the transferor and transferee &amp; keep the same on record.</p> <p>Family members means relatives as given below:</p> <ol style="list-style-type: none"><li>1. Spouse,</li><li>2. Father (including step-father),</li><li>3. Mother (including step-mother),</li><li>4. Son (including step-son)</li><li>5. Son's wife,</li><li>6. Daughter,</li><li>7. Daughter's husband,</li><li>8. Brother (including step-brother),</li><li>9. Sister (including step-sister)</li><li>10. Members of same HUF.</li></ol> <p>Required system changes for capturing "relation" as provided by the transferor shall be informed separately.</p>
32	Transfer between Partner and Firm or Director and Company	To be used for transfer of securities between Partner and Partnership Firm in which he/she is a partner or transfer of securities between Director and the Company in which he/she is a director.



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## COMMUNIQUE TO DEPOSITORY PARTICIPANTS

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- 2 Further to ease out the operational difficulties, following type of transactions shall be permitted under the reason code "Other" **till September 30, 2019** instead of August 31, 2019.
- a. Return of client securities by NBFC (which were transferred to NBFC through off market transfer prior to August 03, 2019).
  - b. Reversal of off market transfers effected before August 03, 2019 for reasons not included in the updated list.

DPs are advised to note the same and make necessary changes if any, in their back office system to incorporate the said change. DPs shall also educate their BOs accordingly.

Queries regarding this communiqué may be addressed to **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](mailto:helpdesk@cdslindia.com).

Umesh Vishram  
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**Umesh Kambli**  
**Asst. Vice President - Operations**



# Central Depository Services (India) Limited

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## COMMUNIQUÉ TO DEPOSITORY PARTICIPANTS

CDSL/OPS/DP/SYSTM/2019/430

August 28, 2019

### UPDATED LIST OF REASON CODES FOR OFF MARKET TRANSACTIONS

DPs are advised to refer to following CDSL Communiqués regarding uniform / standardized reason codes to be used while executing off-market transactions:

- CDSL/OPS/DP/SYSTM/2019/352 dated July 15, 2019
- CDSL/OPS/DP/SYSTM/2019/384 dated July 31, 2019
- CDSL/OPS/DP/SYSTM/2019/388 dated August 2, 2019
- CDSL/OPS/DP/SYSTM/2019/405 dated August 14, 2019

Pursuant to the aforesaid communiqués, further representations were received from market participants for providing additional reason codes to cover certain types of transaction. Accordingly, it has been decided as follows:

1. Following additional reason codes will be introduced **with effect from August 31, 2019**.

Reason Code	Description	Remarks
33	Commercial Paper Issuance	To be used for transfer of Commercial Papers (CP) from Issuing & Paying Agents (IPA's) account to Investors account at the time of primary issuance. IPAs are required to <b>mandatorily mention the consideration amount</b> .
34	Certificate of Deposit Redemption	To be used for transfer of Certificate of Deposit (CD) from Investors account to the Issuers 'CD Redemption Account' at the time of redemption.

DPs are advised to note the same and make necessary changes if any, in their back office system to incorporate the said change. DPs shall also educate their BOs accordingly.

Queries regarding this communiqué may be addressed to **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](mailto:helpdesk@cdslindia.com).

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