



# Central Depository Services (India) Limited

Convenient + Dependable + Secure

## COMMUNIQUÉ TO DEPOSITORY PARTICIPANTS

CDSL/OPS/DP/SYSTEM/2025/693

October 14, 2025

### VALIDATION OF REASON CODES WHILE EXECUTION OF OFF MARKET TRANSACTIONS

DPs are advised to refer following CDSL Communiqués issued in the recent past including from those issued from time to time pertaining to validation of reason codes while execution off-market transactions:

- CDSL/OPS/DP/SYSTEM/2021/569 dated December 15, 2021
- CDSL/OPS/DP/SYSTEM/2022/340 dated June 20, 2022
- CDSL/OPS/DP/SYSTEM/2023/346 dated June 13, 2023
- CDSL/OPS/DP/SYSTEM/2024/479 dated August 23, 2024

In this context, based on the representations received from stakeholders, and on reviewing the compliance and regulatory aspect of the said representations, changes have been incorporated in the existing validation process under reason **Transfer of constitute shares for creation / redemption of ETF units (43)** which has been mentioned in **Annexure-A**.

DPs are requested to note that the clarification in the Off Market Reason code 43 is applicable to all transactions mentioned under this reason code only and should be considered for purposes mentioned in the remarks field for this reason code only.

DPs are advised to take note of the updated validations and disseminate the content of this communicate to their clients to enable them to take utmost care to avoid non-execution off-market instructions due to implementation of reason code validations.

DPs are further advised to take note of the aforesaid guidelines and initiate suitable back-office changes, if any.

☐ **Queries regarding this communiqué may be addressed to: CDSL – Settlement Desk** on (022) 6234-3565, 6234-3566, 6234-3567, 6234-3571, 6234-3572 or 6234-3573.

Emails may be sent to: [operations@cdslindia.com](mailto:operations@cdslindia.com).

☐ **CDSL – Helpdesk** Emails may be sent to: [dpertasupport@cdslindia.com](mailto:dpertasupport@cdslindia.com) and telephone number (022) 6234-3333.

**For and on behalf of  
Central Depository Services (India) Limited**

sd/-

**Shelton Joseph  
Asst. Vice President - Operations**

| Sr. No. | Reason Code | Reason Code Description                                    | Allowed Securities Types | Source Account Validation                                                                                                                                                                                                                                                                                                                                                              | Target Account Validation                                                                                                                                                                                                                                                                                                                               | Remark / Additional Due Diligence by DP (If any)                                                                                                                                                                                                                                                      |
|---------|-------------|------------------------------------------------------------|--------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1       | 1           | <b>Gift</b>                                                | All Sec types            | From all type of accounts, except Pool Account (Refer note 1) & Stock Broker Account (Refer note 2)                                                                                                                                                                                                                                                                                    | To all type of accounts, except Pool Account (Refer note 1) & Stock Broker Account (Refer note 2)                                                                                                                                                                                                                                                       | None<br><br>Consideration field shall not be mandatory for transfers made with this reason code.                                                                                                                                                                                                      |
| 2       | 16          | <b>Donation</b>                                            | All Sec types            | From all type of accounts, except Pool Account 1 (Refer note 1) & Stock Broker Account (Refer note 2)                                                                                                                                                                                                                                                                                  | To all type of accounts, except Pool Account 1 (Refer note 1) & Stock Broker Account (Refer note 2)                                                                                                                                                                                                                                                     | None<br><br>Consideration field shall not be mandatory for transfers made with this reason code.                                                                                                                                                                                                      |
| 3       | 2           | <b>Off-Market Sale</b>                                     | All Sec types            | From all type of accounts, except Pool Account (Refer note 1) & Stock Broker Account (Refer note 2).                                                                                                                                                                                                                                                                                   | To all type of accounts, except Pool Account (Refer note 1) & Stock Broker Account (Refer note 2)                                                                                                                                                                                                                                                       | None<br><br>Consideration field shall be mandatory for transfers made with this reason code.<br><br>Existing system validation of entering consideration & payment details, will continue to be mandatory for execution of transaction.                                                               |
| 4       | 5           | <b>Transfer to own account</b>                             | All Sec types            | From all type of accounts, except Pool Account (Refer note 1) & Stock Broker Account (Refer note 2)                                                                                                                                                                                                                                                                                    | From all type of accounts, except Pool Account (Refer note 1) & Stock Broker Account (Refer note 2)                                                                                                                                                                                                                                                     | In case target account is in other Depository, DP shall take CML of target account for validation.<br><br>Consideration field shall not be mandatory for transfers made with this reason code.                                                                                                        |
| 5       | 10          | <b>Implementation of Govt./Regulatory Direction/Orders</b> | All Sec types            | <i>With this reason code, transfer from all type of accounts shall be permitted except with validation for following Stock Broker accounts:</i><br><br><i>Transfer from Stock Broker Client Collateral account and Stock Broker Collateral account to be permitted to 'Stock Broker - Proprietary Account' with this reason code only as per SEBI Circular on Enhanced Supervision</i> | <i>Transfer to all type of account to be permitted except with validation for following Stock Broker accounts:</i><br><br><i>Transfer to Stock Broker Client Collateral account and Stock Broker Collateral account to be permitted to 'Stock Broker - Proprietary Account' with this reason code only as per SEBI Circular on Enhanced Supervision</i> | Participant to process these types of transfers based on copy of Govt./Regulatory Direction/Orders only.<br><br>100% Concurrent Audit of documents relying upon which transfer carried out is to be done.<br><br>Consideration field shall not be mandatory for transfers made with this reason code. |

