DEPARTMENT: CAPITAL MARKET	
Download Ref No: NCL/CMPT/64925	Date: Nov 06, 2024
Circular Ref. No: 247 /2024	

All Members/ PCMs,

Sub: Direct payout of securities to client demat account – Go live 11-Nov-2024

This has reference to NCL circular NCL/CMPT/63669 dated 30-Aug-2024 and other circulars issued in this regard from time to time.

Implementation schedule: The Direct payout of securities to client demat account' functionality shall be implemented as follows:

Market type (Settlement type)	Trade date	Settlement date	Settlement number from
Normal T+1 (M) Trade for trade T+1 (Z) ITP T+1 (B)	08-Nov-2024**	11-Nov-2024	2024213
Auction (A)	11-Nov-2024	12-Nov-2024	2024213

**The payout of Auction conducted on Trade date 08-Nov-2024 (A 2024212) for shortages of Normal market (M 2014212) shall be credited to members pool as existing.

Unpaid/ MTF reporting: The facility to perform role management for Unpaid/MTF service in NMASS shall be available from 07-Nov-2024. Member can upload unpaid/MTF file for trade date from 3:30 pm onwards on 08-Nov-2024 till 10:00 am on 11-Nov-2024. The response file shall be provided at regular interval. The UNPAIDMTFSTATUS report shall be provided on hourly basis post generation of provisional obligation on T Day (post 6:00 pm).

Auction for Internal shortage: As specified in SEBI circular SEBI/HO/MIRSD/MIRSD-PoD1/P/CIR/2024/75 dated June 5, 2024, In case of any shortages arising due to inter se netting of positions between clients i.e., internal shortages, TM/CM shall handle such shortages through the process of auction as specified by CCs. Going forward, NCL shall be

identifying pay-in shortages and conducting auction of behalf of the member for such shortages. The date of implementation of revised procedure shall be intimated in due course.

Till such time, the existing process for handling shortages for internal auction as specified in Annexure 1 of NCL/CMPT/64464 dated October 09, 2024, shall continue. Further in view of the same point 14 (iv) of standard operating guidelines (Annexure 1 of NCL/CMPT/63669 dated Aug 30, 2024) stands modified as follows 'It shall be mandatory for clearing members to apply for auction for their internal shortages' and 14 (v) of standard operating guidelines (Annexure 1 of NCL/CMPT/63669 dated Aug 30, 2024) is removed."

Depository Rejection code: An error code shall be provided in 'Depository Confirmation/Rejection code' field of '**DeliveryDpo'** report for cases where direct pay-out could not be credited in client demat account. The list of error code and the explanation is provided in Annexure 1.

Additional FAQ: Additional list of Frequently asked question (FAQ) is attached as Annexure 2.

List of circulars: List of circulars issued till date for 'Direct pay-out of securities to client demat account' from time to time is provided in Annexure 3.

For and on behalf of
NSE Clearing Limited

Rana Usman
Chief Operating Officer - C&S

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Depository	Error Code	Description
CDSL	100	CLOSED_SETTLED_FOR_BO
CDSL	101	CLOSED_SETTLED_FOR_CM
CDSL	102	DEBIT_EXCEED_EARMARK_QTY
CDSL	103	INVALID_ISIN
CDSL	104	INVALID_FROM_AC
CDSL	105	INVALID_TO_AC
CDSL	106	FROM_AC_SUSP
CDSL	107	TO_AC_SUSP
CDSL	108	TXNQTY_EXCEED_QTY
CDSL	109	INVALID_QTY
CDSL	110	INVALID_TXN_QTY
CDSL	111	NOT_ENOUGH_BALANCE
CDSL	112	TO_AC_UNDER_CLOSURE
CDSL	113	FROM_AC_CLOSED
CDSL	114	TO_AC_CLOSED
CDSL	115	ISIN_INACTIVE
CDSL	116	ISIN_SUSPENDED
CDSL	117	INVALID_FROM_BO_ISIN
CDSL	118	INVALID_TO_BO_ISIN
CDSL	119	FROM_BO_ISIN_SUSPENDED
CDSL	120	TO_BO_ISIN_SUSPENDED
CDSL	121	FROM_BO_ISIN_FROZEN
CDSL	122	TO_BO_ISIN_FROZEN
CDSL	123	FROM_BO_ISIN_UNDER_CLOSURE
CDSL	124	TO_BO_ISIN_UNDER_CLOSURE
CDSL	125	FROM_BO_ISIN_CLOSED
CDSL	126	TO_BO_ISIN_CLOSED
CDSL	127	FROM_AC_UNDER_CLOSURE
CDSL	128	INVALID VALUE FOR UNPAID IDENTIFIER
CDSL	129	INVALID VALUE FOR ENTITY IDENTIFIER
CDSL	130	TM POOL / CM POOL ACCOUNT NOT PRESENT
CDSL	131	CUSPA ACCOUNT NOT PRESENT
CDSL	132	CM – CP LINK NOT PRESENT
CDSL	133	UCC DETAILS ARE MANDATORY FOR UNPAID IDENTIFIER AS "C", "T" AND "M"
NSDL	FV2048	CC-CM Id should be alphanumeric
NSDL	FV2049	CC-CM Id should have maximum length 16
NSDL	FV2052	Client UCC is required for Direct Payout Instruction
NSDL	FV2053	Trading Member ID is required for Direct Payout Instruction
NSDL	FV2054	Invalid Direct PayOut Flag
NSDL	FV2055	CCCMID is required for Direct PayOut Instruction
NSDL	DPO002	Invalid CCCMID - CM Pool Account Not Present
NSDL	DPO003	Invalid TMID - TM Pool Account Not Present
NSDL	DPO004	Invalid Auto Pledge for Unpaid Securities Flag - CUSPA Account Not Present
NSDL	DPO005	Invalid MTF Flag - TM MTF Account Not Present
NSDL	DPO006	Client Account Closed
NSDL	DPO007	Client Account Suspended for Credit
NSDL	DPO008	Client Account Suspended for Debit
NSDL	DPO009	Client Account Not Present

