

Dealmoney Commodities Private Limited

Standard Operating Procedure (SOP)

For Depository Operations

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1. EXECUTIVE SUMMARY

Dealmoney Commodities Private Limited, hereafter referred as DCPL, is a registered Participant of Central Depository Services Limited (CDSL) and offers all kind of depository services to its clients along with the broking services. DCPL Account enables the customer to avail Demat and Trading account services. Clients are required to complete a single, consolidated account opening process for Demat & Trading account.

DCPL depository services includes Dematerialization, Rematerialization, Pledging of securities, on market and off market transfer of securities, Destatementisation, Restatementisation, Account transfer/transmission, etc. The mobile app of DCPL allows clients to track their holdings on a real time basis. Securities PAY-IN is carried out through Power of Attorney process as per CDSL guidelines. DCPL uses CDSL web CDAS application for executing all kind of transactions and uses easiest (electronic access to securities information and execution of secured transactions) as a backup for on market and off market transactions.

This document covers the standard operating procedure which will be followed by the members of DP operations team to fulfil all the requirements of the clients of DCPL Depository Participant.

2. ABBREVIATIONS

Abbreviation	Explanation
DCPL	DEALMONEY COMMODITIES PRIVATE LIMITED
CDSL	Central Depository Services Limited
POA	Power Of Attorney
DIS	Delivery Instruction Slips
easiest	electronic access to securities information and execution of secured transactions
PAN	Permanent Account Number
POD	Proof Of Despatch
PRF	Pledge Request Form
EOD	End Of the Day
URF	Unpledge Request Form
IRF	Invocation Request Form
DRF	Dematerialization Request Form
DRN	Dematerialization Request Number
RTA	Registrar and Transfer Agent
RRF	Rematerialization Request Form
RRN	Remat Request Number
MF-RRF	Mutual Fund-Rematerialization Request Form
ACRF	Account Closure Request Form
TRF	Transmission Request Form

3. PROCESS DESCRIPTION

3.1 BOD PROCESS

Scope

BOD process (Beginning of day), is a set of activities performed by DP operations team to ensure that all the relevant master/transaction files required for generation of Client (BO) holdings to RMS engine and client master report to the Demat account holders are generated and uploaded to the relevant systems. The systems involved are Soham, CDAS, Rupee Seed and Periscope.

1. Master/Transaction Files Upload in

Soham Purpose

Master files/Transaction files are required for processing by Soham which in turn enables DCPL systems to update scrip master, pay in and pay out of securities, etc. Following master files are uploaded to Soham application

- a) ISIN master (CD03)- Required to update DCPL scrip master
- b) Settlement master(CD07)- The settlement pocket details available in the settlement master is used for the Pay in and Pay out of securities
- c) DP master(CD01)- Used for validating the Demat account for off market transfers
- d) Issuer details(CD05)- Required for dematerialization of physical share certificated
- e) RTA master(CD02)- Required for dematerialization of physical share certificated
- f) Exchange master(CD04)- Used for the Pay in and Pay out of securities
- g) Bank master(CD10)- Used for mapping the bank account details required for Demat account creation
- h) CM master(CD11)- Used for the Pay in and Pay out of securities

- i) Pin code master(CD12)- Required for Demat account creation
- j) Transaction File(DP57)- Previous day demat transactions for updating BO holdings
- k) BO master(DPS8)- Required for generating CMR to Demat account holders

Process Description

- 1) Login to CDAS at 7:30 AM using the login available with DP ops
- 2) Download masters and transaction file from report module in CDAS
- 3) Login to Soham application using the login available with DP ops
- 4) Upload the master/transaction files using the import button against each file

2. BO holding file generation

Purpose

BO holding file is required for updating clients demat holdings in portfolio. This will enable the risk management system to calculate the tradeable quantity as well.

Process description

- 1) Login to Soham application using the login available with DP ops
- 2) Upload CD03 Incremental file
- 3) Upload DP57 file using the import menu in Soham
- 4) DP Ops team will generate the DP Holding file from the export menu in Soham between 7:30 AM to 8.00 AM every day
- 5) BO Holding file generated from Soham system will be uploaded in Rupeesee system for enabling in trading system

3. ISIN Master Upload

Purpose

Previous day's CDSL ISIN master is required by DCPL system for updating the DCPL scrip master.

