



Central Depository Services (India) Limited

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COMMUNIQUÉ TO DEPOSITORY PARTICIPANTS

CDSL/OPS/DP/SYSTEM/2024/552

September 20, 2024

SURVEILLANCE OBLIGATION OF DEPOSITORY PARTICIPANT AND STEPS TO SUBMIT QUARTERLY REPORT IN NEW FORMAT

DPs are advised to refer to

- Communiqué no. CDSL/OPS/DP/SYSTEM/2021/309 dated July 15, 2021
- Communiqué no. CDSL/OPS/DP/SYSTEM/2022/5 dated January 04, 2022
- Communiqué no. CDSL/SURV/DP/POLCY/2023/88 dated February 10, 2023
- Communiqué no. CDSL/OPS/DP/SYSTEM/2024/341 dated June 05, 2024

regarding surveillance obligation of Depository Participant (DP), wherein DPs are required to generate appropriate surveillance alerts at their end, to enable them to effectively monitor the transactions of their clients at their end as per the laid down surveillance policy. Further DP has obligation of reporting the status of alerts generated to CDSL.

Based on the SEBI recommendations to monitor the alerts generated by DPs in their back-office software, additional columns have been introduced in the quarterly reporting format to provide comprehensive overview on the alerts generated by DPs.

Name of Alert	Opening Balance of alerts at the beginning of the quarter (A)	No. of alerts generated during the quarter (B)	Total no. of alerts (C=A+B)	No. of alerts closed during the quarter (D)	Alerts pending at the end of the quarter (E = C - D)	Ageing analysis of the alerts pending at the end of the Quarter (since alert generation date) (Segregation of E column)					Reason for pendency#
						< 1 month	1-2 months	2-3 months	3-6 months	> 6 months	

Here's a step-by-step guide for submitting the quarterly report in the new format.

Step 1 - login to Surveillance Portal, after login click on Alert reporting by DP and select Quarterly Reporting from the drop-down list.



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Dashboard - DPAlerts

From Date: Select From Date To Date: Select To Date

Search Clear

Step 2 – Select "Submit Quarterly Report" as indicated in the screenshot below.

Quarterly Report Setup & Inquiry

Submit Quarterly Report

Quarter Month: JAN-MAR Year: 2024-2025

Search Clear

Step 3 – Choose the appropriate alert type from the drop-down menu. If the desired alert type is not listed, select "Other" and provide the other description as shown in the screenshot below.

Quarterly Report Setup

Nil Reporting

Quarter Month: APR-JUN Year: 2024-2025

Alert Type: Email id/address of clients are getting bounced

Opening Balance of alerts at the beginning of the quarter :

No of alerts generated during the quarter :

No of alerts Closed during the quarter :

Alerts pending at the end of the quarter:

Reason: --Select--
Alert for multiple demat accounts opened with same demographic details
Email id/address of clients are getting bounced
Frequent changes in the details of the demat accounts
Frequent Off-Market transfers by a client
Off-market transfers not commensurate with the income/Networth
Pledge transactions not commensurate with the income/Networth
Off-market transfers (High Value) immediately after modification of details
Reason of Off Market transfers not matching with Client profile
Sudden Increase in transactions in New accounts
Others (Please specify details of the alert in the observation)



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In case other options is selected.

Quarterly Report Setup

Nil Reporting

Quarter Month :

APR-JUN

Year :

2024-2025

Alert Type :

Others (Please specify details of t ▼)

Enter Other Description

Step 4 – Input the count for each item listed. DP needs to ensure that the opening balance at the beginning of the quarter matches with closing balance of previous quarter

Opening Balance of alerts at the beginning of the quarter :

Enter Opening Balance of alerts at the begin

No of alerts generated during the quarter :

Enter No of new alerts generated

No of alerts Closed during the quarter :

Enter No of alerts Closed

Alerts pending at the end of the quarter:

Enter No of Alerts pending

Aging analysis of the alerts pending at the end of the Quarter

< 1 month:

Enter No of AI

Reason:

1-2 months:

Enter No of AI

Reason:

2-3 months:

Enter No of AI

Reason:

3-6 months:

Enter No of AI

Reason:

> 6 months:

Enter No of AI

Reason:



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Kindly ensure that all alerts generated in the back-office system are duly reported. Additionally, the total count for "Aging Analysis of Alerts Pending at the End of the Quarter" must match with the count for "Alerts Pending at the End of the Quarter." In cases where there are no pending alerts in the aging analysis, it is mandatory to enter "0" (zero) in the respective column.

For easy reference kindly go through below example.

Alert Type :	<input type="text" value="Email id/address of clients are get"/>	
Opening Balance of alerts at the beginning of the quarter :	<input type="text" value="100"/>	
No of alerts generated during the quarter :	<input type="text" value="150"/>	
No of alerts Closed during the quarter :	<input type="text" value="100"/>	
Alerts pending at the end of the quarter:	<input type="text" value="150"/>	
Aging analysis of the alerts pending at the end of the Quarter		
< 1 month:	<input type="text" value="48"/>	Reason: <input type="text" value="Pending reason to be inserted."/>
1-2 months:	<input type="text" value="52"/>	Reason: <input type="text" value="Pending reason to be inserted."/>
2-3 months:	<input type="text" value="50"/>	Reason: <input type="text" value="Pending reason to be inserted."/>
3-6 months:	<input type="text" value="0"/>	Reason: <input type="text"/>
> 6	<input type="text" value="0"/>	Reason: <input type="text"/>

In above example, 48 alerts (pending at end of quarter) refer to those received during the last month of the quarter, which have remained unresolved for less than one month.. The DP is required to provide appropriate reasons for any pending alerts. Please note that the DP will not be able to submit the report without updating the reasons for pending alerts

Step 5 – Once all the details are entered, click the submit button.

Kindly note that if an incorrect count is entered by the DP, they will have the right to delete the entry and resubmit it. Delete rights will be available to the DP until the 15th of the month following the end of the quarter.



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Aging analysis of the alerts pending at the end of the quarter (Since alert generation date) (Segregation of E column)									Date of Submission	Action Taken	Operation
Reason for pendency	1-2 months	Reason for pendency	2-3 months	Reason for pendency	3-6 months	Reason for pendency	> 6 months	Reason for pendency			
View	12	View	13	View	0	View	0	View	08-Aug-2024	View	
View	1	View	1	View	0	View	0	View	08-Aug-2024	View	
View	50	View	30	View	20	View	0	View	08-Aug-2024	View	
View	100	View	100	View	0	View	0	View	08-Aug-2024	View	
View	50	View	50	View	10	View	0	View	08-Aug-2024	View	
View	50	View	40	View	0	View	0	View	08-Aug-2024	View	
View	100	View	100	View	0	View	0	View	04-Sep-2024	View	

The above functionality will be released on September 30, 2024. DP shall submit the report in new format for the quarter ended September 2024.

DPs are advised to note the same, ensure compliance and make necessary changes, in their backoffice system if required.

Queries regarding this communiqué may be sent to CDSL – Helpdesk through emails on dprtasupport@cdslindia.com or connect through our IVR Number 022-62343333

For and on behalf of
Central Depository Services (India) Limited

sd/-

Umesh Kambli
Asst. Vice President – Surveillance