

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

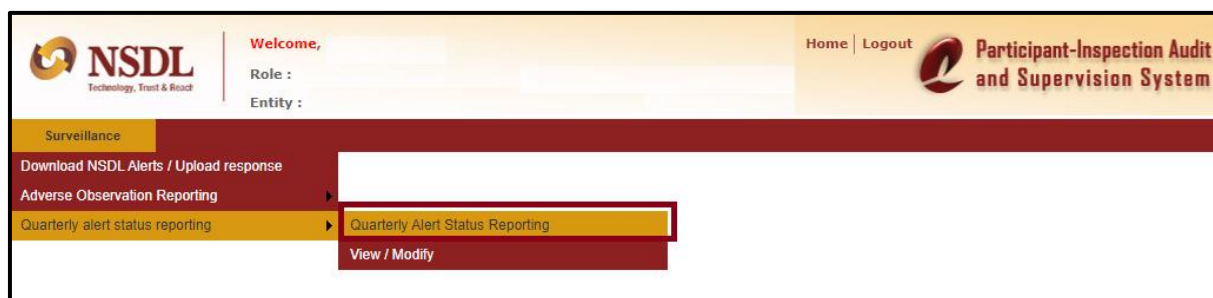
FORTHCOMING COMPLIANCE					
Particulars			Deadline	Manner of sending	Reference
Investor (Monthly)	Grievance	Report	By 10th of the following month.	Through e-PASS	Circular No. NSDL/POLICY/2015/0096 dated October 29, 2015

Annexure 1

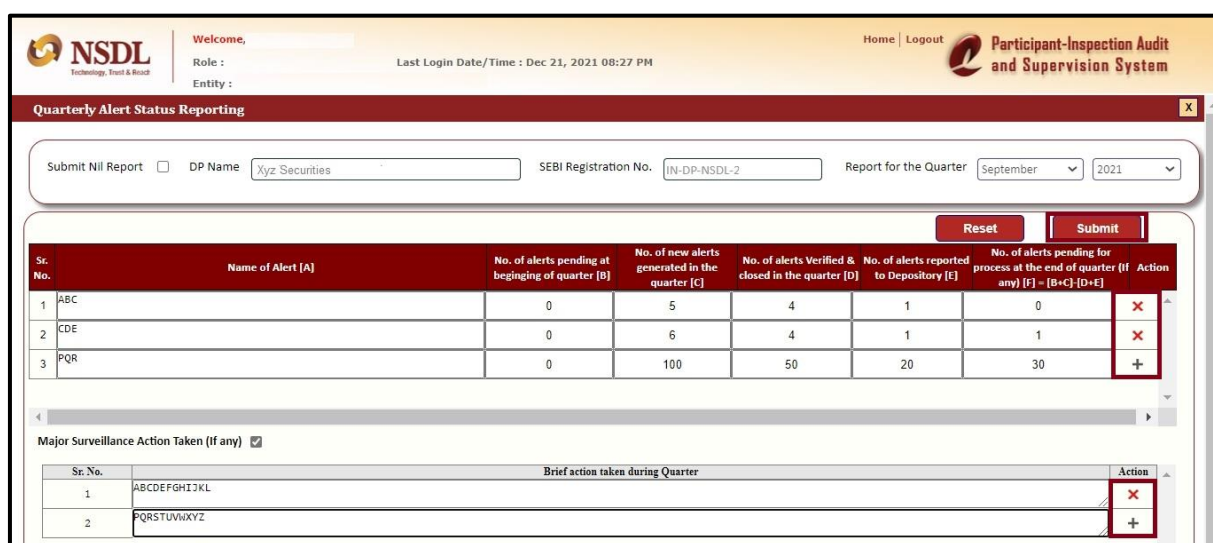
1. Procedure for Quarterly reporting of status for alerts generated by Participants.

