



# Central Depository Services (India) Limited

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## COMMUNIQUÉ TO DEPOSITORY PARTICIPANTS

CDSL/OPS/DP/SETTL/2019/527

October 18, 2019

### OPENING OF POOL ACCOUNT FOR PORTFOLIO MANAGEMENT SERVICES

DPs are advised to refer CDSL Communiqué Nos. CDSL/OPS/DP/SYSTEM/2019/352 dated July 15, 2019 & CDSL/OPS/DP/SYSTEM/2019/483 dated September 24, 2019 about list of reason codes for off-market transactions including the reason codes applicable for transfers from/to PMS Accounts. In the above-mentioned communiqué dated July 15, 2019, it was also mentioned that DPs will be facilitated to open a Pool Account for the Portfolio Management Service (PMS) Provider similar to Clearing Member Pool Account after which transfers from/to the PMS Pool Account will be considered as Market Transfers instead of “Off Market” transfers and hence the reason codes applicable for transfer from/to PMS Pool Account (21 & 22) will be discontinued. DPs are advised to note that as mentioned in the aforementioned communiqué dated September 24, 2019, the deadline for discontinuation of reason codes required for transfers from/to PMS Account will be effective from **November 15, 2019**. To comply with the said deadline, DPs are requested to take note of the following guidelines;

#### A. Opening of PMS Pool Account:

1. DPs will follow the CM Pool Account opening procedure as specified in DP Operating Instruction.
2. To enable DPs to open PMS Pool Account in CDSL System, CDSL has introduced a separate Account Type and Sub-Status Code as per the details mentioned below;

Sr. No.	Account opened in the name of	Linked to Product Code	Linked to Product Description	Linked to Status Code	Linked to Status Description	Sub-status Code	Sub-status Description	BO Category	BO Category Description
1.	PMS Manager / Scheme of the PMS Manager	63	PMS Pool Account	26	Clearing Member	24	Clearing Member	16	PMS Pool Account

3. Availability of the new sub-status-codes as mentioned above will be informed shortly.
4. DPs may note that PMS Pool Account will be a settlement pocket complied account and securities will be held as per the settlement pockets in this account.



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5. The PMS Provider will require to submit copy of SEBI Registration Number Certificate to the DP and DP will mandatorily require to record the same in the CDSL system while opening the PMS Pool Account.
6. DPs are advised to take utmost care while recording the SEBI Registration Number in CDSL System. Please note that although DPs will not be required to record any value in the CMID field, last six digits of the SEBI Registration Number will be auto recorded as CMID of the PMS Provider.
7. PMS Provider will be required to open a separate PMS Pool Account for each Clearing Corporation (CC) viz. NCL, ICCL and MCCIL. Further, PMS Provider will be allowed to open scheme wise PMS Pool Account per CC.
8. In case an existing PMS demat account is maintained with a DP and the PMS Pool Account is being opened with the same DP then fresh account opening form would NOT be required to be submitted by the PMS Manager to the DP for opening the PMS Pool Account. DP shall obtain a consent from PMS Manager in the format enclosed as '**Annexure-A**' along with a copy of the board resolution for the same. However, if the PMS Pool Account is being opened with another DP where the PMS demat account/s is/are not maintained then the documents as applicable for opening of demat accounts mentioned in the Operating Instructions 2.3.7 would have to be furnished with the exception of obtaining the letter/circular/instructions issued by the concerned Stock Exchange indicating the CMID. The PMS manager should mention the type of Account as PMS Pool in the AOF provided in **Annexure 2.2** of the Operating Instructions.

### **B. Transfers Allowed from/to PMS Pool Account:**

1. Existing market types of CCs i.e. NCL, ICCL and MCCIL shall be used for transactions in respect of PMS Pool Account. The settlement details in respect of transactions to be carried out in PMS Pool Account will be as per the settlement calendar uploaded by the respective CCs on a monthly basis.
2. Following transfers will be allowed from/to PMS Pool Account:
  - ✓ BO Account to PMS Pool Account and PMS Pool Account to BO Account
  - ✓ PMS Pool Account to BSE CM Principal Account and NSE & MSEIL Clearing Member Account for pay-in
  - ✓ BSE Pool Account and NSE & MSEIL Clearing Member Account to PMS Pool Account for distribution of pay-out securities
  - ✓ Credit through the direct payout to the PMS Pool Account requested by a respective CM.
3. Following transfers will not be allowed from/to PMS Pool Account:



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- ✓ From one PMS Pool Account to another PMS Pool Account within CDSL. However, DPs should make suitable arrangements to ensure that transfers from a CDSL PMS Pool Account to a PMS Pool Account with NSDL through inter-depository is not executed.
- ✓ Inter-Settlement transfers within same PMS Pool Account
- ✓ BO Obligation Confirmation (BOC)
- ✓ Early-Pay-in (EP)
- ✓ Auto Delivery Obligations (Auto DO)

### **C. Easiest Functionality of PMS Account:**

1. Easiest registration procedure for PMS Pool Account, will be similar to the registration procedure of a CM Account.
2. PMS Manager will be able to debit its POA PMS Beneficiary Accounts (BOs) and credit its PMS Pool Account for the purpose of pay-in.
3. Further the details of market types and the transfers allowed from/to PMS Pool Account through the easiest login will be similar to the CDAS functionality as mentioned under point B.
4. PMS Manager will be allowed to group its multiple PMS Manager Pool Accounts opened for different CCs/Schemes from its Easiest PMS Pool Account (i.e. from primary login) provided that the multiple PMS Pool Accounts are having the same PAN and SEBI Registration Number recorded in the said demat accounts.
5. After grouping through the PMS Pool Account the PMS Managers are required to submit the duly signed grouping form to their respective DPs where such PMS Pool Accounts are maintained for authentication.
6. PMS Manager can debit the securities from its PMS BO Account/s to its grouped PMS Pool Account/s and can also transfer the securities from such grouped accounts to its PMS BO Accounts.



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DPs are also advised to disseminate the aforesaid information to their PMS Clients and ensure suitable back office changes, if any.

Queries regarding this communiqué may be addressed to:

- ❑ **CDSL – Settlement Desk** on (022) 2305-8635, 2305-8508, 2305-8612, 2305-8611, 2305-8601, or 2305-8501. Emails may be sent to: [operations@cdslindia.com](mailto:operations@cdslindia.com).
- ❑ **CDSL – Helpdesk** on (022) 2305-8642, 2305-8639, 2272-8624, 2305-8624 or 2305-8663. Emails may be sent to: [helpdesk@cdslindia.com](mailto:helpdesk@cdslindia.com).

sd/-

**Ashish Bhatt**  
**Vice President – Operations**

Date:

To,

**(Name of Depository Participant)**

Dear Sir / Madam,

**Sub:  Consent for opening PMS Pool Account**

I am / we are maintaining a PMS account with your DP <demat account number (BOID)>. I/We would like to open PMS Pool account based on the existing AOF with your DP.

I/we hereby declare that I/we are KYC compliant and details recorded in the PMS Account are current and the same.

As per Operating Instructions 2.4.4 we hereby give our consent and Board Resolution along with the list of Authorised Signatories to open and operate the PMS Pool Account as a PMS provider Registered with SEBI.

Thanking you,

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**Authorised Signatories**  
**CM Seal**