

Annexure B

Amendments to the Business Rules:**12.8. CLOSURE OF AN ACCOUNT**

12.8.1. A Client desiring to close an account shall make an application in the form specified in Form 34.

12.8.2. The Participant shall ensure that the form is complete and the signature of the Client is valid.

12.8.3 The Participant shall execute the request for closure into the DPM (DP) within 230 working days from the date of receipt of request for closure.

Provided that in case there are pending dematerialization requests or securities that cannot be transferred or rematerialized due to any restrictions such as lock-in securities or ISIN is frozen, the Participant shall execute the request for closure for the remaining securities, if any.

Provided further, if more than one year has passed between the date of receipt of the actual account closure request and the execution date for processing the remaining securities, which were pending due to demat/ remat requests, pledged balances, or suspended ISINs etc., the Participant shall obtain a fresh application from the client in the form specified in Form 34 and follow the process specified in Rule 12.8.2 and 12.8.3 above.

Annexure K (Rights and Obligations of the Beneficial Owner and Depository Participant General Clause) of NSDL Business Rules:**Manner of Closure of Demat account**

17. The DP shall have the right to close the demat account of the Beneficial Owner, for any reasons whatsoever, provided the DP has given a notice in writing of not less than thirty days to the Beneficial Owner as well as to the Depository. Similarly, the Beneficial Owner shall have the right to close his/her demat account held with the DP provided no charges are payable by him/her to the DP. In such an event, the Beneficial Owner shall specify whether the balances in their demat account should be transferred to another demat account of the Beneficial Owner held with another DP or to rematerialize the security balances held.

18. Based on the instructions of the Beneficial Owner, the DP shall initiate the procedure for transferring such security balances within a period of two working days or rematerialize such security balances within a period of thirty days as per procedure specified from time to time by the depository. If the Beneficial Owner has outstanding dues at the time of submitting the request, the Participant shall give a maximum of 30 calendar days to clear the outstanding dues. Participant shall process request within two working days from the date of clearance of its outstanding dues from the Beneficial Owner. If the Beneficial Owner fails to clear the dues within the prescribed timeline, the Participant shall reject the request within two working days.

Provided further, closure of demat account shall not affect the rights, liabilities and obligations of either the Beneficial Owner or the DP and shall continue to bind the parties to their satisfactory completion.