National Stock Exchange Of India Limited

Department : Inspection	
Download Ref No: NSE/INSP/43213	Date : January 14, 2020
Circular Ref. No: 02/2020	

To All Members,

Sub: Clarifications on maintenance of Register of Securities and Holding Statement

Member's attention is drawn to Exchange circulars NSE/INSP/39393 dated November 13, 2018 and NSE/INSP/40743 dated April 12, 2019 on the maintenance of Register of Securities (ROS) and Holding Statement.

Based on the submissions made by the Members till date, it has come to the notice of the Exchange that certain Members are not following uniform practices, as previously clarified by our aforesaid circulars, while recording the transactions in the Register of Securities and Holding Statement.

In view of the same, the following guidelines are being re-iterated for the immediate attention and due compliance by all Members:-

i. The register of securities (ROS) shall be maintained as per the format specified in NSE circular NSE/INSP/39393 dated November 13, 2018 & NSE/INSP/41498 dated July 03, 2019 and shall mandatory contain the "execution date" which shall be the date of actual movement (Receipt/Delivery) of securities.

ii. Holding statement shall be prepared on the basis of 'Execution Date' i.e. only based on the actual balance in the DP accounts. An illustration is mentioned below:

Illustration - I

Date of buy Trade	:	T Day
Date of Receipt of security (Payout)	:	T+2 Day
Quantity	:	100 scrip of ABC Ltd.

Holding statement

Day	Transaction	Scrip	Quantity as per holding statement
T Day	Buy (100 Qty)	ABC Ltd.	0

T+1 Day	-	-	0
T+ 2 day		ABC Ltd.	100 *

* Note: Assuming that the securities are received by TM in payout and available in TM's demat account on T+2 day.

Similarly in case of securities which are bought on T day and sold on the next trading day i.e. T+1 day, the securities will be recorded on the date of actual receipt i.e. on the date of pay-out (for the buy transaction) and removed from the client holding on the date of pay-in for the sell transaction.

Illustration - II

Day	Transaction	Scrip	Quantity as per holding statement
T Day	Buy (100 Qty)	ABC Ltd.	0
T+1 Day	Sell (100 Qty)	ABC Ltd.	0
T+2 Day	-	ABC Ltd.	100
T+ 3 day (Pay in of T+1 Selling)	-	ABC Ltd.	0

iii. **Early Pay-in of securities** – In case of EPI, the securities shall continue to be recorded in the holding statement of the respective client till T+1 day. An illustration is mentioned below:

Illustration

Date of sell Trade	:	T Day
Date of EPI	:	T Day / T+1 day
Date of Pay-in	:	T+2 Day
Quantity	:	100 scrip of ABC Ltd.

Holding statement

Day	Transaction	Scrip	Quantity as per holding statement
T Day	Sell (100 Qty)	ABC Ltd.	100**
T Day / T+1 Day	EPI (100 Qty)	ABC Ltd.	100

T+ 2 day	Pay-in	ABC Ltd.	0

** Note: Assuming that the securities are available in TM's demat account for the client.

iv. Members are advised to note that it is mandatory to mention PAN for every client transaction in the ROS and for every client in the holding statement, except in cases exempted by the Rules or Regulation issued from time to time. Members should review and ensure that correct PAN is uploaded for all their clients in the UCC database of the Exchanges and PAN recorded in the ROS & the holding statement should match with the UCC database.

All members are advised to take note and strictly comply with the above.

For and on behalf of

National Stock Exchange of India Limited

Srijith Menon
Chief Manager-Inspection

In case of any clarifications, Members may contact our below offices:

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