

**Joint Press Release on Validation of Client Demat Account Uploaded to the Exchange for
Direct Payouts**

Mumbai, 20 June 2025

This is in reference to SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD1/P/CIR/2024/75 dated June 05, 2024, regarding “Enhancement of Operational Efficiency and Risk Reduction - Payout of Securities Directly to Client Demat Account.”

In line with SEBI’s ongoing efforts to strengthen investor protection and enhance settlement efficiency, a Direct Payout Mechanism has been introduced for Payout of Securities directly to Client Demat Account. Previously, securities received by clients during the payout process were first credited to the Trading Members’ pool account and subsequently transferred to the respective clients’ demat accounts. Under the newly introduced framework, securities payout are being directly credited to investors validated primary demat accounts.

It is imperative that all demat accounts uploaded in the Exchange Unique Client Code (UCC) database belong to the first holder of the demat account which must be active and valid. It may be noted that UCCs where primary demat accounts are not validated in the Capital Market segment shall not be permitted to trade in the said segment with effect from July 7, 2025. In order to ensure smooth and continuous trading in the markets, investors are requested to ensure that they provide demat account details of only those accounts where they are the primary account holder. UCCs with valid primary demat accounts will be considered for direct payouts and will be eligible for the “Permitted to Trade” status.

Investors are urged to ensure that their primary demat accounts details are updated with their Trading Member. Further investors may reach out to their Trading Members for assistance if any.

We seek continued cooperation in ensuring timely validation of client demat accounts to enable a seamless transition to the direct payout mechanism.

About National Stock Exchange of India Limited (NSE):

National Stock Exchange of India (NSE) was the first exchange in India to implement electronic or screen-based trading. It began operations in 1994 and is ranked as the largest stock exchange in India in terms of total and average daily turnover for equity shares every year since 1995, based on SEBI data. NSE has a fully integrated business model comprising exchange listings, trading services, clearing and settlement services, indices, market data feeds, technology solutions and financial education offerings. NSE also oversees compliance by trading, clearing members and listed companies with the rules and regulations of SEBI and the exchange. NSE is a pioneer in technology and ensures the reliability and performance of its systems through a culture of innovation and investment in technology. NSE is the world's largest derivatives exchange by trading volume (contracts) as per the statistics maintained by Futures Industry Association (FIA) for calendar year 2024. NSE is ranked 2nd in the world in equity segment by number of trades (electronic order book) in 2024, as per the statistics maintained by World Federation of Exchanges (WFE).

For more information, please visit website: www.nseindia.com

For any UCC queries please contact email ID: uci@nse.co.in

About Bombay Stock Exchange (BSE):

BSE Ltd., India's leading exchange group, is celebrating its 150th year anniversary this year. BSE has been playing a prominent role in developing the Indian capital market. BSE is a corporatized and demutualized entity, with a broad shareholder base. BSE provides an efficient and transparent market for trading in multiple asset classes including equity, equity derivatives, currency derivatives, commodity derivatives, interest rate derivatives, SME, startups and debt instruments.

For more information, please visit website : www.bseindia.com

For any UCC queries please contact email Id: bsehelp@bseindia.com