Data from CDSL scrip master updates the following details in DCPL scrip master

- a) ISIN Alpha Code
- b) Security Type
- c) Market Type
- d) ISIN Status
- e) ISIN Suspension Flag

Process description

- 1) Login to CDSL using the login available with DP ops
- 2) Download ISIN master (CD03) file from the report module
- 3) Upload the ISIN master in Soham back office system

4. CMR generation

Purpose

CMR is required to be sent to users for whom demat account has been opened/modified. The CMR is generated for all users whose demat account is opened or modified in the previous date

Process description

- 1) Login to CDAS at 7:30 AM using the login available with DP ops
- 2) Download BO masters (DPS8) from report module in CDAS
- 3) Login to Soham application using the login available with DP ops
- 4) Upload the DPS8 file using the import menu
- 5) **Generate Client master from CDSL System**
- 6) Sample test entries of two CMR for verifying the details.
- 7) Affix the stamp and signature of DP
- 8) Send the Client Master Report to Client through courier/mail.

3.2 ON MARKET/ OFF MARKET TRANSACTION PROCESSING

Scope

As part of security settlement process, transfer of securities from beneficiary owner account to DCPL pool account or early pay-in account has to be performed daily so as to fulfil the security obligations with exchange. When a client completes a successful delivery buy order, on the settlement day shares are credited to his/her demat account from pool account or in CUSA account if there is any debit in trading account.

This is also required for off market transfers which allows users to transfer securities from their demat account in DCPL to demat account with other DPs.

DCPL encourage the customers to use the easiest facility for off market & the customer has to submit physical DIS for Inter Depository Transactions.

***Pre-requisites**

- BO should have a valid physical DIS for doing off market transactions in offline mode.
- For off market transactions, BO should pay the stamp duty amount to DCPL in advance or client can pay the stamp duty directly to CDSL (If the off-market transfer reason applicable for stamp duty) .
- Physical DIS should be filled properly and there should not be any corrections or overwriting on the DIS

1. Securities Pay in/ Pay out**Purpose**

Pay in: - Security settlement team receives exchange obligation file on every trading day. Using the obligation file, Soham Back office system will generate the Early pay in file. The Early Payin file generated from Soham is uploaded in CDAS system. Response file imported back to Soham Back office for transaction id and transaction status updated in Soham Back office system.

Pay out- DP operations team will give the transaction files (Pool Account DPC 9) to Soham which in-turn imitates the Pay out from DCPL pool to client demat account or CUSA account

Process description

Pay in:-

- 1) Security settlement team downloads the pay in file from Soham and share the same with DP ops team within one hour of receiving trade file from the exchanges
- 2) Sample test entries of two clients for verifying the demat account details and settlement pocket
- 3) DP ops team log into Soham DP Back office using the login credentials
- 4) Upload pay-in file generated by Soham DP in Soham;
Import>more>online trading EP
- 5) Generate pay in file from Soham; Export>common txn upload
- 6) Download encrypted file from Soham; Export>batch download
- 7) Login to CDAS using the login credentials
- 8) Upload the encrypted file in CDAS “common upload” module
- 9) Verify the response file received after step 8, for number of entries successfully upload and for failed entries
- 10) Inform the settlement team for failed entries if any
- 11) Repeat the process for pay in after rectification by settlement team
- 12) Share the DP89 with settlement team to close the payin.

Payout

- 1) Log in to CDAS
- 2) Download transaction file (DPC9) for the settlement day for pool accounts from CDAS report module by 1.30 PM in regular settlement and by 12.00 PM and 4.30 PM in case of multiple settlement
- 3) Email the DPC9 file to security settlement team
- 4) Security settlement team reverts the Pay-out file to DP ops team
- 5) Login to CM Easiest (web url <https://web.cdslindia.com/myeasi/Home/Login>)
- 6) Upload the Pay-out file under transactions menu in CM Easiest, using the digital signature of head of operations.
- 7) Verify the response file received after step 6, for number of entries successfully upload and for failed entries
- 8) Inform the settlement team for failed entries if any
- 9) Repeat the process for payout after rectification by settlement team
- 10) Download transaction file (DPC9) after the pay out from pool accounts from the report module of CDAS and email to settlement team for closing the pay-out settlement in Soham Trading Back Office.

2. Delivery Instruction Slip Issue

Purpose

This is required for offline off market/inter DP transfers which allows users to transfer securities from their demat account in DCPL to demat account with other DPs. For collecting the physical DIS, BO needs to give request in the specified format (which is available in DCPL website download centre) to DCPL, along with the copy of self-attested PAN card.