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:



Sr. No.	Name of Alert [A]	No. of alerts pending at beginning of quarter [B]	No. of new alerts generated in the quarter [C]	No. of alerts Verified & closed in the quarter [D]	No. of alerts reported to Depository [E]	No. of alerts pending for process at the end of quarter (if any) [F] = [B+C]-[D+E]	Action
1	ABC	0	5	4	1	0	×
2	CDE	0	6	4	1	1	×
3	PQR	0	100	50	20	30	+

Major Surveillance Action Taken (If any) ☒

Sr. No.	Brief action taken during Quarter	Action
1	ABCDEFGHIJKL	×
2	PQRSTUVWXYZ	+

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:

Annexure 1

The screenshot shows the 'Quarterly Alert Status Reporting' form. At the top, there is a 'Submit Nil Report' checkbox which is checked. Below it, the 'DP Name' is 'Xyz Securities' and the 'SEBI Registration No.' is 'IN-DP-NSDL-2'. The 'Report for the Quarter' is set to 'September' for the year '2021'. There are 'Reset' and 'Submit' buttons. Below the form fields is a table with the following columns: Sr. No., Name of Alert [A], No. of alerts pending at beginning of quarter [B], No. of new alerts generated in the quarter [C], No. of alerts Verified & closed in the quarter [D], No. of alerts reported to Depository [E], No. of alerts pending for process at the end of quarter (if any) [F] = [B+C]-[D+E], and Action. The table contains one row with '1' in the first column and 'NIL' in the others, with a '+' button in the Action column.

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:

The screenshot shows the NSDL dashboard. The top navigation bar includes 'Home' and 'Logout' links. The user is logged in as 'DP Maker' with the last login date/time of 'Dec 22, 2021 12:03 PM'. The main menu on the left includes 'Surveillance', 'Download NSDL Alerts / Upload response', 'Adverse Observation Reporting', and 'Quarterly alert status reporting'. The 'Quarterly alert status reporting' menu item is highlighted, and a sub-menu is shown with 'Quarterly Alert Status Reporting' and 'View / Modify' options. The 'View / Modify' option is highlighted with a red box.

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:

The screenshot shows the 'View / Modify Quarterly Alert Status Reporting' screen. It has search filters for 'Status' (a dropdown menu), 'Reporting Month' (a dropdown menu set to 'September'), and 'Reporting Year' (a dropdown menu set to '2021'). There are 'Search' and 'Reset' buttons. Below the filters is a table with the following columns: Reporting Month, File Name, File Status, Submission Date / Time, DP ID, DP Name, Rejection Reason, and Export to PDF. The table contains one row with 'Sep - 2021' in the first column, 'IN-DP-NSDL-23-97-September/2021' in the second column, 'Captured-Pending for Release' in the third column, '22/12/2021 12:16 PM' in the fourth column, 'IN30' in the fifth column, 'Xyz Securities' in the sixth column, and an empty cell in the seventh column. The 'Export to PDF' button is highlighted with a red box.

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:

The screenshot shows the NSDL dashboard for a checker user. The top navigation bar includes 'Home' and 'Logout' links. The user is logged in as 'Checker' with the last login date/time of 'Dec 22, 2021 12:03 PM'. The main menu on the left includes 'Surveillance Cell', 'Verify / Release', and 'Quarterly Alert Status Reporting'. The 'Verify / Release' menu item is highlighted, and a sub-menu is shown with 'Download NSDL Alerts / Upload response', 'Adverse Observation Reporting', and 'Quarterly Alert Status Reporting' options. The 'Quarterly Alert Status Reporting' option is highlighted with a red box.

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:

View / Release Quarterly Alert Status Reporting

Status: Reporting Month: Reporting Year:

Reference No.: Submission From Date: To Date:

Total Record(s):

Reporting Month	File Name	File Status	Submission Date / Time	DP ID	DP Name	Rejection Reason	Export to PDF
Sep - 2021	IN-DP-NSDL-23-97-September/2021	Captured-Pending for Release	22/12/2021 12:16 PM	IN300214	Kotak Securities Limited		Export to PDF

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:

View Uploaded Records

Submit Nil Report ☐ DP Name: SEBI Registration No.: Report for the Quarter:

Sr. No.	Name of Alert [A]	No. of alerts pending at beginning of quarter [B]	No. of new alerts generated in the quarter [C]	No. of alerts Verified & closed in the quarter [D]	No. of alerts reported to Depository [E]	No. of alerts pending for process at the end of quarter (If any) [F] = [B+C]-[D+E]
1	ABC	0	10	5	4	1
2	BCD	0	15	6	2	7
3	CDE	0	18	8	7	3

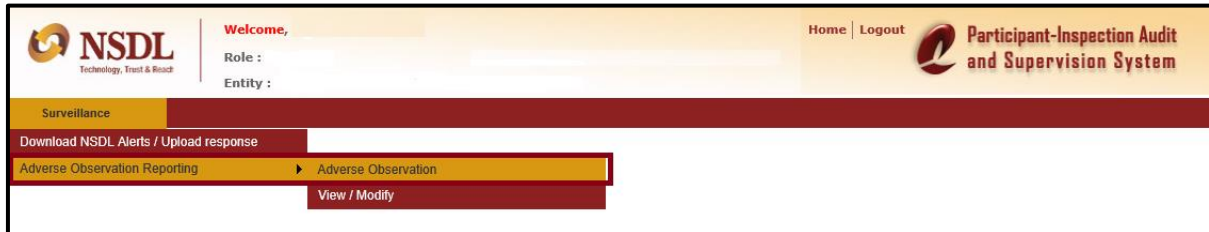
Major Surveillance Action Taken (If any) ☒

Sr. No.	Brief action taken during Quarter
1	123 TEST
2	456 Test
3	657

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

1.1 Report Adverse Observation through Maker login:

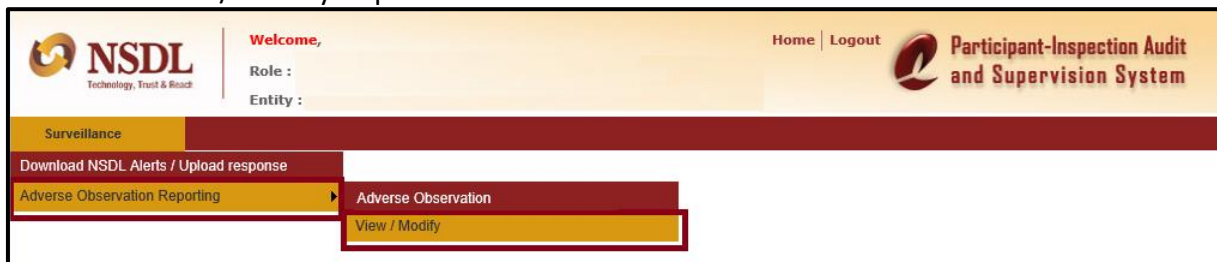
After login to e-PASS, click on “Surveillance” → “Adverse Observation Reporting” → “Adverse Observation” tab as exhibited below:



On “Adverse Observations” screen, user will be 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:



Annexure 2

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:

The screenshot shows the 'Adverse Observation Reporting' window. It includes a 'View Uploaded Records' section with search filters: Status (All Files), Submission From Date, To Date, Reference No., and Type of Alert. Below the filters are 'Submit' and 'Reset' buttons. An 'Export To Excel' button is also present. The main table displays the following data:

Reference No.	Criteria of Alert Generated by DP/ Other than Alert	Submission Date	DP ID	Client ID	Client Name	Transaction Date	Transaction Type	Brief Description of Adverse Observation	Action Taken by DP on Observation	Download Attachment	Status	Modify Request
DP0009		13-Oct-2021				11-Oct-2021	Off-Market Transaction	Click here to See	Click here to See	Download	Rejected By Checker	Modify
DP0010		13-Oct-2021				04-Oct-2021	Off-Market Transaction	Click here to See	Click here to See		Submitted To Depository	

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:

The screenshot shows the NSDL Participant-Inspection Audit and Supervision System navigation menu. The 'Verify / Release' tab is selected, and the 'Adverse Observation Reporting' link is highlighted in the sub-menu.

