Circular No.: NSDL/POLICY/2022/001   January 03, 2022

Subject - Facility for submission of reports w.r.t. Surveillance Obligation for Depository Participants through e-PASS.

Attention of Participants is invited to circular No. NSDL/POLICY/2021/0072 dated July 15, 2021 regarding Surveillance Obligation for Depository Participants wherein Participants were informed that detailed procedure for submission of following report will be provided separately:

  i.   Quarterly reporting of status of alerts generated by Participants to be provided to NSDL within 15 days from the end of quarter (refer point no. 6 of aforesaid circular dated July 15, 2021).

 ii.   Reporting of Adverse Observation for transactional alerts generated by Participants (refer point no. 4 (e) of aforesaid circular dated July 15, 2021).

iii.   Sharing of transactional alerts by NSDL and reporting of status of the alerts by Participants (refer point no. 4 (d) of aforesaid circular dated July 15, 2021).

In this context, Participants are hereby informed that NSDL has developed a facility for submission of aforesaid reports through online portal i.e. e-PASS (https://www.epass.nsdl.com/). The procedure for the same is enclosed as **Annexure- 1 to 3**.

Corrigendum to circular on Surveillance Obligation for Depository Participants:

Attention of Participants is invited to circular No. NSDL/POLICY/2021/0072 dated July 15, 2021 regarding Surveillance Obligation for Depository Participants, Participants are hereby requested to read point 6 (a) as '*Status of Alerts generated by the Depository Participant*' instead of '*Status of Alerts generated by the Depository*'.

Participants are requested to take note of the above and ensure compliance.

For further information / clarifications, Participants are requested to contact following NSDL officials.

Name of the official	Telephone Number	Email address
Mr. Mandar Parab	(022) 2499 4200 - (5481)	MandarP@nsdl.co.in;
Mr. Amish Chhadva	(022) 2499 4200 - (4639)	AmishC@nsdl.co.in

For and on behalf of

National Securities Depository Limited

**Gayak Jalan
Manager**

Enclosed: Three

FORTHCOMING COMPLIANCE			
Particulars	**Deadline**	**Manner of sending**	**Reference**
Investor Grievance Report (Monthly)	By 10th of the following month.	Through e-PASS	Circular No. NSDL/POLICY/2015/0096 dated October 29, 2015

Annexure 1
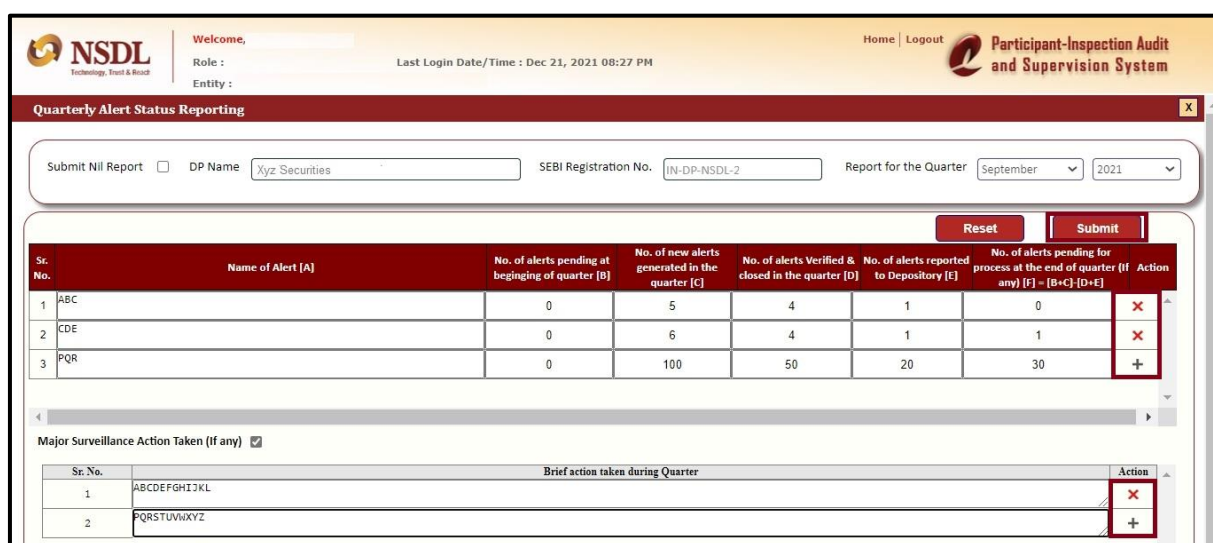
1. Procedure for Quarterly reporting of status for alerts generated by Participants.