Process description

- 1) DP Ops team will make the inward entry of DIS requests.
- 2) DIS Request Verification – DP Ops team will verify the BO signature and other details.
- 3) Reject the requests with signature mismatch and communicate it to the BO within 7 days
- 4) Print CDSL Annexure 6.2a (Combined Instruction Slip) based on the number of requests received. DCPL will be issuing 5 Slips per BO per request.
- 5) Stamp DIS serial numbers on the DIS.
- 6) Login to Soham and update new DIS serial numbers in DIS inventory; setup>inst control>Issue non personalised DIS
- 7) Login to Soham maker login and issue 5 DIS per BO from the inventory; setup>inst control>Issue non personalised DIS
- 8) Login to Soham checker login to approve the DIS issue and generate the issue details; setup>inst control>Issue non personalised DIS
- 9) Login to CDAS and upload the DIS issue details generated from Soham; Export>batch download
- 10) Stamp BO ID on the allotted DIS and sent it to the client's registered address.
- 11) Maintain POD or register with client/bearer signature in case of hand delivery
- 12) Block Lost/Misplaced DIS in Soham and CDSL to prevent the mis utilisation of lost DIS: setup>inst control>Issue non personalised DIS>slip cancellation.
- 13) Maintain DIS inventory and DIS issue register in physical or electronic format.

3. Off market / Inter Depository DIS Execution

Purpose

Clients will submit duly filled physical DIS for offline off market transfer which allows them to transfer securities from their demat account in DCPL to demat account with other DPs. For off market transactions, BO should pay the stamp duty amount (Depends upon transfer reason) in advance to DCPL or Client can pay the stamp duty directly to CDSL. Physical DIS should be filled properly and there should not be any corrections or overwriting on the DIS.

Process description

- 1) DP Ops team will make inward entry after receiving the duly filled-in DIS for executing off mkt or Inter-depository transactions from the BO.
- 2) DP ops team will verify the signature(s) of the holder(s) with the signature(s) recorded in the CDSL system, and the ISIN, Symbol, Quantity, etc. are filled properly on the DIS.
- 3) Login to Soham Trading back office and check the ledger balance of the BO
- 4) Ops team shall not execute off market or inter DP transfers if there is any dues from the BO or the ledger balance is not sufficient to meet the stamp duty for off market transfer.
- 5) Inform to BO about such rejection through email and execute the transaction only after receiving the required amount in client ledger.
- 6) Take client confirmation (q. Was the DIS S.No ... submitted by Client Name, for DP ID, ISIN details ?) using a recorded line in case of high value transactions (market value more 5 Lakhs) and transactions from dormant account.
- 7) Login to Soham maker login and capture the transaction; Transaction> off market/inter depository
- 8) Login Soham Checker login and authorize the transaction; Transaction> off market/inter depository
- 9) Login to Soham verifier login and do second level verification in case of high value transaction; Transaction> off market/inter depository
- 10) Generate the batch file from Soham; Export>common transaction upload and upload to web CDAS common upload module.
- 11) Upload the response file and DP57 file into Soham for updating the holdings; Import>more>COD DP57
- 12) Place maker and checker signature with date and time on the executed DIS.
- 13) Scan and upload the executed DIS in CDAS within 24 hours.
- 14) Preserve the executed DIS for reference and records.

3.3 ACCOUNT CREATION (SETUP) / MODIFICATION

Scope

Account Creation or modification process, is a set of activities performed by DP operations team and KYC team to create or modify BO details in CDSL system. The systems involved are Web APP on boarding system, DCPL, Soham, and CDAS.

Purpose

Customer who wishes to create/modify accounts in DCPL will update his KYC details through DCPL App or web login. KYC team will verify the KYC details in the on boarding application and approve the same based on the correctness of the details entered and the proofs submitted. Post KYC approval from online system it will push the details to Soham through store procedure.

Following modifications are supported through online channel

- 1) Address modification
- 2) Email ID
- 3) Bank Details
- 4) Mobile Number

Process Description

- 1) Login to Soham application using the login available with DP ops
- 2) Sample test entries of two clients for verifying the details from the BO master module in Soham; Setup>BO>BO Master/Modify BO
- 3) Export setup/modification file from the export module for CDAS upload; Export>BOs/Modify BOs. Signature file and BO setup/modification will be downloaded
- 4) Keep signature file and the BO setup/modification file in the same processing date folder
- 5) Login to CDAS using the login available with DP ops
- 6) Upload the exported file to the BO Upload/Modify BO Upload module in CDAS
- 7) Download the response files (DP59/DPH1) from the report module in CDAS
- 8) For failed entries repeat the process with corrective action.
- 9) Upload the response files to the import module in Soham; Import>Success /Failure Report>DP59/DPH1

3.4 PLEDGE / UNPLEDGE / PLEDGE INVOCATION

Scope

DCPL customers can pledge their securities for margin with DCPL or for taking loan against securities with any other financial institution. For creating the pledge, customers need to submit Pledge Request Form in the prescribed format along with Pledge Agreement and the details of Pledgee demat account.

1. Pledge Creation

Purpose

In this process DP Ops team will create the pledge in customers demat account after verifying the Pledge Request Form (available for download by clients from DCPL website), Pledge Agreement and the free balances available in the demat account of the customer who is initiating the pledge.

Process description

- 1) DP Ops team will make inward entry after receiving the duly filled-in Pledge Request Form.
- 2) DP ops team will verify the signature(s) of the holder(s) with the signature(s) recorded in the CDSL system. Team will also verify whether ISIN, Symbol, Quantity, etc. are filled properly on the PRF. Team will then verify the pledge agreement and check the validity.
- 3) Login to Soham and check the ledger balance of the BO
- 4) Pledge shall not be executed if there is any dues from the BO.
- 5) Inform to BO about such rejection through email.
- 6) Execute the transaction only after receiving the required amount in client ledger.
- 7) Login to Soham maker login and capture the pledge request; Transactions>pledging>pledge
- 8) Login Soham Checker login and authorize the request: Transactions>pledging>pledge
- 9) Generate the batch file from Soham; Export>common txn upload, and upload to web CDAS common upload module.
- 10) Download the pledge confirmation letter giving details of pledge set up from the reports module of CDAS.
- 11) Send the above letter through courier to the customer who initiate the pledge after placing DP seal and the signature of DP official.
- 12) Upload response file (DPM6) from CDAS for closing the pledge set up process in Soham.
- 13) Based on instructions received from the pledgee, the pledgee DP shall either accept or reject the request.

- 14) Once the pledge request is accepted/rejected by the Pledgee DP, pledge setup quantity in the demat account of the customer, will move under pledged/free quantity.

2. Unpledge initiated by Pledgor

Purpose

On the closure of the pledge agreement or after the fulfilment of the pledge terms and conditions, pledgor (the client who initiate the pledge) can initiate unpledge request for removing the pledge marked for the securities held in his demat account.

Process description

- 1) DP Ops team will make inward entry after receiving the duly filled-in Unpledge Request Form.
- 2) DP ops team will verify the signature(s) of the holder(s) with the signature(s) recorded in the CDSL system. Team will also verify whether ISIN, Symbol, Quantity, etc. are filled properly on the URF.
- 3) Login to Soham maker login and capture the unpledge request; Transactions>pledging>unpledge
- 4) Login Soham Checker login and authorize the request; Transactions>pledging>unpledge
- 5) Generate the batch file from Soham; Export>common txn upload, and upload to web CDAS.
- 6) Download the letter giving details of unpledge set up from the reports module of CDAS.
- 7) Send the above letter to the customer who initiate the unpledge after placing DP seal and the signature of DP official.
- 8) Upload response file (DPM6) from CDAS for closing the pledge set up process in Soham.
- 9) Based on instructions received from the pledgee, the pledgee DP shall either accept or reject the unpledge request.
- 10) Once the unpledge request is accepted by the Pledgee DP, the securities which were blocked in the demat account of the pledgor account are released.

3. Unpledge initiated by

Pledgee Purpose

On the closure of the pledge agreement or after the fulfilment of the pledge terms and conditions by the pledgor (the client who initiate the pledge), the pledgee (client who accept the pledge) can initiate unpledge request for removing the pledge marked for the securities held the pledgor's account.

Process description

- 1) Pledgee BO will fill up the Unpledge Request Form (URF), and submit to DCPL.
- 2) DP Ops team will make inward entry after receiving the duly filled-in Unpledge Request Form.
- 3) DP ops team will verify the signature(s) of the holder(s) with the signature(s) recorded in the CDSL system. Team will also verify whether ISIN, Symbol, Quantity, etc. are filled properly on the URF.
- 4) Login to Soham maker login and capture the unpledge request; Transactions>pledging>unpledge
- 5) Login Soham Checker login and authorize the request; Transactions>pledging>unpledge
- 6) Generate the batch file from Soham; Export>common txn upload, and upload to web CDAS.
- 7) Download the letter giving details of unpledge set up from the reports module of CDAS.
- 8) Send the above letter to the customer who initiate the unpledge after placing DP seal and the signature of DP official.
- 9) Upload response file (DPM6) from CDAS for closing the unpledge set up process in Soham.
- 10) Once the unpledge request is processed by the Pledgee DP, the securities which were blocked in the demat account of the pledgor account are released.

4. Pledge Invocation

Purpose

If the pledgor fails to fulfil his obligation as per the pledge agreement, the pledgee can initiate pledge invocation which allows him to transfer the securities blocked in the pledgor demat account to his demat account.