| Sr. No. | Reason Code | Reason Code Description                                   | Allowed Securities Types | Source Account Validation                                                                                                                                                                                                                                                                                                                                                                       | Target Account Validation                                                                                                                                                                                  | Remark / Additional Due Diligence by DP (If any)                                                                                                                                                                                                                                                                                                                                      |
|---------|-------------|-----------------------------------------------------------|--------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 6       | 11          | <b>Erroneous Transfer pertaining to Client Securities</b> | All Sec types            | <p><i>With this reason code, transfer from all type of accounts shall be permitted, except with validation for following Stock Broker accounts:</i></p> <p><i>Transfer from Stock Broker Client Collateral account and Stock Broker Collateral account to be permitted to 'Stock Broker - Proprietary Account' with this reason code only as per SEBI Circular on Enhanced Supervision.</i></p> | Any Account                                                                                                                                                                                                | <p>For these type of transfers, request and supporting documents from Source DP/ Client and Depository / Statutory Authority need to be collected and kept in record by Participant.</p> <p>100% Concurrent Audit of documents relying upon which transfer carried out is to be done.</p> <p>Consideration field shall not be mandatory for transfers made with this reason code.</p> |
| 7       | 17          | <b>Buy-back</b>                                           | All Sec types            | Any Account                                                                                                                                                                                                                                                                                                                                                                                     | Only to those accounts which are enabled to receive shares/bonds for open offer/buy-back for temporary period.                                                                                             | <p>None</p> <p>Consideration field shall not be mandatory for transfers made with this reason code.</p>                                                                                                                                                                                                                                                                               |
| 8       | 13          | <b>Open offer for Acquisition</b>                         | All Sec types            | Any Account                                                                                                                                                                                                                                                                                                                                                                                     | Only to those accounts which are enabled to receive shares/bonds for open offer/buy-back for temporary period.                                                                                             | <p>None</p> <p>Consideration field shall not be mandatory for transfers made with this reason code.</p>                                                                                                                                                                                                                                                                               |
| 9       | 18          | <b>Margin returned by stock broker/ PCM</b>               | All Sec types            | Only from Stock Broker - Client Margin Trading Securities Account, Stock Broker - Client Collateral Account & PCM.                                                                                                                                                                                                                                                                              | All accounts, except;<br>- Pool Account (Refer note 1),<br>- Stock Broker - Client Collateral Account,<br>- Stock Broker - Client Margin Trading Securities Account and Stock Broker - Collateral Account. | <p>None</p> <p>Consideration field shall not be mandatory for transfers made with this reason code.</p> <p>Further, transfers are permitted only to the trading clients of the TM/CM based on the UCC data provided by Exchanges.</p>                                                                                                                                                 |
| 10      | 15          | <b>Refund of securities by IEPF Authority</b>             | All Sec types            | Only from account opened under Type - IEPF (as source account)                                                                                                                                                                                                                                                                                                                                  | None                                                                                                                                                                                                       | <p>None</p> <p>Consideration field shall not be mandatory for transfers made with this reason code.</p>                                                                                                                                                                                                                                                                               |