1.1 Upload Quarterly Alert Report through Maker login:

After login to e-PASS, click on *"Surveillance"* → *"Quarterly Alert Status Reporting"* tab as exhibited below:
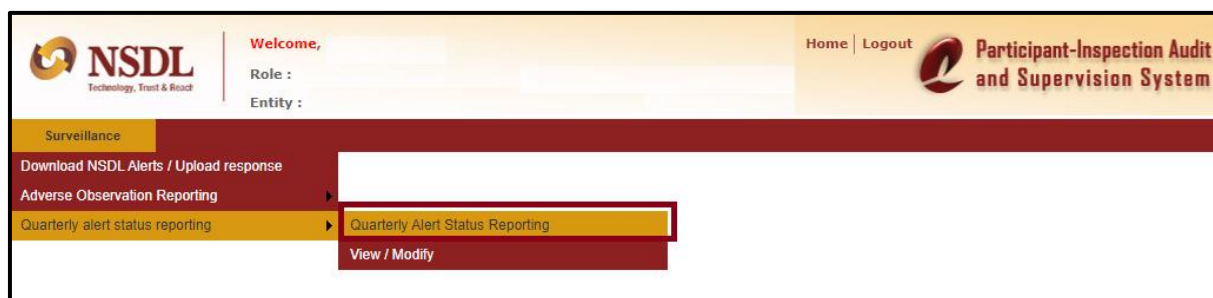
On "Quarterly Alert Status Reporting" screen, user will be able to submit status of the alerts generated by Participants by capturing the requisite details as exhibited below:

In case of any major surveillance action is taken by Participant (*other than alerts reported to Depository*) during the quarter, the details of the same can be reported by enabling the check box – 'Major Surveillance Action Taken' as exhibited above.

To submit Nil Report, Maker user need to enable the checkbox "Submit nil report" and click on 'Submit' button as exhibited below:

On clicking 'Submit' button, report will be sent to checker for review and submission. Submitted report can be searched by maker user from 'View / Modify' report link as exhibited below:

On "View/Modify" screen, the report captured by maker user will appear. Maker user will also be able to search the reports based on given parameters as exhibited below:

1.2 Approve / Reject Quarterly Alert Report through Checker login:

To review and submit report captured by maker user, Checker user will have to click "Surveillance" → "Verify / Release" → "Quarterly Alert Status Reporting" tab as exhibited below:

Annexure 1

After clicking on "Quarterly Alert Status Reporting" link, checker user will have option to view the report captured by Maker user as exhibited below:

Upon clicking on hyperlink provided in "File Name" as exhibited above, captured report will get displayed on the screen. Once selected report appears on screen, checker user will have option to either submit the report to NSDL by clicking on 'Send to NSDL' button or resend the report (to Maker user) by clicking on 'Send back to Maker' button as exhibited below:

Annexure 2

1. **Procedure for reporting of Adverse Observation for alerts generated by Participants.**

### 1.1 **Report Adverse Observation through Maker login:**

After login to e-PASS, click on *"Surveillance"* → *"Adverse Observation Reporting"* → *"Adverse Observation"* tab as exhibited below:
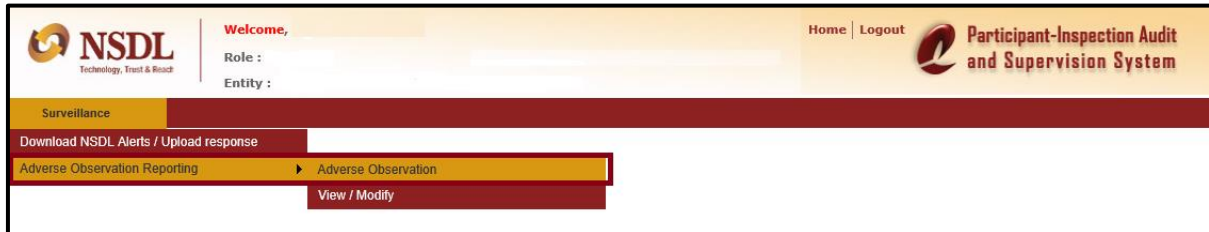
On **"Adverse Observations"** screen, user will be will able to submit adverse observation by capturing the requisite details as exhibited below:

While filling the requisite details in 'Adverse Observation' screen, DPs having multiple DPM setups, DP ID under which adverse observation is noted need to be selected.