Process description

- 1) Pledgee BO will fill up the Pledge Invocation Request Form (IRF), and submit to DCPL.
- 2) DP Ops team will make inward entry after receiving the duly filled-in Invocation Request Form.
- 3) DP ops team will verify the signature(s) of the holder(s) with the signature(s) recorded in the CDSL system. Team will also verify whether ISIN, Symbol, Quantity, etc. are filled properly on the IRF.
- 4) Login to Soham maker login and capture the invocation request; Transactions>pledging>invocation
- 5) Login Soham Checker login and authorize the request; Transactions>pledging>invocation

- 6) Generate the batch file from Soham; Export>common txn upload, and upload to web CDAS.
- 7) Download the letter giving details of invocation set up from the reports module of CDAS.
- 8) Send the above letter to the customer who initiate the invocation after placing DP seal and the signature of DP official.
- 9) Upload response file (DPM6) from CDAS in Soham for closing the invocation set up process.
- 10) Once the invocation request is processed by the Pledgee DP,
 - If the pledge is for free balance, then the securities, which were blocked in pledgor BO's account for pledge, are transferred to the pledgee BO's account.
 - If the pledge is for lock-in securities, then invoke request cannot be setup till the lock-in period is over.

5, Margin Pledge

Purpose

The customers are doing the Margin Pledge to full fill the Buying/Selling Margin Obligation

Process description: -

- 1) The customer can do the margin pledge via sending mail to DCPL Settlement team.
- 2) On receipt of request from BO's Settlement team prepare the margin pledge instruction duly signed by POA and submit to DP team
- 3) DP Team do the scrutiny and process the margin pledge instruction in Soham Back office.
- 4) Generate the Margin pledge batch file and upload in CDAS system.
- 5) Response file upload back to Soham back office system.
- 6) Once we upload DP37, the status will get update in Soham DP back office and broking back office as well.

6, Margin Repledge Pledge

Purpose

The customers are doing the Margin Pledge to full fill the Buying/Selling Margin Obligation. Post customer pledge the Securities in Favour for TM/CM, TM need to repledge with Clearing Corporation for avail Margin Benefits.

- 1) Once the Pledge request is processed by CDSL, securities blocked in favor of CM
- 2) Settlement team, prepare the repledge instruction and submit to the DP Ops Team for

further process.

- 3) DP Team do the maker and checker entry in their respective login
- 4) Generate the Batch file and upload in CDSL system
- 5) Response file import back to Soham DP back office system.
- 6) DP Team generate the DP37 file & send it of settlement team and import in Soham back office.

3.5 DEMATERIALISATION

Scope

Dematerialisation is the process, which enables BOs to convert their existing holdings of securities in physical form to electronic form. Registrar and Transfer Agent (RTA) will collect the physical certificates from the customer through Depository Participants (DP) and give the credit in the customers demat account using the depository system.

Purpose

The BO who wishes to covert his physical stocks into electronic form, shall submit duly filled Dematerialisation Request Form (DRF) along with the original share certificates to DCPL. DCPL will process it and send to the respective RTAs and the shares will be converted based on the correctness of DRF and the validity of share certificates.

Process description

- 1) DP Ops team will make inward entry after receiving duly filled-in Demat Request Forms (3 copies) and original share certificates
- 2) DP ops team will verify the signature(s) of the holder(s) with the signature(s) recorded in the CDSL system. Team will also verify whether ISIN, Symbol, Quantity, certificate no etc. are filled properly on the DRF. Team will then verify certificate for name, certificate number, face value etc.
- 3) Reject invalid requests and inform to BO about such rejection and return share certificates and DRF to the registered address of the BO through registered post.
- 4) Login to Soham maker login and capture the demat request; Transactions>demat request
- 5) Login Soham Checker login and authorize the request; Transactions>demat request
- 6) Generate the batch file from Soham; Export>common txn upload, and upload to web CDAS.
- 7) Download the acknowledgement letter giving details of demat set up from the reports module of CDAS.
- 8) Return the requests rejected by CDSL using RTA static database to the client registered address and maintain the POD
- 9) Fill the Dematerialization Request Number (DRN) available in the acknowledgement letter in the Demat Request Forms.
- 10) Deface the accepted certificates by affixing dematerialization rubber stamp with DP name and BO ID, and mutilate the certificates by punching two holes at the top of the certificate(s).