| Sr. No. | Reason Code | Reason Code Description                                                              | Allowed Securities Types                                                                                                                                        | Source Account Validation                                                                                                                                                                  | Target Account Validation                                                                                                                                                                  | Remark / Additional Due Diligence by DP (If any)                                                                                                                                                                                                                                                                                                |
|---------|-------------|--------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 11      | 19          | <b>ESOP/Transfer to employee</b>                                                     | 1) Equity shares<br>2) Convertible Debentures,<br>3) Convertible Bonds<br>4) Convertible Preference shares<br>5) Convertible Warrants<br>6) Depositary Receipts | Only from employee trust account enabled for it.                                                                                                                                           | Any account                                                                                                                                                                                | None<br><br>Consideration field shall not be mandatory for transfers made with this reason code.                                                                                                                                                                                                                                                |
| 12      | 25          | <b>Conversion of Depositary Receipt (DR) to underlying securities and vice versa</b> | All sec types                                                                                                                                                   | Either source or target account should be opened under following category:<br><br>DR -Depositary Receipt category<br>Overseas Depositary - Underlying DR.                                  | Either source or target account should be opened under following category:<br><br>DR -Depositary Receipt category<br>Overseas Depositary - Underlying DR.                                  | To be used for transfer of underlying securities for issuance/cancellation of Depositary Receipts<br><br>In case source or target account is in other depository, source DP shall take CML of target account for ascertaining the account category.<br><br>Consideration field shall not be mandatory for transfers made with this reason code. |
| 13      | 28          | <b>Dissolution/Restructuring/Winding up of Partnership Firm/Trust</b>                | All Sec types                                                                                                                                                   | Except Pool Account (Refer note 1) & Stock Broker Account (Refer note 2)                                                                                                                   | Except Pool Account (Refer note 1) & Stock Broker Account (Refer note 2)                                                                                                                   | For these types of transfers, supporting documents needs to be provided by transferor/ account holder(s) to its Participants<br><br>Consideration field shall not be mandatory for transfers made with this reason code.                                                                                                                        |
| 14      | 27          | <b>Merger/ Demerger of corporate entity</b>                                          | All Sec types                                                                                                                                                   | Except Pool Account (Refer note 1) & Stock Broker Account (Refer note 2)<br><br>Source account should be opened under account "Type- Body Corporate" Bank, FPI, AIF, Mutual Fund, QIB only | Except Pool Account (Refer note 1) & Stock Broker Account (Refer note 2)<br><br>Target account should be opened under account "Type- Body Corporate" Bank, FPI, AIF, Mutual Fund, QIB only | For these types of transfers supporting documents needs to be provided by corporate entities to its Participants<br><br>Consideration field shall not be mandatory for transfers made with this reason code.                                                                                                                                    |
| 15      | 24          | <b>Redemption of Mutual Fund Units</b>                                               | Mutual Fund Units                                                                                                                                               | From All Account types Except Pool Account (Refer note 1) & Stock Broker Accounts (Refer note 2)                                                                                           | Target account should be opened under account "Type- Mutual Fund"                                                                                                                          | To be used for transfer of Mutual Fund Units from client BO account to AMC's BO account on account of redemption<br><br>Consideration field shall not be mandatory for transfers made with this reason code.                                                                                                                                    |

