

Circular No.: NSDL/CIR/II/27/2020

Date: July 29, 2020

**Subject: Enhanced Due Diligence for Dematerialization of Physical Securities - Additional alert/ flag in case the Folio Number and Certificate Number is not matching.**

Attention of all Issuers/R&T Agents is invited to Circular No. NSDL/CIR/II/10/2020 dated February 15, 2020 informing Issuers/R&T Agents about implementation of Enhanced Due Diligence for Dematerialization of Physical Securities as per SEBI Circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2019/122 dated November 05, 2019.

In this context, all Issuers / R & T Agents are hereby informed that in addition to the existing “Name Mismatch” alert/ flag that are being generated and downloaded to RTAs based on details of folio number, certificate number and distinctive numbers provided by the Depository Participants during the demat request generation, additional alerts will be generated in cases where the folio number and/or certificate number as captured by the Depository Participant in NSDL system has/have not matched with the folio number and/or certificate number as provided by Issuer/R&T Agent in the Static Database, while capturing such dematerialisation requests. Accordingly, new values are introduced in the existing field/column as given below in the dematerialisation/rematerialisation request download. Further, field/column name shall now be read as “Mismatch Indicator” instead of “Name Mismatch Indicator”.

	Old Values	New Values
Mismatch Indicator	Y = Name Mismatch	Y = Name Mismatch
	N = None	B = Name and Folio Number Mismatch
		D = Name, Folio Number and Certificate Number Mismatch
		E = Name and Certificate Number Mismatch
		C = Certificate Number Mismatch
		F = Folio Number Mismatch
		G = Folio Number and Certificate Number Mismatch
	N = No Mismatch	

The above said change is scheduled to be released at EOD of July 31, 2020. All Issuers/ R&T Agents are advised to make necessary changes in their back-office system latest by July 31, 2020.

For and on behalf of  
**National Securities Depository Limited**

**Amit Shinde**  
 Senior Manager