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MRD/DoP/SE/Dep/Cir-30/2004  
August 24, 2004

1. The Executive Directors/Managing Directors/Administrators  
Of All Stock Exchanges
2. The Managing Director, NSDL
3. The Executive Director, CDSL

Dear Sir / Madam,

**Sub: Time duration for transfer of funds and securities from member to client**

1. Please refer to our circular No. SEBI/MRD/Policy/Cir-19/2004 dated April 21, 2004 and SMD/Policy/Cir-6/2003 dated February 06, 2003.
2. In partial modification of the aforesaid circulars, it has been decided that the members shall be required to transfer the funds and securities from their respective Pool account to the respective beneficiary account of their clients within 1 working day after the pay-out day.
3. The other provisions of the aforesaid circulars remain unchanged.
4. The Stock Exchanges are advised to
  - 4.1. make necessary amendments to the relevant bye-laws, rules and regulations for the implementation of the above decision immediately.
  - 4.2. bring the provisions of this circular to the notice of the member brokers/clearing members of the Exchange and also to disseminate the same on the website.
  - 4.3. communicate to SEBI, the status of the implementation of the provisions of this circular in Section II, item no. 13 of the Monthly Development Report for the month of September 2004.
5. This circular is being issued in exercise of powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act, 1992, to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.

Yours faithfully,

V S SUNDARESAN