After filling the required details and clicking on the button 'Submit for Approval', report will be sent to Checker for review and submission. Submitted record can be viewed by maker user from 'View / Modify' report link as exhibited below:
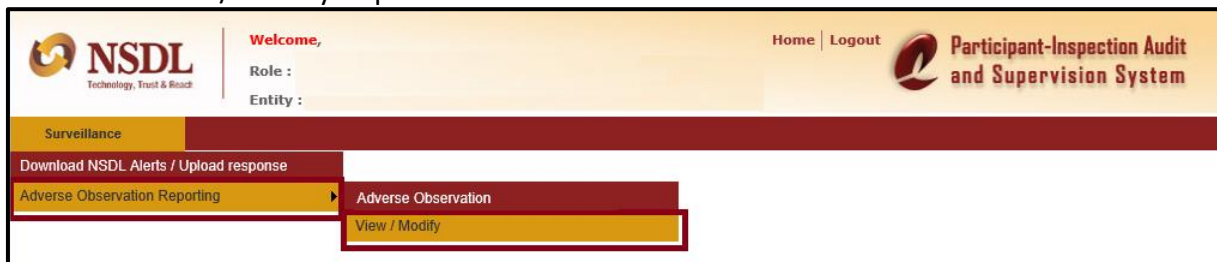
On "View/Modify" screen, the Adverse Observation captured by maker user will appear. Maker user will also be able to search the records based on given parameters and modify the record rejected by checker user as exhibited below:

1.2 Approve / reject Adverse Observation reporting through Checker login:

To review the Adverse observation captured by maker user, Checker user will have to click *Surveillance"* → *"Verify / Release"* → **"Adverse Observation Reporting"** tab as exhibited below:

After clicking on "Adverse Observation Reporting" link, Checker user will have option to view the adverse observations captured by Maker user as exhibited below:

After reviewing the adverse observation details captured by Maker user, checker user will have option to either submit the adverse observation details to NSDL by clicking on 'Send to NSDL' button or resend the selected record (to Maker user) by clicking on 'Send to Maker' button as exhibited above.

1. **Procedure for download of transactional alerts provided by NSDL and submit response:**

   1.1 View alerts provided by NSDL and upload response thereof from Maker login:

   After login to e-PASS, click on *"Surveillance"* → *"Download NSDL Alerts / Upload Response"* tab as exhibited below:

   On "Download NSDL Alerts / Upload Response" screen, Maker user will be able to view/ download the alerts provided by NSDL. Maker user will also be able to update the status of action taken against each alert by selecting the option viz. *"Verified & Closed"* & *"Verified & Reported to Depository"* as exhibited below:

   On selecting the suitable option under dropdown available in 'Action' column, Maker user will have to click on "Submit for Approval" to send response for selected Alert(s) to Checker user for review and onward submission to NSDL.

1.2 Review / Submission of response on alerts through Checker login:

To review and submit the responses for alerts captured by Maker user, Checker user will have to click on "Surveillance" → "Verify / Release" → "Download NSDL Alerts/Upload response" tab as exhibited below:

After clicking on "Download NSDL Alerts / Upload Response" link, Checker user will have following two options to take action on response of alerts captured by Maker user as exhibited below:

a) Reject - Send to Maker: In case Checker user wants to reject and resend the captured alert response (to Maker User), Checker user will have to first select the alert and then click on "Send to Maker" button as exhibited below:
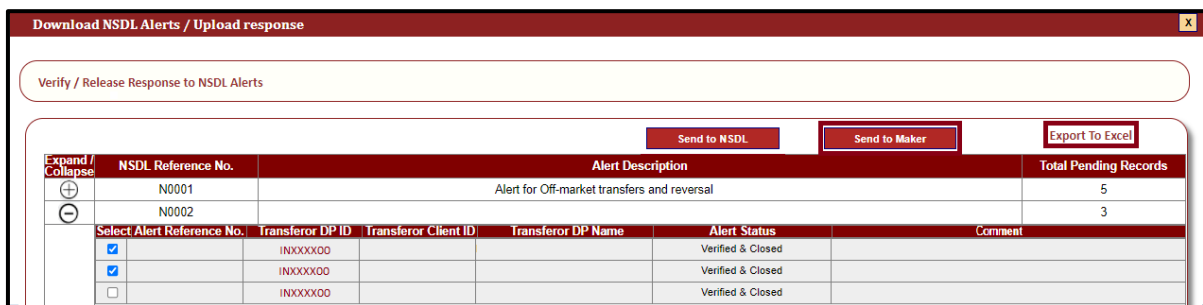
b) Approve - Send to NSDL: On clicking the button "Send to NSDL", selected alert(s) response will be submitted to NSDL as exhibited below: