

Circular No.: NSDL/POLICY/2020/0138

October 20, 2020

Subject: Operational guidelines in respect of OTP for off market transfers.

Attention of Participants is invited to SEBI Circular No. SEBI/HO/MIRSD/DOP/CIR/P/2020/158 dated August 27, 2020 (NSDL Circular No. NSDL/POLICY/2020/0118 dated August 28, 2020) regarding execution of Power of Attorney (PoA) by the Client in favour of the Stock Broker / Stock Broker and Depository Participant.

In terms of point no. 5 of the abovementioned SEBI circular, Depositories are required to obtain client's consent through One Time Password (OTP) for all off market transfer of securities from client's demat account, with effect from November 1, 2020.

In this context, all Participants are hereby requested to take note of the following operational guidelines for necessary implementation of the aforesaid SEBI circular:

1. For off-market transfers with execution date of November 1, 2020 onwards, the off Market transfer instructions will be processed after taking consent from the transferor client by way of OTP confirmation.
2. On the execution date of off market transfer instruction, a link would be generated and sent by NSDL on mobile number and e-mail id as registered in the demat account of the client.
3. On clicking the said link, client will be redirected to a web page where after authentication, client will be displayed the details of off-market transfer instructions for the specific demat account which are pending for his confirmation. On OTP confirmation, Off Market Transfer instruction(s) as selected by the client will be processed, subject to payment of stamp duty, as applicable.
4. As the off-market transfer instructions have to be confirmed by the client using OTP, Participants may guide their clients to ensure that the mobile number and / or email ID is registered in the demat account of the clients.
5. Transactions pending for OTP confirmation will be reflected in the new status "Pending for OTP Confirmation" and in case OTP confirmation is not completed till EOD of the execution date (from November 1, 2020 onwards), transactions lying in the aforesaid status will be rejected.



6. A new Status (Pending for OTP confirmation – 21) will be added in Changed Orders for the Day (COD) which can be used by Participants' to update their Back Office (BO).

Participants are requested to take note of the above and ensure compliance. For any information / clarifications, Participants are requested to contact NSDL Help Desk at (022) 2499 4600 or email at helpdesk@nsdl.co.in.

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 th of the following month.	Through e-PASS	Circular No. NSDL/POLICY/2015/0096 dated October 29, 2015
Networth Certificate and Audited Financial Statements for the FY 2019-20	October 31 st , 2020	By hard copy to Inspection Department	Circular No. NSDL/PI/98/414 dated September 1, 1998 Circular No. NSDL/POLICY/2020/0131 dated September 30, 2020
Risk Assessment Template (April - September)	October 31 st , every year	Through e-PASS	Circular No. NSDL/POLICY/2018/0050 dated September 25, 2018
Internal/ Concurrent Audit Report (April - September)	November 15 th every year	Through e-PASS	Circular No. NSDL/POLICY/2020/0136 dated October 19, 2020