- 11) The share certificates, RTA Copy of DRF and signed copy of the CDSL system-generated acknowledgement letter shall be sent to the Issuer/RTA.
- 12) Send the signed copy of DRF and the CDSL system-generated acknowledgement letter to the client registered address.
- 13) CDSL acknowledgement letter, copy of the DRF, and copies of original share certificate along with the proof of dispatches to RTA and clients are to be maintained for reference and records.
- 14) In case the request is rejected by RTA, DCPL shall arrange to return the certificates along with the rejection letter sent by the Issuer/RTA to the concerned BO within 7 days from the receipt of rejected certificates and maintain the dispatch details for reference and records.

3.6 REMATERIALIZATION

Scope

Rematerialization allows to convert the electronic balances held by the BO in its demat account into physical form. Registrar and Transfer Agent (RTA) will issue physical certificates to the customer through Depository Participants (DP) and debit the customers demat account using the depository system.

Purpose

The BO who wishes to convert his demat stocks to physical certificate, shall submit duly filled Rematerialisation Request Form (RRF) to DCPL. DCPL will process it and send to the respective RTAs and the shares will be converted based on the correctness of RRF and the availability of shares in demat account.

Process description

- 1) DP Ops team will make inward entry after receiving duly filled-in Remat Request Forms (3 copies)
- 2) DP ops team will verify the signature(s) of the holder(s) with the signature(s) recorded in the CDSL system. Team will also verify whether ISIN, Symbol, Quantity, etc. are filled properly on the RRF and the availability of free stocks in demat account.
- 3) Login to Soham maker login and capture the remat request; Transaction>remat
- 4) Login Soham Checker login and authorize the request; Transaction>remat
- 5) Generate the batch file from Soham; Export>common txn upload, and upload to web CDAS.
- 6) Download the acknowledgement letter giving details of remat set up from the reports module of CDAS.
- 7) Fill the Rematerialization Request Number (RRN) available in the acknowledgement letter in the Remat Request Forms.
- 8) RTA Copy of RRF and the signed copy of the CDSL system-generated acknowledgement letter shall be sent to the Issuer/RTA.
- 9) Send the signed copy of RRF and the CDSL system-generated acknowledgement letter to the client registered address.

- 10) CDSL acknowledgement letter, copy of the RRF, and the proof of dispatches to RTA and clients are to be maintained for reference and records.

3.7 RESTATEMENTIZATION

Scope

Restatementization is a process by which the MF units held in electronic form are converted into physical form. Registrar and Transfer Agent (RTA) will issue physical certificates to the customer through Depository Participants (DP) and debit the customers demat account using the depository system.

Purpose

The BO who wishes to covert his MF units from demat form to physical statement, submit duly filled Restatementization Request Form (RRF) to DCPL. DCPL will process it and send to the respective RTAs and the MF units will be converted based on the correctness of RRF and the availability of MF units in demat account.

Process description

- 1) DP Ops team will make inward entry after receiving duly filled-in Restatementization Request Forms (3 copies)
- 2) DP ops team will verify the signature(s) of the holder(s) with the signature(s) recorded in the CDSL system. Team will also verify whether ISIN, Symbol, Quantity, etc. are filled properly on the RRF and the availability of free MF units in demat account.
- 3) Login to Soham maker login and capture the request; Transaction>remat
- 4) Login Soham Checker login and authorize the request; Transaction>remat
- 5) Generate the batch file from Soham; Export>common txn upload, and upload to web CDAS.
- 6) Download the acknowledgement letter giving details of Restatementization set up from the reports module of CDAS.
- 7) Fill the Restatementization Request Number (RRN) available in the acknowledgement letter in the Restatementization Request Forms.
- 8) RTA Copy of RRF and the signed copy of CDSL system-generated acknowledgement letter shall be sent to the Issuer/RTA.
- 9) Send the signed copy of RRF and the CDSL system-generated acknowledgement letter to the client registered address.
- 10) CDSL acknowledgement letter, copy of the RRF, and the proof of dispatches to RTA and clients are to be maintained for reference and records.

3.8 ACCOUNT CLOSURE / TRANSMISSION

Scope

Beneficiary Owners can close their demat accounts any time by giving closure request to DCPL in the prescribed format or the Closure Request can have sent through client's registered mail id. The BOs can shift their demat accounts from DCPL to any other DP. Also, the successor of any deceased BO can transfer the title of the securities by giving Transmission Request Form.

1. Account Closure initiated by BO

Purpose

The BO who wishes to close his demat account, shall submit duly filled Account Closure Request Form (ACRF) to DCPL or the Closure Request can have sent through client's registered mail id. DCPL will process it after verifying the account balance. The closure requests of BOs having any dues will not be processed. The Account Closure Request should be entered on the CDSL system within 7 days of receipt of the Closure Request. The ACRF shall have provisions for the BO to indicate whether the balances (if any), in the BO account should be rematerialized and/or transferred to another BO account.