Depository	Error Code	Description
CDSL	3128	Settlement Cycle Number not required for house or client account
CDSL	3129	Market Type not required for house or client account
CDSL	6016	Invalid ISIN
CDSL	6017	Mismatch in Qty/DFP
CDSL	6020	Settlement date is not same as business date
CDSL	6022	Invalid DP_ID
CDSL	6023	Invalid BO_ID
CDSL	6024	Invalid Settlement ID
CDSL	6025	Invalid Settlement ID
CDSL	6027	Failed at matching, No RFP present
CDSL	6042	INVALID IIF AND SCF COMBINATION
CDSL	6043	INVALID TARGET ACCOUNT TYPE
CDSL	6046	CORP BOND MKT DISALLOWED FOR GSEC
CDSL	6052	Invalid Security Type
CDSL	6053	Invalid Security Decimal Indicator
CDSL	6054	Invalid Market Type
CDSL	6057	Security Quatity mismatched in Request and Response
CDSL	6060	Came after deadline time
CDSL	7013	ISIN Is Inactive
CDSL	7015	Obligation not recieved from CC
CDSL	7016	Obligation quantity not matching
CDSL	7018	PINVALID CUSPA BO
CDSL	7019	CUSPA BO NOT PRESENT
CDSL	7021	PAN NUMBER IS NOT MATCHED WITH TGT BENF MSTR TBL
NSDL	AT0014	INVAILD ISIN
NSDL	CM0034	ISIN does not exist
NSDL	CM0032	ISIN does not exist
NSDL	CM0033	ISIN does not exist
NSDL	CM0001	ISIN Status is Invalid
NSDL	CM0010	Client is not associated with DP
NSDL	CM0037	DP ID and Client ID combination does not exist
NSDL	CM0005	Invalid Client Status
NSDL	IDT108	CUSPA/MTF account is Mandatory
NSDL	IDT109	CUSPA/MTF Client Type And SubType Is Invalid

Additional FAQ- Client direct payout

Auction for Internal Shortages

Q: We have uploaded file for internal auction but have not received response for same.

Ans: Response is provided only if the file uploaded adheres to batch number sequence, file nomenclature and format specified by NCL. Some of the error made are

i. The file extension is specified in capital as .CSV instead of .csv
ii. The end line cursor should be in next line after last record. If the cursor is at the end of last record or if there are extra lines or space after last record.
iii. Member has uploaded batch file with incorrect batch.

Q: A Self auction uploaded by me has got rejected. What should be the batch number of subsequent file?

Ans: In case all records of batch 01 is rejected and response R01 is received, member shall upload new file again with batch 01. However, in case some records are successful while some records are failed, member shall upload full file with batch 02.

Q: We have over all delivery obligation of 1000 qty and receive obligation of 780 qty. The net delivery obligation is 220 qty. Our clients have done overall shortage of 800 qty and we shall be delivering only 200 qty. How much quantity shall we report for internal shortage?

Ans: The delivery of 200 will be first considered towards your net obligation of 220. You thus have CC shortage of 20 qty. The internal shortage to be reported is thus 780 qty.

Q: We have over all delivery obligation of 1000 qty and receive obligation of 780 qty. The net delivery obligation is 220 qty. Our clients have done overall shortage of 400 qty and we shall be delivering only 600 qty. How much quantity shall we reported for internal shortage?

Ans: The delivery of 600 will be first considered towards your net obligation of 220. You thus have nil CC shortage. Balance 380 qty shall be allocated to internal obligation. Thus, internal shortage to be reported is 780-380=400 qty.

Q: What is cut-off for uploading file for internal shortage?

Ans: The present cut-off for upload of file for internal shortage in 11:00 am. This shall be extended to 11:45 am from go live date of direct payout

Q: Please provide circular for detailed procedure of uploading file for internal shortage

Ans: Please refer NCL/CMPT/65564 dated 09-Oct-2024 in this regard

Q: Which report should the member refer for details of successful/ unsuccessful auction of internal shortage?

Ans: Member shall refer to SA_DTLS_DDMMYYYY.csv report in this regard.

Q: What is the rate at which valuation price applied for internal shortage?

Ans: The valuation price allied for internal shortage is 20% above settlement price of security on Trade Day.

Q: What report shall member refer for Settlement price and Close out price? Please provide details of file format and location.

Ans: Members shall refer to MTM prices in CM_MTM_Prices_DDMMYYYY.csv report for Settlement price and CSQR_<StpType><setttno>DDMMYYYY.csv report for Close-out prices. The format and location of report is provided in NCL/CMPT/64464 dated Oct 09, 2024, as annexure.

Q: Can I upload internal auction report on trade day?

Ans: No. Internal auction has to be reported on the day of auction. Members shall upload the request for internal auction with date in file nomenclature as date of auction trading day. The file can be uploaded from T Day till 11:45 AM on T+1 day. The response file shall be provided at regular interval post generation of final obligation on T+1 day (post 9:00 am).

CUSPA/CSMFA/Pool account maintenance

Q: Whether existing CUSPA account will work, or do we need to open new account?

Ans: This is in partial modification of response for the question in circular CMPT64297 dated 01-Oct-2024. As per revised conformation provided by depositories, Member can open CUSPA account with any of the account type (TM or TM-CM or CM CUSPA). They need to maintain only one account per PAN.

Q: Can members maintain multiple CUSPA/CSMFA account in depository?

Ans: Members must ensure that they must keep only one CUSPA/CSMFA account active, for a PAN, in one depository. Other such accounts need to be closed.

Q: We are self-clearing member doing only prop trading. Whether it is mandatory for us to open clearing member pool account in both depositories?

Ans: It is mandatory for all clearing members to maintain active clearing member pool account in both depositories. This is an existing requirement as specified in item 4.1 (Depository accounts) of NCL consolidated circular for Capital market.

Q: Whether it is mandatory for clearing members to open clearing member pool account in both depositories?

Ans: It is mandatory for all clearing members to maintain active clearing member pool account in both depositories. This is an existing requirement as specified in item 4.1 (Depository accounts) of NCL consolidated circular for Capital market.

Q: We are self-clearing member and have marked CDSL as our preferred depository, do we need to keep my NSDL account open?

Ans: It is mandatory for all clearing members to maintain active clearing member pool account in both depositories. This is an existing requirement as specified in item 4.1 (Depository accounts) of NCL consolidated circular for Capital market.

Reports

Q: How will we come to know my UNPAIDMTF pledge has been successfully marked in Depositories?

Ans: Members can refer to status of payout record DPC1, DPC2, DPC3 in delivery report. If the same is CONFTD the unpaid/MTF pledge is marked in depository. Alternatively, members can refer to report provided by Depositories in this regard.

Q: Whether we will get UCC details where pay-out is credited in member pool?

Ans: Yes, you will bet UCC details in Delivery report for POT1 (Demat not found), POT2 (Rejected pay-out), POT3 (Pay out of prop account)

Q: Whether transaction indicator POT, AUC, CLO, EPI, EPR are applicable for 'DeliveryDpo' report?

And: No. Transaction indicator POT, AUC and CLO are applicable to existing 'Delivery' report only. In case short or nil payout is received by client in Normal or auction settlement the payout record will have actual or '0' payout quantity.

Unpaid/MTF upload

Q: All or partial records of Unpaid/MTF uploaded by me have got rejected. What should be the batch number of subsequent file?

Ans: In case member has received R01 file the next file shall be uploaded with incremental i.e. 02 batch only.

Date	Circular no	Remark
30-Aug-24	CMPT63669	Enhancement of operational efficiency and Risk Reduction – Operating guidelines for Pay-out of securities directly to client demat account
11-Sep-24	CMPT63856	Additional reports and Sample reports
24-Sep-24	CMPT64119	Circular to F&O member
30-Sep-24	CMPT64282	Update on Unpaid/MTF- Error code
01-Oct-24	CMPT64297	Frequently Asked question
04-Oct-24	CMPT64406	Upload/Download facility for UNPAIDMTF
06-Nov-24	CMPT64925	Direct payout of securities to client demat account – Go live 11-Nov-2024: Changes in mechanism of internal auction, Additional FAQ, Depository error codes