| Sr. No. | Reason Code | Reason Code Description                                                     | Allowed Securities Types | Source Account Validation                                                                                                                                                                                   | Target Account Validation                                                                                                                                                                                 | Remark / Additional Due Diligence by DP (If any)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|---------|-------------|-----------------------------------------------------------------------------|--------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 16      | 30          | <b>Transfer between Minor Account and Guardian Account</b>                  | All Sec types            | Either Source or target account should have guardian details captured/ available                                                                                                                            | Either Source or target account should have guardian details captured/ available                                                                                                                          | To be used for transfer of securities between Minor Account and Guardian Account<br><br>Consideration field shall not be mandatory for transfers made with this reason code.                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 17      | 32          | <b>Transfer between Partner and Firm, Director and Company</b>              | All Sec types            | Except Pool Account (Refer note 1) & Stock Broker Accounts (Refer note 2)<br><br>Both source and target accounts cannot be Corporate Account.                                                               | Except Pool Account (Refer note 1) & Stock Broker Accounts (Refer note 2)<br><br>Both source and target accounts cannot be Corporate Account.                                                             | To be used for transfer of securities between Partner and Partnership Firm in which he/she is a partner or transfer of securities between Director and the Company in which he/she is a director.<br><br>Consideration field shall not be mandatory for transfers made with this reason code.                                                                                                                                                                                                                                                                                                                     |
| 18      | 31          | <b>Transfer between specified family members</b>                            | All Sec types            | Not to be permitted to Pool Account (Refer note 1) & Stock Broker Accounts (Refer note 2)<br><br>Transfer to be permitted only from Individual (Resident ordinary, NRI, Foreign national) and HUF accounts. | Not to be permitted to Pool Account (Refer note 1) & Stock Broker Accounts (Refer note 2)<br><br>Transfer to be permitted only to Individual (Resident ordinary, NRI, Foreign national) and HUF accounts. | To be used for transfer of securities between specified family members: Participants should obtain the "relation" between the transferor and transferee & keep the same on record. Family members means relatives as given below:<br>1. Spouse<br>2. Father (including step-father)<br>3. Mother (including step-mother)<br>4. Son (including step-son) 5. Son's wife<br>6. Daughter<br>7. Daughter's husband<br>8. Brother (including step-brother)<br>9. Sister (including step-sister)<br>10. Members of same HUF.<br><br>Consideration field shall not be mandatory for transfers made with this reason code. |
| 19      | 26          | <b>Transposition - Between joint account of same holders</b>                | All Sec types            | Except Pool Account 1 (Refer note 1) & Stock Broker Account (Refer note 2)<br><br>Account should be joint account.                                                                                          | Except Pool Account 1 (Refer note 1) & Stock Broker Account (Refer note 2)<br><br>Account should be joint account.                                                                                        | To be used for transfer of securities between joint account of same holders (order of holders different in both accounts).<br><br>In case target account is in other Depository, DP shall take CML of target account for validation.<br><br>Consideration field shall not be mandatory for transfers made with this reason code.                                                                                                                                                                                                                                                                                  |
| 20      | 29          | <b>Trust to Beneficiaries/On HUF dissolution to Karta &amp; Coparceners</b> | All Sec types            | Except Pool Account (Refer note 1) & Stock Broker Account (Refer note 2)                                                                                                                                    | Except Pool Account (Refer note 1) & Stock Broker Account (Refer note 2)                                                                                                                                  | For these types of transfers, supporting documents/ Deeds needs to be provided by transferor/ account holder(s) to Participants.<br><br>For these types of transfers, Participants to ensure that the source account should be either a Trust or HUF account.<br><br>Consideration field shall not be mandatory for transfers made with this reason code.                                                                                                                                                                                                                                                         |

