

Circular No.: NSDL/POLICY/2026/0020

February 09, 2026

**Subject: Amendment to Business Rule of NSDL - Penalty Structure**

All Participants are hereby informed that the amendments have been made to rule **18.1.1** of NSDL Business Rules with respect to “**Revision in the existing penalty structure for non-compliance with the requirements of providing online closure facility by Depository Participants (DPs)**”. The same is enclosed in track change mode as **Annexure**.

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

**For and on behalf of  
National Securities Depository Limited**

**Rakesh Mehta  
Vice President**

Enclosure: One

**FORTHCOMING COMPLIANCE**

Particulars	Deadline	Manner of sending	Reference
Investor Grievance Report (Monthly)	By 10th of the following month	Through e-PASS	Para 22 of ‘Grievance Redressal’ chapter and Para 27 of ‘Internal Controls/Reporting to NSDL/SEBI’ chapter of NSDL Master Circular for Participants
Compliance report w.r.t Same Mobile number and/ or email address captured for multiple accounts. (Monthly)	Before 27th of following month	Through Email.	Para 23 of ‘Miscellaneous’ chapter of NSDL Master Circular for Participants.


**National Securities Depository Limited**

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 Corporate Identity Number: L74120MH2012PLC230380

Annexure

18.1.1- The Depository may impose a penalty on the Participant to the extent indicated for non-compliance as described below:

Sr. No	Nature of non-compliances	Penal Action (in ₹)/ Action								
18.1.1 (50)	<p><del>Online account closure of demat account facility is not made available by Participants offering the online demat account opening facility as per the guidelines issued by the Depositories</del></p> <p><u>i) Failure by a participant offering various depository services online to provide an online account closure facility to clients.</u></p> <p><u>ii) Notwithstanding the above (i), if the participant fails to provide the online account closure facility to the clients from the date on being called upon to comply within the timelines indicates in the Table, the penalty as indicated against each of the timelines shall be applicable</u></p>	<p><del>25,000/- per occasion</del></p> <p><u>₹25,000/-</u></p> <table border="1" data-bbox="874 1160 1449 1877"> <tr> <td><u>Within 60 days</u></td> <td><u>Nil</u></td> </tr> <tr> <td><u>61<sup>st</sup> - 75<sup>th</sup> day</u></td> <td><u>₹ 1,500 per day until compliance</u></td> </tr> <tr> <td><u>76<sup>th</sup>-120<sup>th</sup> day</u></td> <td><u>₹22,500 + ₹2,500 per day until compliance</u></td> </tr> <tr> <td><u>Beyond 120<sup>th</sup> day</u></td> <td><u>₹1,35,000 + debarment from opening new accounts until compliance + Reference to Member Committee for Directions</u></td> </tr> </table>	<u>Within 60 days</u>	<u>Nil</u>	<u>61<sup>st</sup> - 75<sup>th</sup> day</u>	<u>₹ 1,500 per day until compliance</u>	<u>76<sup>th</sup>-120<sup>th</sup> day</u>	<u>₹22,500 + ₹2,500 per day until compliance</u>	<u>Beyond 120<sup>th</sup> day</u>	<u>₹1,35,000 + debarment from opening new accounts until compliance + Reference to Member Committee for Directions</u>
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