

**National Stock Exchange Of India Limited****Department: INVESTOR SERVICES CELL**

Download Ref No: NSE/ISC/62810

Date: July 05, 2024

Circular Ref. No: 34/2024

To All Members,

**Sub: Enhancement of operational efficiency and Risk Reduction - Pay-out of securities directly to client demat account**

This is with reference to SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD1/P/CIR/2024/75 dated June 05, 2024 and Exchange circular NSE/INSP/62420 dated June 11, 2024 on "Enhancement of operational efficiency and Risk Reduction - Pay-out of securities directly to client demat account". As prescribed in point 4.1 of the above referred SEBI circular, the securities for pay-out shall be credited directly to the respective client's demat account by the Clearing Corporations. Your attention is drawn to point 4 of the Exchange Circular Ref. No. NSE/ISC/59004 dated October 18, 2023, the Exchange had introduced indicators for marking demat and bank accounts as Primary or Secondary.

In view of the SEBI circular SEBI/HO/MIRSD/MIRSD-PoD1/P/CIR/2024/75 dated June 05, 2024, it is essential that all the eligible UCCs (across all segments) have the indication of Primary / Secondary in the demat accounts as the payouts shall be directly transferred to the demat accounts identified as Primary. Hence, all Trading Members are requested to:

1. Make relevant changes in the demat account details available in the UCC database, if any.
2. Update the Primary / Secondary indicator for demat accounts for all existing UCC details (wherever not updated).
3. Updation of the relevant fields can be done via the modification file format (attached at Annexure).

Members are requested to take note of the above guidelines and ensure all the requisite information is updated in the system latest by **August 02, 2024**. In case the Primary / Secondary Indicators for demat accounts are not updated by the Trading Members by the aforesaid date, records where only Demat account 1 is updated and other Demat account fields are blank, then it shall be construed that the Demat account details provided in Demat

Account 1 are the Primary Accounts. Hence, the Exchange shall proceed to mark these accounts accordingly.

You are required to take note of the above and comply accordingly.

In case of any query kindly contact [uci@nse.co.in](mailto:uci@nse.co.in)

**For and on behalf of  
National Stock Exchange of India Limited**

**Shanti Idnani  
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