Internal

| Sr. No. | Reason Code | Reason Code Description                                                                                   | Allowed Securities Types | Source Account Validation                                                                                                                                                                                               | Target Account Validation                                                                                                                                                                                             | Remark / Additional Due Diligence by DP (If any)                                                                                                                                                                                                                                                                                              |
|---------|-------------|-----------------------------------------------------------------------------------------------------------|--------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 21      | 35          | <b>Transfer from Nominee/Surviving holder to beneficiary</b>                                              | All Sec types            | Not to be permitted to Pool Account (Refer note 1) & Stock Broker Accounts (Refer note 2)<br><br>Transfer to be permitted only from Individual (Resident ordinary, NRI, Foreign national) accounts.                     | Not to be permitted to Pool Account (Refer note 1) & Stock Broker Accounts (Refer note 2)<br><br>Transfer to be permitted only to Individual (Resident ordinary, NRI, Foreign national) accounts.                     | For this type of transfers, Participant can verify whether the source account have received the securities through transmission (as nominee or surviving holder).<br><br>Consideration field shall not be mandatory for transfers made with this reason code.                                                                                 |
| 22      | 39          | <b>Change of nominee shareholder appointed under section 187(1) of Companies Act. (Refer note 3)</b>      | Equity ISINs only        | From all type of accounts, except Pool Account (Refer note 1) & Stock Broker Account (Refer note 2)                                                                                                                     | To all type of accounts, except Pool Account 1 (Refer note 1) & Stock Broker Account (Refer note 2)                                                                                                                   | Copy of the Board resolution of the company effecting change of nominee shareholders (evidencing change/ appointment of nominee shareholder) to be provided to Participant.<br><br>Consideration field shall not be mandatory for transfers made with this reason code.                                                                       |
| 23      | 40          | <b>Off-Market Swap</b>                                                                                    | All Sec types            | From all type of accounts, except Pool Account (Refer note 1) & Stock Broker Account (Refer note 2).<br><br>Source account should be opened under account "Type- Body Corporate" Bank, FPI, AIF, Mutual Fund, QIB only. | From all type of accounts, except Pool Account (Refer note 1) & Stock Broker Account (Refer note 2)<br><br>Target account should be opened under account "Type- Body Corporate" Bank, FPI, AIF, Mutual Fund, QIB only | Participant to obtain Declaration from both the transferor & transferee giving details about the swap deal (details of shares swapped along with agreed valuation and reason for such transfer) and a certified copy of the swap agreement.<br><br>Consideration field shall be mandatory for transfers made with this reason code.           |
| 24      | 41          | <b>Delisting - Exit offer</b>                                                                             | All Sec types            | From all type of accounts, except Pool Account 1 (Refer note 1) & Stock Broker Account (Refer note 2)                                                                                                                   | Only to those accounts which are enabled to receive securities for exit offer for temporary period.<br><br>Target account should be opened under account "Type- Body Corporate" and Bank only.                        | For these type of transfers, supporting documents like Copy of the delisting offer/ public notice (sent by the company to the shareholder, having target demat account details of the company) needs to be provided by transferor to Participants.<br><br>Consideration field will not be mandatory for transfers made with this reason code. |
| 25      | 36          | <b>Transfer of securities from/to account of PMS provider to/from the account of its various clients.</b> | All Sec types            | Either source or target beneficial owner account to be tagged of a PMS service provider                                                                                                                                 | Either source or target beneficial owner account to be tagged of a PMS service provider                                                                                                                               | For opening or tagging a beneficial owner account for a PMS service provider, the Participant shall obtain a SEBI registration certificate from the PMS provider.<br><br>Consideration field shall not be mandatory for transfers made with this reason code.                                                                                 |
| 26      | 37          | <b>Margin to Custodian</b>                                                                                | All Sec types            | Only from accounts tagged as 'Custodial clients' account and this reason code will be enabled only for custodian DPs.                                                                                                   | Only to accounts tagged as 'Client collateral account-Custodian' . A new sub-type 'Client collateral account-Custodian' under types - "Body Corporate" & "Bank" will be introduced.                                   | In case source or target account is in other depository, source DP shall take CML of target account for ascertaining the account category.<br><br>Consideration will not be mandatory for these transfers                                                                                                                                     |

