

Circular No.: NSDL/POLICY/2025/0083

June 27, 2025

**Subject: System enhancement for enabling market transfers (both intra and inter Depository transfers) of Sovereign Gold Bonds (SGB) to eligible investor categories.**

Attention of Participants is invited to NSDL Circular No. NSDL/POLICY/2024/0066 dated May 27, 2024 regarding 'Eligibility Criteria for the investors permitted to hold / transact in Sovereign Gold Bonds (SGBs)' and NSDL Circular No. NSDL/POLICY/2024/0183 dated December 13, 2024 regarding system level validation for **off-market transfers** in respect of SGBs.

Participants are hereby informed that NSDL Depository system is further enhanced to incorporate system level validation for the market transfer instructions viz., **account transfer and inter depository transfer** in respect of SGBs as per given below guidelines:

1. NSDL system shall validate the following in respect of the recipient's demat account for crediting the SGBs
  - (a) The fourth character of the PAN of the First Holder is "P" and Client Type is 01 "Resident".
  - (b) The fourth character of the PAN of the First Holder is "H" for HUF.
  - (c) The fourth character of the PAN of the First Holder is "T" for Trusts/Charitable Institutions.
  - (d) The fourth character of the PAN of the First Holder is "J" for Universities.
  - (e) In cases where the First Holder PAN is 'PAN EXEMPT' or 'SIKKIM' category, the credit shall be accepted provided the **Client Type** is Resident and HUF.
  - (f) In case of demat accounts having client-subtype "University" and "Charitable Institutions".
2. In case of other client categories, account transfer and inter depository transfer instructions of SGBs shall be rejected with below mentioned rejection reasons/codes.

Transaction Type	Rejection Code	Reason Description
Inter Depository Transfer	CD7083	Non eligible BO category for SGB Security Type
Account Transfer	SGB002	Non eligible BO category for SGB Security Type



The aforesaid system validations will be implemented with effect from **EOD of June 27, 2025**.

Participants are advised to disseminate contents of this circular to its clients to enable them to avoid any failure of market obligations.

Participants are further requested to take note of above and initiate suitable back-office changes.

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

**AROCKIARAJ** Digitally signed by AROCKIARAJ  
Date: 2025.06.27 19:05:13  
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**Arockiaraj  
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	Para 22 of 'Grievance Redressal' chapter and Para 27 of 'Internal Controls/Reporting to NSDL/SEBI' chapter of NSDL Master Circular for Participants
Compliance report w.r.t Same Mobile number and/ or email address captured for multiple accounts. (monthly)	Before 27 <sup>th</sup> of following month	Through Email.	Para 23 of 'Miscellaneous' chapter of NSDL Master Circular for Participants.
Artificial Intelligence /Machine Learning Reporting Form (if offering or using such technologies as defined) (Annually)	Within three months of the end of the financial year	Through e-PASS	Para 11.6 of 'Internal Controls/Reporting to NSDL/SEBI' chapter of NSDL Master Circular for Participants
Annual System Audit Report (Annually)	June 30th	Through e-PASS	Para 20.5 of 'Internal Controls/Reporting to NSDL/SEBI' chapter of NSDL Master Circular for Participants
Annual Cyber Audit Report (Annually)	June 30th	Through e-Pass	Para 2.78 of 'Internal Controls/Reporting to NSDL/SEBI' chapter of NSDL Master Circular for Participants

**National Securities Depository Limited**

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Corporate Identity Number: U74120MH2012PLC230380

Circular No.: NSDL/POLICY/2024/0183

December 13, 2024

**Subject: System enhancement for enabling off-market transfer of Sovereign Gold Bonds (SGB) to eligible investor categories.**

Attention of Participants is invited to Circular No. NSDL/POLICY/2024/0066 dated May 27, 2024 regarding 'Eligibility Criteria for the investors permitted to hold / transact in Sovereign Gold Bonds (SGBs)'.

In this context, it was inter-alia informed that the following client categories are eligible to hold SGBs.

- i. Person Resident in India
- ii. Trust
- iii. HUFs
- iv. Charitable Institutions
- v. Universities

In this regard, NSDL depository system has been enhanced to incorporate system level validation for **off-market transfers** in respect of SGBs as mentioned below:

1. NSDL system shall validate the recipient's demat account for the following conditions before accepting such instruction.

- (a) The fourth character of the PAN of the First Holder is "P" and Client Type is 01 "Resident".
- (b) The fourth character of the PAN of the First Holder is "H" for HUF.
- (c) The fourth character of the PAN of the First Holder is "T" for Trusts/Charitable Institutions.
- (d) The fourth character of the PAN of the First Holder is "J" for Universities.
- (e) In cases where the First Holder PAN is 'PAN EXEMPT' or 'SIKKIM' category, the credit shall be accepted provided the **Client Type** is Resident and HUF.

2. In case of all other client categories, the off-market transaction shall be rejected.

The aforesaid system level validation for off-market transfer will be implemented with effect from EOD of **December 13, 2024**.



Participants are advised to disseminate contents of this circular to their concerned clients to enable them to take utmost care to avoid non-execution of off-market instructions.

Participants are further requested to take note of above and initiate suitable back-office changes.

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

**AROCKIARAJ** Date: 2024.12.13  
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**Arockiaraj  
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	Para 22 of 'Grievance Redressal' chapter and Para 28 of 'Internal Controls/Reporting to NSDL/SEBI' chapter of NSDL Master Circular for Participants
Compliance report w.r.t Same Mobile number and/ or email address captured for multiple accounts. (monthly)	Before 25 <sup>th</sup> of following month	Through Email.	Circular No.: NSDL/POLICY/2024/0115 dated August 21, 2024
VAPT compliance & Revalidation report (Initial Report)	December 31, 2024	Through e-PASS	Circular No.: NSDL/POLICY/2024/0148 dated October 10, 2024

