

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

Download Ref No: NSE/ISC/63535

Date: August 23, 2024

Circular Ref. No: 44/2024

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, Exchange Circular No. NSE/INSP/62420 dated June 05, 2024 and Exchange Circular No. NSE/ISC/62810 dated 05 July 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 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:

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

Members are requested to take note of the above guidelines and ensure all the requisite information is updated in the system latest by **August 30, 2024**. In case the primary/secondary indicators for demat accounts are not updated by the Trading Members within the timelines specified by the Exchange, then information provided in demat account 1 shall be considered as the primary account and the information provided in the remaining demat accounts, if any, shall be considered as secondary demat account(s).

Trading Members are advised to take note and comply with the above guidelines.

In case of any query kindly contact uci@nse.co.in

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

**Shanti Idnani
Associate Vice President**

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