Process Description

- 1) On Receipt of Account Closure Request DP Ops team will make the inward entry of Account Closure Request.
- 2) Verify ACRF, reject ACRF if the BO having any dues and intimate same to the BO.
- 3) DP ops team to intimate RMS/Fund team and take confirmation for trading deactivation in RMS and any ledger debit balance.
- 4) DP ops team to intimate KYC team for trading Account deactivation in all required system.
- 5) Login to Soham maker login and capture valid requests; setup>BO>BO account closure
- 6) Login Soham Checker login and authorize the request; setup>BO>BO account closure
- 7) Generate batch file from Soham; Export>BO closure, and upload to web CDAS.
- 8) Once the request is entered in the CDAS, the status of the account changes to "TO BE CLOSED" and no further credits to the account are allowed. However, debits would be permitted.
- 9) Download the acknowledgement letter giving details of closure from the reports module of CDAS.

- 10) After all the free balances have been transferred and the account is closed, DP Ops team should provide the BO with a Transaction Statement for the quarter in which the request has been received along with the closure confirmation letter.
- 11) The proof of despatch of such Transaction Statement to the BO should be kept on record.

2. Shifting of account

Purpose

The BO who wishes to shift his demat account from DCPL to any other DP, submit duly filled Account Closure Request Form (ACRF) with a remark in the “Reason for closure” column as ‘Shifting of account’ to DCPL. DCPL will process it after verifying the account balance and the closure requests of BOs having any dues will not be processed. The Account Closure Request should be entered on the CDSL system within 7 days of receipt of the Closure Request. The BO intending to shift an existing account to another DP should open a new account with another DP in the same order of names as in the existing account and obtain Client Master Report duly stamped and signed in case of physical copy or digitally signed in case of electronic copy by official of the new DP.

Process Description

- 1) DP Ops team will make the inward entry of Account Closure Request.
- 2) Verify ACRF and Client Master Report of target account, reject ACRF if the BO having any dues and any mismatches in the order of names in target account and intimate same to the BO.
- 3) Login to Soham maker login and capture valid requests; setup>BO>BO account closure
- 4) Login Soham Checker login and authorize the request; setup>BO>BO account closure
- 5) Generate batch file from Soham; Export>BO closure, and upload to web CDAS.
- 6) Once the request is entered in the system, the status of the account changes to “TO BE CLOSED” and no further credits to the account are allowed. However, debits would be permitted.
- 7) Download the acknowledgement letter giving details of closure from the reports module of CDAS.
- 8) After all the free balances have been transferred and the account is closed, DP Ops team should provide the BO with a Transaction Statement for the quarter in which the request has been received along with the closure confirmation letter.
- 9) The proof of dispatch of such Transaction Statement to the BO should be kept on record.

3. Transmission

Purpose

The objective of transmission functionality is to allow the transfer of title of securities in case of death of an account holder and inheritance by a successor, as stated by the deceased BO. The securities are transferred into the account of either the surviving joint holder(s) or the claimant to the securities. If the deceased BO has nominated a person(s), then the Nominee(s) shall be entitled to the transmission of securities standing to the credit of the deceased BO's account. If there are multiple nominees then the nominees shall submit one transmission request form to the DP. In such a case, the nominee(s) shall submit the following documents to the DP

- Transmission Request Form duly filled
- Original or copy of the death certificate of the deceased holder duly notarized / attested by a Gazetted Officer or Death certificate downloaded from the online portal of Government carrying digital/facsimile signature of the issuing authority.
- Client Master Report of the new account duly stamped and signed in case of physical copy or digitally signed in case of electronic copy by the new DP

If the deceased BO (sole holder) has not appointed a nominee, then the Successor(s) claiming title to the securities of the deceased BO (sole holder) must fill up the Transmission Form and submit the original death certificate of the deceased BO or a copy of the same, (duly notarised / attested by a Gazetted Officer) or Death certificate downloaded from the online portal of Government carrying digital/facsimile signature of the issuing authority and any one of the following.

- A Succession Certificate, or
- A Letter of Administration, or
- A Probate of the will of the deceased.

