NSDL
Technology, Trust & Reach

Participant Services Circular

Circular No.: NSDL/POLICY/2026/0094

June 29, 2026

Subject: Amendment to Business Rule of NSDL - Annexure K (Rights and Obligations of the Beneficial Owner and Depository Participants)

All Participants are hereby informed that amendments have been made to Annexure K – Rights and Obligations of the Beneficial Owner and Depository Participants of the NSDL Business Rules.
The detailed amendments are enclosed herewith as **Annexure A**.

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

For and on behalf of
National Securities Depository Limited

Rakesh Mehta

Digitally signed by Rakesh Mehta
Date: 2026.06.29 19:09:28 +05'30'

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 26 of 'Miscellaneous' chapter of NSDL Master Circular for Participants.
Artificial Intelligence /Machine Learning Reporting Form (Annually)	Within three months of the end of the financial year	Through e-PASS	Para 10 of 'Internal Controls/Reporting to NSDL/SEBI' chapter of NSDL Master Circular for Participants
Annual System Audit Report (yearly)	June 30th	Through e-PASS	Para 20.5 of 'Internal Controls/Reporting to NSDL/SEBI' chapter of NSDL Master Circular for Participants
Annual Cyber Audit Report (yearly)	June 30th	Through e-Pass	Para 2.76 of 'Internal Controls/Reporting to NSDL/SEBI' chapter of NSDL Master Circular for Participants and Circular No.: NSDL/POLICY/2026/0074 dated May 12, 2026

Annexure A

Amendments to the Annexure K (Rights and Obligations of the Beneficial Owner and Depository Participant) of NSDL Business Rules

Transfer of Securities

11. The DP shall effect transfer to and from the demat accounts of the Beneficial Owner only on the basis of an order, instruction, direction or mandate duly authorized by the Beneficial Owner and the DP shall maintain the original documents and the audit trail of such authorizations.

12. The Beneficial Owner reserves the right to give standing instructions with regard to the crediting of securities in his demat account and the DP shall act according to such instructions.

13. The DP shall execute 'non-pay in' related instructions not later than next working day from the date of submission of instruction by the Beneficial Owner. Further, if the date of submission and the execution date of instruction are same, DP may execute such instructions on the same day at Beneficial owner's risk on a "best effort basis".

Freezing/ Defreezing of accounts

22. The Beneficial Owner may exercise the right to freeze/defreeze his/her demat account maintained with the DP in accordance with the procedure and subject to the restrictions laid down under the Bye Laws and Business Rules/Operating Instructions.

23. The DP or the Depository shall have the right to freeze/defreeze the accounts of the Beneficial Owners on receipt of instructions received from any regulator or court or any statutory authority.

24. In case of any statutory order for freezing of demat account of any one joint holder, the demat account will be frozen and the other joint holder(s) will have to obtain specific order from the relevant order issuing authority for unfreezing the holdings in respect of their percentage of joint ownership.