NSDL
Technology, Trust & Reach

Participant Services Circular

Circular No.: NSDL/POLICY/2026/0139 September 22, 2026

Subject: Amendments to NSDL Business Rules regarding Securities held by Hindu Undivided Family (HUF) jointly with Individual(s) in the Depository.

All the Participants are hereby informed that the Business Rule 12.6.5 has been inserted in the NSDL Business Rules in relation to the **Securities held by Hindu Undivided Family (HUF) jointly with Individual(s) in the Depository.** The new Business Rule 12.6.5 is enclosed 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: 2026.09.22 18:17:03 +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.

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Annexure A

12.6.4 Securities held by Hindu Undivided Family (HUF) in the Depository

12.6.4.1 Upon death of the Karta of a Hindu Undivided Family (HUF), the surviving member(s) of the HUF may appoint the eldest coparcener of the HUF or a coparcener who is appointed as Karta by an agreement reached amongst all the coparceners of the HUF as the new Karta of the HUF.

12.6.4.2 For change of name of Karta in the account of HUF to the new Karta in place of the deceased Karta, the surviving members through the new Karta shall make a joint application to the Participant in the format specified in FORM 40 along with the following documents :

i. Original death certificate or copy of the death certificate of the deceased Karta, attested by the new Karta subject to verification with the original or copy of the death certificate duly attested by a Notary Public or by a Gazetted Officer or death certificate downloaded from the online portal of Government carrying digital/facsimile signature of the issuing authority.
In case death certificate is downloaded from the online portal of Government, the official of the Participant should verify the details from the Governments website and keep a record of the same with his signature and stamp of Participant;

ii. Copy of PAN, Proof of Identity, Proof of Address and a photograph of new Karta of HUF along with his original ink signed specimen signature

iii. A declaration of the list of surviving members of HUF in the prescribed form (FORM 40), not objecting the appointment of the new Karta along with name, date of birth, gender and relationship with Karta of all members of HUF;

12.6.4.3 In case partial partition of the HUF, if desired by one or more members, the Karta shall transfer the securities to the said members who seek partition and HUF account shall continue. The accounts of such members shall be treated as their individual accounts.

12.6.4.4 In case HUF goes into partition, the securities shall be divided amongst all the members in the manner specified by the applicant. The surviving members shall furnish to the Participant the details of the beneficial owner accounts of the individual members in order to have the securities distributed to their respective accounts.

12.6.4.5 The surviving members shall furnish to the Participant the intimation of partial or total partition accompanied by a signed letter mentioning the names of the members and their confirmation of partial or total partition having taken place.

12.6.4.6 The Participant shall ensure that the documents submitted by the surviving members of the HUF or the new Karta are in order and shall then effect change in name of Karta or transfer of securities to the account of surviving members in the event the HUF goes into partial or total partition.

12.6.4.7 If a transfer of securities is effected to the surviving members due to total partition, the Participant shall close the account held in the name of the HUF.

12.6.5 Securities held by Hindu Undivided Family (HUF) jointly with Individual(s) in the Depository.

12.6.5.1 In the event of demise of the Individual joint holder(s), the HUF will hold the account as surviving holder or surviving joint holder.

12.6.5.2 In case of death of the Karta of a Hindu Undivided Family (HUF), the process as per rule 12.6.4.1 and 12.6.4.2 shall be applicable.

12.6.5.3 In the event of partition of HUF (full or partial) jointly held with individual(s), a new demat account may be opened (one per partitioned coparcener) and the securities may be transferred to such demat account(s) held jointly in the name of partitioned co-parcener in accordance to the share of each coparcener upon partition and the joint holder (i.e individual joint holder of HUF).

Provided that in case individual joint holder(s) is not interested in opening multiple joint demat accounts, the partitioned coparcener(s) and the individual (joint holder) may amicably decide to open a joint account or apportion their share into their respective partitioned coparcener and the other joint holder separately.

12.6.5.4 In case of partial partition of the HUF, HUF account jointly with individual shall continue and in case of full partition, existing demat account will be closed

12.6.6.~~5~~ The Participant shall effect the request for transmission of securities within seven days of receipt of complete set of requisite documents.