

National Stock Exchange of India

Circular

Department: NMF TM SEGMENT	
Download Ref No: NSE/NMFTM/51656	Date: March 17, 2022
Circular Ref. No: 04/2022	

All Members,

Clarifications with respect to SEBI circular for discontinuation of usage of pool accounts for transactions in units of Mutual Funds on the NSE Mutual Fund Platform

Exchange is in receipt of SEBI circular no SEBI/HO/IMD/IMD-I DOF5/P/CIR/2022/29 dated March 15, 2022 regarding clarification with respect to discontinuation of usage of pool accounts for transactions in units of Mutual Funds on the Stock Exchange Platforms.

SEBI in its circular has clarified that Members can continue to hold the existing mandates in their name whereas all new mandates effective from April 01, 2022 should be in the name of Clearing Corporation.

Accordingly, the Members who wish to continue using their existing mandates in their name, for mutual fund transactions must provide details of their Payment Aggregator to NSE Clearing limited by 22nd March 2022 on mfss_clearing@nsccl.co.in with subject “**Payment Aggregator Details for - <Name of Member>**”

For orders placed on Exchange platform where mandates are in the name of the trading members, Members shall be required to provide below details through a file upload before the respective cut-off:-

Column name	Length	Data type
Exchange Order no	12	Numeric
PG/Bank Reference No*	25	Var Char
PA code	15	Var Char
Filler 2	25	Var Char
Filler3	25	Var Char

The above file to be without headers and in txt format with Pipe (|) as the separator of the file.

PG/Bank Reference No referenced above will be the internal reference number which is currently passed by the member to their respective payment aggregator for collection of funds from investors account. Member will be required

National Stock Exchange of India

to pass the PG/Bank Reference no against the exchange order number along with the PA code. PA code will be assigned to the respective Payment Aggregator. Members are also required to provide the same PG/Bank Reference to the respective Payment Aggregators. Additionally, it is also expected that the PG/Bank Reference is also mentioned in the MIS provided by such PAs.

The following validations shall be applied on the above fields:

- Two level validation shall be involved wherein first the PG/Bank Reference No. in the order shall be matched with the one mentioned in the funds received record/s and then the bank account details mentioned in the same line item of MIS shall be matched with one of the bank account details in the Client's UCC
- In case either there is a mismatch of PG/Bank Reference No. or the bank account details, then the corresponding transaction shall be rejected with reason as "PG/Bank Reference or Bank Account mismatch" and the funds received for those rejected transactions shall be refunded to the source bank account received in the PA MIS File.

Members using third party vendor solutions and/or in-house developed trading application are hereby requested to take note of the above and arrange to initiate necessary development at their end on a priority.

All other validations and process shall remain unchanged. The effective date of implementation of the revised structures shall be April 1, 2022.

Encl: SEBI circular

For and on behalf of
National Stock Exchange of India Limited

Abhijeet Sontakke
Associate Vice President

Toll Free No		Email id
1800 266 0050		msm@nse.co.in