| Sr. No. | Reason Code | Reason Code Description                                                     | Allowed Securities Types | Source Account Validation                                                                                                                                                             | Target Account Validation                                                                                                                                                      | Remark / Additional Due Diligence by DP (If any)                                                                                                                                                                                                                                                                 |
|---------|-------------|-----------------------------------------------------------------------------|--------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 27      | 38          | <b>Margin returned by Custodian</b>                                         | All Sec types            | Only from accounts tagged as 'Client collateral account-Custodian' . A new sub-type 'Client collateral account-Custodian' under types - "Body Corporate" & "Bank" will be introduced. | Only from accounts tagged as 'Custodial clients' account and this reason code will be enabled only for custodian DPs.                                                          | In case source or target account is in other depository, source DP shall take CML of target account for ascertaining the account category.<br><br>Consideration will not be mandatory for these transfers                                                                                                        |
| 28      | 42          | <b>Deposit of securities with Escrow Agent / Account and its return</b>     | All Sec types            | Transaction to be permitted if either Source or Target Account is Escrow Corporate / Escrow Bank / Unclaimed Securities Suspense Escrow / Aggregate Escrow Demat Account – AIF        | Transaction to be permitted if either Source or Target Account is Escrow Corporate / Escrow Bank / Unclaimed Securities Suspense Escrow / Aggregate Escrow Demat Account – AIF | Participant shall obtain a Declaration from the account holder for opening of an escrow account providing the reason for opening the escrow account.<br><br>Consideration field shall not be mandatory for transfers made with this reason code.                                                                 |
| 29      | 43          | <b>Transfer of constitute shares for creation / redemption of ETF units</b> | All Sec types            | From all type of accounts, except Pool Account (Refer note 1) & Stock Broker Account (Refer note 2)                                                                                   | Target account should be opened under account "Type- Mutual Fund"                                                                                                              | Transfer of securities from / to the client accounts to the respective Mutual Fund for purpose of Redemption / Creation of the Mutual Fund units and vice versa. Both Source and target accounts cannot be Mutual Fund accounts.<br><br>Stamp Duty shall be applicable as per applicable Stamp Duty Regulations. |

| Sr. No.       | Reason Code | Reason Code Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Allowed Securities Types | Source Account Validation | Target Account Validation | Remark / Additional Due Diligence by DP (If any) |
|---------------|-------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|---------------------------|---------------------------|--------------------------------------------------|
| <b>Notes:</b> |             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                          |                           |                           |                                                  |
| 1             |             | Pool Account will means:<br>CM Pool Account<br>TM Pool Account<br>PMS Pool Account<br>Client Unpaid Securities Account (CUSA)<br>CH Account (In CDSL)                                                                                                                                                                                                                                                                                                                                                                                      |                          |                           |                           |                                                  |
| 2             |             | Client collateral account<br>Client Margin Trading Securities account<br>Stock Broker – Collateral account<br>Stock Broker – Client<br>Client Securities Margin Pledge Account<br>Client Securities under Margin Funding Account<br>Client Unpaid Securities Pledgee Account (CUSPA)                                                                                                                                                                                                                                                       |                          |                           |                           |                                                  |
| 3             |             | Section 187 (1) is reproduced below for reference purpose:<br><br>187. Investments of company to be held in its own name<br>“(1) All investments made or held by a company in any property, security or other asset shall be made and held by it in its own name:<br>Provided that the company may hold any shares in its subsidiary company in the name of any nominee or nominees of the company, if it is necessary to do so, to ensure that the number of members of the subsidiary company is not reduced below the statutory limit”. |                          |                           |                           |                                                  |
| 4             |             | ALL Security type excludes off market transfer of Government Securities via Inter-depository transfer (CDSL to NSDL), as presently Inter-depository transfer of Government Securities is only allowed to be transferred via On-market transfer.                                                                                                                                                                                                                                                                                            |                          |                           |                           |                                                  |