However, if the Successors express their inability to produce either of the documents mentioned in 1, 2 and 3 above, and the market value of the securities held in each of the accounts of the deceased BO as on the date of application for Transmission does not exceed Rs. 5,00,000/- or such other amount as may be specified by CDSL and or SEBI from time to time, the DP shall process the Transmission request on the basis of any one or more of the following documents:

- Letter of Indemnity executed by the applicant(s) on nonjudicial stamp paper of appropriate value, duly notarized
- An Affidavit from the applicant executed on non-judicial stamp paper of appropriate value and notarized
- No objection certificate [NOC] from all legal heir(s) who are not applicants conveying no objection to the transmission of the relevant securities in favor of the applicant(s)

- As an alternate to NOC, copy of Family Settlement Deed duly notarized or attested by a Gazetted Officer and executed by all the legal heirs of the deceased BO

Process Description

- 1) DP Ops team will make the inward entry of Transmission Request.
- 2) Verify TRF and the other documents mentioned above, reject TRF if any discrepancies in documents submitted and intimate same to the applicant.
- 3) Login to Soham maker login and capture the requests; Transactions> Transfer Transmissions
- 4) Login Soham Checker login and authorize the request; Transactions> Transfer Transmissions
- 5) Generate batch file from Soham; Export>common txn upload, and upload to web CDAS.
- 6) Once the request is entered in the system, the status of the account changes to “TO BE CLOSED” and no further credits to the account are allowed. However, debits would be permitted.
- 7) Download the acknowledgement letter giving details of closure from the reports module of CDAS.
- 8) After all the holdings have been transmitted from the deceased BO’s Account, the deceased BO’s account will be closed in the CDSL system.
- 9) DP Ops team should provide the applicant with a Transaction Statement of all the demat accounts for the quarter in which the request has been received along with the closure confirmation letter.
- 10) The proof of dispatch of such Transaction Statement to the BO should be kept on record.

3.9 EOD/DP BILLING PROCESS

Scope

EOD process (End of day), is a set of activities performed by DP operations team to ensure that all the relevant master/transaction files required for generation of DP bill, Statement of Accounts (SOA) and Statement of Bill (SOB). The systems involved are CDAS, Soham DP & Broking Back office.

Purpose

As per the business decision all DP bills will be generated monthly basis and will be charged in the client's ledger monthly. In the beginning of next month, SOA and SOB is generated and sent to clients through email functionality.

Process Description

Daily DP Bill

- 1) Login to CDAS using the login available with DP ops
- 2) Download Incremental Transaction File (DP57) from report module in CDAS
- 3) Login to Soham application using the login available with DP ops
- 4) Upload Incremental Transaction File (DP57) using the below path – Import>More>COD DP57
- 5) Process monthly DP bill using the path Billing>DP Billing>Daily Billing
- 6) Export daily bill CSV file from the below menu in Soham – Export>Daily Billing
- 7) Monthly bill generated from Soham and import in Soham broking back office for debit client ledger.

Generation of SOA and SOB

- 1) Login to CDAS using the login available with DP ops
- 2) Download Transaction File (DP57) from report module in CDAS
- 3) Login to Soham application using the login available with DP ops
- 4) Upload Incremental Transaction File (DP57) using the below path – Import>More>CODDP57
- 5) Export monthly bill (SOB) & Monthly statement of account html file and send the bill to client's email

3.10 USER MANAGEMENT

Scope

User management is the process of creating various user rights in CDSL web login (CDAS) and DP back office software (Soham) for different employees in DP department with different access rights.

Purpose

Various access rights in CDAS and Soham are required to perform different kind of activities with more accuracy and control. Various access rights includes,

- 1) Maker
- 2) Checker
- 3) Verifier
- 4) Admin

Process Description

Soham

- 1) DP Manager who have the admin rights, will create user IDs for team members
- 2) User rights will be allocated based on the activities performing by the employee.
- 3) User who makes the process entries in Soham will not be able to check it and vice versa
- 4) Only the user with verifier rights will be able to verify high value transactions.
- 5) DP manager will create user ids for new employees and allocate rights based on their role.

CDAS

- 1) DP Manager who have the admin rights, will create new user IDs if required.
- 2) User rights will be allocated based on the activities performing.
- 3) User who makes the process entries in CDAS will not be able to check it and vice versa
- 4) Only the user with verifier rights will be able to verify high value transactions.
- 5) All the CDSL activities through file upload (file generated from Soham) will be able to process with one CDAS login and no checker or verifier login is required.
- 6) DCPL will be doing all DP activities through file upload and there will not be any manual entries directly on CDAS.

4. CHECK AND CONTROL & ESCALATION MATRIX

Checks & Controls

Operations Executive – Level 1 – Maker

Operations Executive – Level 2 - Checker

Escalation Matrix

Level 1 - Mr. Rajesh Warise - rajesh.warise@dealmoney.in

Level 2 - Mr. Anil Bapardekar - anil.bapardekar@dealmoney.in

*******END*******