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

The screenshot shows the 'Adverse Observation Reporting' window. It includes a 'View Uploaded Records' section with search filters: Status (All Files), Submission From Date, To Date, Reference No., and Type of Alert ([See Below]). Below the filters are 'Submit' and 'Reset' buttons. Above the table are 'Send to NSDL' and 'Send to Maker' buttons. An 'Export To Excel' button is also present. The main table displays the following data:

Select	Reference No.	Criteria of Alert Generated by DP/ Other than Alert	Submission Date	DP ID	Client ID	Client Name	Transaction Date	Transaction Type	Brief Description of Adverse Observation	Action Taken by DP on Observation	Download Attachment	Status	Reason to Reject
<input type="checkbox"/>	DP0017		21-Oct-2021				05-Oct-2021	Mobile	Click here to See	Click here to See	Download	Pending For Approval	


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.

Annexure 3

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:


NSDL
Technology, Trust & Risk

Welcome,
Role :
Entity :

[Home](#) | [Logout](#)


Participant-Inspection Audit and Supervision System

[Surveillance](#)
[Download NSDL Alerts / Upload Response](#)
[Adverse Observation Reporting](#)
[Quarterly Alert Status Reporting](#)

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:

Download NSDL Alerts / Upload response

NSDL Reference No.

Alert Status

All Files

Alert Period(From)

Alert Period(To)

Submit

Reset

Back

Submit For Approval

Export To Excel

Expand / Collapse	NSDL Reference No.	Alert Description	Total Pending Records
	N0001		33
	N0002	Alert for Simultaneous modifications in	95
	<div>Select Alert Reference No.</div> <div> <input checked="" type="checkbox"/> 25-10-2021 <input checked="" type="checkbox"/> 25-10-2021 <input type="checkbox"/> 25-10-2021 </div> <div> <div>Date of Alert</div> <div>25-10-2021</div> </div> <div> <div>Due date of Alert</div> <div>23-11-2021</div> </div>	<div>Message from webpage</div> <div>Do you want to Submit?</div> <div> <div>OK</div> <div>Cancel</div> </div>	<div> <div>Action</div> <div> <div>Select</div> <div>Verified & Closed</div> <div>Verified & Reported to Depository</div> </div> </div> <div>Comment</div>
	N0003	Alert for Significant off-market trans	169
	N0004	Alert for Signifi	442

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.

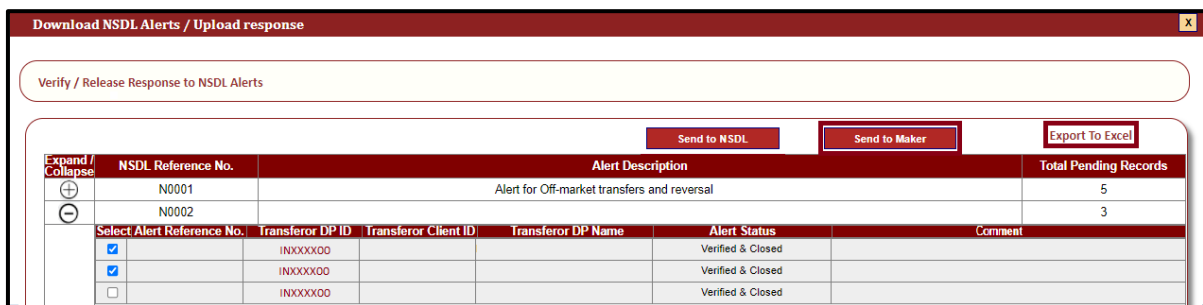
1.2 Review / Submission of response on alerts through Checker login:

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:

