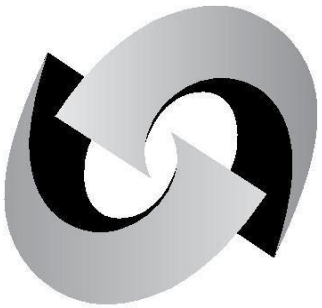
National Securities Depository Limited



BUSINESS RULES

September 2026

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Note:

Deleted w.e.f. February 03, 2023

** Amended w.e.f. January 23, 2023

$$ Amended w.e.f. September 29, 2021

$ Deleted w.e.f. October 19, 2020

Inserted w.e.f. October 27, 2015

Amendments to Business Rules (w.e.f. April 25, 2015)

1. Annexures LA-I, LA-11, L *(new format)* of Business Rules are deleted.
2. Annexures to Business Rules which are given at Table 1 *(given below)* are renumbered and substituted with the corresponding new number (as *per Table)* in Business rules. Annexures of Business Ruls which are given at Table 2 (given below) are shifted to a new Annexure L i.e. Schedule of Forms and nomenclature of all these Annexures is changed as per Table 2. Accordingly, all the Annexure referred in Table 2 are substituted with Annexure L in Business Rules.
3. FORM 13 - Delivery instructions by Power of Attorney (PoA) holder on behalf of clients and
   FORM 16 - Inter- Depository Delivery Instructions by POA holder are inserted [as *enclosed].*
4. The Annexure L (old format) *[i.e. FORM 12],* Annexure N *[i.e. FORM 15],* Annexure S *[i.e. FORM 18],* Annexure SS *[i. e. FORM 19],* Annexure ST *[i.e. FORM 20]* and Annexure T *[i.e. FORM 22]* are amended [as *enclosed].*

Table 1

Sr. No.	Existing Annexures of Business Rules	Proposed re-numbering of Annexures of Business Rules	Particulars
1	Annexure E	Annexure A	PROFORMA OF SHARE CERTIFICATE
2	Annexure F	Annexure B	PATTERN OF HOLDING AT THE TIME OF DEMATERIALISATION
3	Annexure I	Annexure C	PATTERN OF HOLDING AT THE TIME OF DEMATERIALISATION
4	Annexure JB	Annexure D	INSTRUCTIONS /CHECK LIST FOR FILLING KYC FORM
5	Annexure R	Annexure E	AGREEMENT BETWEEN THE CLEARING CORPORATION AND NATIONAL SECURITIES DEPOSITORY LIMITED
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9	Annexure UB	Annexure I	PROFORMA OF GOVERNMENT SECURITIES CERTIFICATE
10	Annexure V	Annexure J	TRANSACTION STATEMENT

11	Annexure U	Annexure K	RIGHTS AND OBLIGATIONS OF THE BENEFICIAL OWNER AND DEPOSITORY PARTICIPANT
12	All annexure referred in table 2	Annexure L	SCHEDULE OF FORMS

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Sr. No.	Existing Nomenclature Of Annexures	Proposed Nomenclature Of Forms	Particulars
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2	Annexure B	FORM 2	CONVERSION REQUEST FORM FOR EXISTING MUTUAL FUND UNITS (REPRESENTED BY STATEMENT OF ACCOUNT) INTO DEMATERIALISED FORM - THROUGH DEPOSITORY PARTICIPANT
3	Annexure C	FORM 3	RECONVERSION REQUEST FORM FOR CONVERSION OF MUTUAL FUND UNITS HELD IN DEMATERIALISED FORM TO STATEMENT OF ACCOUNT FORM
4	Annexure D	FORM 4	DEMATERIALISATION REQUEST FORM
5	Annexure G	FORM 5	SHARE APPLICATION FORM
6	Annexure H	FORM 6	REMATERIALISATION REQUEST FORM
7	Annexure HA	FORM 7	REPURCHASE/REDEMPTION FORM
8	Annexure HB	FORM 8	ISIN CONVERSION FORM
9	Annexure J	FORM 9	KNOW YOUR CLIENT (KYC) APPLICATION FORM AND ACCOUNT OPENING FORM (FOR INDIVIDUALS)
10	Annexure JA	FORM 10	FORM FOR NOMINATION/ CANCELLATION OF NOMINATION
11	Annexure K	FORM 11	KNOW YOUR CLIENT (KYC) APPLICATION FORM AND ACCOUNT OPENING FORM (FOR NON-INDIVIDUALS)
12	Annexure L (old format)	FORM 12	DELIVERY INSTRUCTIONS BY CLIENT
13	NEW FORM	FORM 13	DELIVERY INSTRUCTIONS BY POWER OF ATTORNEY HOLDER ON BEHALF OF CLIENTS
14	Annexure M	FORM 14	RECEIPT INSTRUCTIONS
15	Annexure N	FORM 15	INTER-DEPOSITORY DELIVERY INSTRUCTIONS
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17	Annexure NA	FORM 17	INTER-DEPOSITORY RECEIPT INSTRUCTIONS
18	Annexure S	FORM 18	DELIVERY-OUT INSTRUCTIONS FOR PAY-IN BY CLEARING MEMBER
19	Annexure SS	FORM 19	INTER-SETTLEMENT INSTRUCTIONS BY CLEARING MEMBER
20	Annexure ST	FORM 20	POOL TO POOL INSTRUCTIONS BY CLEARING MEMBER
21	Annexure SU	FORM 21	CM POOL TO CM POOL RECEIPT INSTRUCTIONS BY CLEARING MEMBER
22	Annexure T	FORM 22	DELIVERY INSTRUCTIONS UPON PAY-OUT BY CLEARING MEMBER
23	Annexure U	FORM 23	DEMATERIALISATION REQUEST FORM FOR GOVERNMENT SECURITIES
24	Annexure UA	FORM 24	FORM OF TRANSFER
25	Annexure UC	FORM 25	REMATERIALISATION REQUEST FORM FOR GOVERNMENT SECURITIES
26	Annexure UD	FORM 26	INTER SGL TRADES (SALE INSTRUCTION)
27	Annexure UE	FORM 27	INTER SGL TRADES (PURCHASE INSTRUCTION)
28	Annexure W	FORM 28	PLEDGE/HYPOTHECATION FORM
29	Annexure LB	FORM 29	ERRONEOUS TRANSFER FORM
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39	Annexure P	FORM 33	APPLICATION FOR FREEZING/UNFREEZING OF AN ACCOUNT AND/OR ISIN AND/OR SPECIFIC NUMBER OF SECURITIES
40	Annexure Q	FORM 34	APPLICATION FOR CLOSING AN ACCOUNT (FOR BENEFICIARY ACCOUNT ONLY)
41	Annexure QA	FORM 35	APPLICATION FOR CLOSING AN ACCOUNT (FOR CLEARING MEMBER ACCOUNT ONLY)

**** Annexure X & XX pertaining to Securities Lending Form For Lender/Borrower & Securities Lending Form For Intermediary deleted w.e.f. May 10, 2008.

Annexure L, LA-I & LA-II pertaining to Delivery Instructions By Clients (New Format), Combined - Delivery Instructions By Clients, Combined - Delivery Instructions By Clients deleted w.e.f. August 25, 2014.

Inserted w.e.f. April 4, 2014.

*	Inserted w.e.f. July 2, 2010. Earlier Annexure B was for Hardware and Software Setup for an Issuer/ Registrar and Transfer Agent which was deleted w.e.f. September 3, 2001, consequent to amendment in Business Rule 9.1.1. Latest configuration can be obtained from NSDL.
**	Annexure C & CC pertaining to Hardware And Software Setup For A Participant & Hardware And Software Setup For A Participant Which is a Clearing Corporation deleted w.e.f. September 3, 2001 consequent to amendment in Business Rule 9.2.1. Latest configuration can be obtained from NSDL
***	Annexure LA pertaining to Deferred Delivery Order (DDO) Form deleted w.e.f. September 3, 2009.

Annexure	***Description***
N	Terms and Conditions to avail electronic facility provided by Depository for submission of instruction in electronic form to Participant
O	Terms and Conditions for electronic instructions received from the Client by the Trading Members and/or the Participants which are authenticated by the Participant and/or Trading Member and accepted by the Client on the Depository system

1. INTRODUCTION

These Business Rules framed hereunder shall be known as National Securities Depository Limited Business Rules, 1996. These Business Rules shall be in addition to the provisions of The Depositories Act, 1996, Securities and Exchange Board of India Act, 1992, Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and the Bye Laws of the Depository, as may be applicable to the Participants and other Users of the Depository. These Business Rules shall come into effect from October 23, 1996.

2. APPLICABILITY

These Business Rules (read in conjunction with the Bye Laws) shall be applicable to all the Users of the Depository as well as the Clients to the extent specified therein. They shall be subject to the jurisdiction of the courts of Mumbai irrespective of the place of business of the Users of the Depository system in India.

3. DEFINITIONS

3.1. Unless the context otherwise requires:-

3.1.1. BOD Processing means the Beginning-of-Day processing which is carried out before the start of business of each working day by the Depository and the Users Such processing shall commence at such time as may be notified by the Depository;

3.1.2. Clearing Members are persons who have been admitted as members by a Clearing Corporation which has been admitted as a User by the Depository;

3.1.3. [1] Trading Members (TM) are persons who have been admitted as members by a Stock Exchange.

3.1.4. [2] Portfolio Managers are persons registered with SEBI as Portfolio Management Services Providers.

3.1.5. [3] CM, TM and Portfolio Manager Account means an account opened with a Participant, by a Clearing Member, Trading Member or Portfolio Manager, respectively in accordance with Rule 13.3 of these Business Rules;

3.1.6. Delivery Account means the account of a Clearing Member maintained with a Participant for receiving securities from the Pool account and transferring the same to the Clearing Corporation;

3.1.7. Depository Module (DM) means the software installed at the Depository;

3.1.8. [4] Depository Participant Module (DPM) means the software(s) provided by the depository relating to the Depository operations deployed and/or accessed using the User hardware system. This shall be either the DPM (DP), DPM (CC) or the DPM (SHR).The DPM (DP) shall include the eDPM (DP) and the Local DPM (DP).

3.1.9. [5] Depository Participant Module (Depository Participant) - [DPM (DP)] means the software relating to the Depository operations installed on the hardware system of the Participant and Depository Participant Module (Clearing Corporation) - [(DPM (CC)] nmeans the software relating to the Depository operations installed on the hardware system of the Participant which is a Clearing Corporation;

3.1.10. Depository Participant Module (Issuers/Registrars) - [DPM (SHR)] means the software installed on the hardware system of the Issuer or its Registrar and Transfer Agent;

3.1.11. Depository system means the hardware, software and telecommunication network established by the Depository to facilitate the operations of the Depository. This shall include the Depository Module, Depository Participant Module, User Hardware System and the hardware installed at the Depository;

3.1.12. EOD Processing means the processing which is carried out at the close of each working day by the Depository and the Participant. Such processing shall commence at such time as may be notified by the Depository;

3.1.13. Market Trades are trades concluded on a stock exchange and cleared and settled through a Clearing Corporation which has been admitted as a User by the Depository. Trades which are negotiated privately and reported for clearing and settlement through a Clearing Corporation, which has been admitted as a User by the Depository, shall also be treated as market trades;

Notes:

[1] **Amended w.e.f. May 16, 2022. Prior to this amendment, the Rule 3.1.3 read as follows**
3.1.3. CM Account means a Clearing Member account with a Participant, opened by a Clearing Member in accordance with Rule 13.3.1 of these Business Rules;

[2, 3] **Inserted w.e.f. May 16, 2022**

[4] **Amended w.e.f. Dec. 18, 2010. Prior to this amendment, the Rule 3.1.6 was amended on January 20, 1998 read as follows:**
Depository Participant Module (DPM) means the software relating to the Depository operations installed on the User hardware system. This shall be either the DPM (DP), DPM (CC) or the DPM (SHR);

Prior to this amendment, the Rule 3.1.6 read as follows:
3.1.6. Depository Participant Module (DPM) means the software relating to the Depository operations installed on the User hardware system. This shall be either the DPM (DP) or the DPM (SHR);

[5] **Amended w.e.f. January 20, 1998. Prior to this amendment, the Rule 3.1.7 read as follows:**
Depository Participant Module (Depository Participant)-[DPM(DP)] means the software relating to the Depository operations installed on the hardware system of the Participant.

3.1.14. Off Market Trades means trades that are not cleared and settled through a Clearing Corporation admitted as a User by the Depository;

3.1.15. [6] Pool Account means the account of a Clearing Member, Trading member or Portfolio manager maintained with a Participant. In case of Clearing Member, the account which is used for the transfer of securities from the accounts of the Clients to the Clearing Corporation in the case of sale of securities and from the Clearing Corporation to the accounts of the Clients in the case of purchase of securities. In case of Trading Member or Portfolio Manager, the account which is used for the transfer of securities from the accounts of the Clients to the Clearing Member in case of sale of securities and from the Clearing Member to the accounts of the Clients in the case of purchase of securities;

3.1.16. [7] User Hardware System (UHS) means the hardware set up of the User based on the hardware specifications supplied by the Depository. This shall be either the UHS (DP), UHS (CC) or the UHS (SHR);

3.1.17. [8] User Hardware System (Depository Participant)-(DP) means the hardware set up of the Participant relating to Depository operations and User Hardware System (Clearing Corporation)-(CC) means the hardware set up of the Participant which is a Clearing Corporation relating to Depository operations. This shall consist of servers, workstations, router and the communication line linking them to the Depository;

3.1.18. User Hardware System (Issuers/Registrars)-[UHS (SHR)] means the hardware set up of the Issuer or its Registrar and Transfer Agent relating to the operations of the Depository. This shall consist of servers, workstations, router and the communication line linking it to the Depository;

3.1.19. [9] Intermediary means a person registered with the Securities and Exchange Board of India as an "approved intermediary" under the guidelines/provisions of the Securities Lending Scheme, 1997.

3.1.20. [10] Inter-Depository Transfer means transfer of securities which are admitted for dematerialisation on both the depositories from an account held in one depository to an account held in the other depository.

3.1.21. [11] Words and expressions used but not defined in the Business Rules but defined under The Depositories Act, 1996, Companies Act, 2013, Securities Contract (Regulation) Act, 1956, Securities and Exchange Board of India Act 1992, Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and the Bye Laws of the Depository shall have the same meaning respectively assigned to them under the aforesaid Acts and Regulations.

3.1.22 [12] Transaction Statement means a statement giving the details of the security-wise transactions (credits and debits) and balances for a given period and is also referred as statement of account including transaction statement and holdings statement.

Notes:

[6] **Amended w.e.f. May 16, 2022. Prior to this amendment, the Rule 3.1.3 read as follows**

3.1.15. Pool Account means the account of a Clearing Member maintained with a Participant which is used for the transfer of securities from the accounts of the Clients to the Clearing Corporation in the case of sale of securities and from the Clearing Corporation to the accounts of the Clients in the case of purchase of securities;

Rule 3.1.14 has been deleted w.e.f. Dec. 18, 2010. Prior to deletion, Rule 3.1.14 read as follows: 3.1.14. Receipt-in Account means the account of a Clearing Member maintained with a Participant for receiving securities from the accounts of Clearing Corporation and transferring the same to the Pool account;

Consequently, Rules 3.1.15, 3.1.16, 3.1.17, 3.1.18, 3.1.19 and 3.1.20 have been renumbered as Rules 3.1.14, 3.1.15, 3.1.16, 3.1.17, 3.1.18 and 3.1.19 respectively

[7] **Amended w.e.f. January 20, 1998. Prior to this amendment, the Rule 3.1.15 read as follows:**
User Hardware System (UHS) means the hardware set up of the User based on the hardware specifications supplied by the Depository. This shall be either the UHS (DP) or the UHS (SHR);

[8] **Amended w.e.f. January 20, 1998. Prior to this amendment, the Rule 3.1.16 read as follows:**
User Hardware System (Depository Participant)-(DP) means the hardware set up of the Participant relating to the operations of the Depository. This shall consist of servers, workstations, router and the communication line linking it to the Depository.

[9] **Inserted w.e.f November 12, 1998. The original rule 3.1.18 was renumbered as Rule 3.1.20**

[10] **Original Rule 3.1.20, which was inserted w.e.f. August 17, 1999 has been renumbered as 3.1.19 w.e.f. May 10, 2008.**
*** Original rule 3.1.19 has been deleted w.e.f. May 10, 2008. Prior to deletion, original rule**

3.1.19 which was inserted w.e.f. November 12, 1998 read as follows: 3.1.19. Intermediary Account means an account opened by an Intermediary with a Participant in accordance with Rule 12.11 of Business Rules

[11] **Original rule 3.1.20, which was renumbered as 3.1.21 w.e.f. August 17, 1999 has now been renumbered as 3.1.20 w.e.f. May 10, 2008.**

[12] **Inserted w.e.f. February 27, 2013.**

4. MANNER OF DEALINGS ON THE DEPOSITORY

4.1. THE DEPOSITORY SYSTEM

4.1.1. The User shall carry out transactions relating to the Depository only through the approved User Hardware System located at approved locations of the office of the User. No other workstation, computer system or hardware may be connected to the User Hardware System without the prior approval of the Depository.

4.1.2. Each User shall have a unique identification number provided by the Depository called the BP ID which shall be used to identify that User by the Depository and by other Users

4.1.3. A User shall have a non-exclusive permission to use the DPM as provided by the Depository in the ordinary course of its business as such User.

4.1.4. The permission to use the DPM shall be subject to the payment by the User of such charges as may be specified by the Depository.

4.1.5. A User shall not use or permit any other person to:-

i) use the software provided by the Depository for any purpose other than the purpose as approved and specified by the Depository;

ii) use the software provided by the Depository on any equipment other than the User Hardware System;

iii) copy, alter, modify or make available to any other person, the software provided by the Depository;

iv) use the software in any manner other than the manner as may be specified by the Depository;

v) attempt directly/indirectly to decompile, disassemble or reverse engineer the same.

4.1.6. A Participant shall not, by itself or through any other person(s) on its behalf, publish, supply, show or make available to any other person or reprocess, retransmit, store or use any information provided by the Depository for any purpose other than in the ordinary course of its business as a User of the Depository, except with the explicit approval of the Depository.

4.2. WORKING DAYS

4.2.1. [13] The Depository shall operate on all days except Sundays and such holidays as the Depository may declare from time to time.

4.2.2. The Depository may close office on days other than and in addition to the scheduled holidays originally declared under Rule 4.2.1 to be called unscheduled opening or closing of the Depository and the decision of the Depository in this regard shall be final and binding.

Notes:

[13] **Amended w.e.f. April 16, 1998. Prior to this amendment, Rule 4.2.1 was amended on February 20, 1997, which read as follows:**
4.2.1. The Depository shall operate on all days except second and fourth Saturdays, Sundays and such holidays as the Depository may declare from time to time.
The original Rule 4.2.1 read as follows:
4.2.1. The Depository shall operate on all days except Saturdays, Sundays and such holidays as the Depository may declare from time to time.

4.3. WORKING HOURS

4.3.1. The Depository shall announce the normal working hours for every calendar year in advance.

4.3.2. The Depository may extend, advance or reduce the working hours by notifying the Users as and when it deems fit and necessary in this regard.

4.4. FAILURE OF PARTICIPANTS' TERMINAL

In the event of failure of the User's User Hardware System and/or loss of access to the DPM, the Depository may, at its discretion, undertake on behalf of the Participant (although not guaranteed) to carry out the necessary functions which the Participant is eligible on a valid request from such Participant subject to such terms and conditions which the Depository may deem necessary to be imposed. The Depository shall entertain such a request only if such request is made in writing in a clear and precise manner by the Participant, as specified by the Depository. The Participant shall be accountable for the functions executed by the Depository on behalf of the Participants and shall indemnify the Depository against any losses or costs arising out of the same.

4.5. MODE OF OPERATING ACCOUNTS AND EFFECTING TRANSACTIONS BY BOOK ENTRY

4.5.1. [14] The forms laid down under these Business Rules shall be adhered to by the Participants at the time of operating the accounts of its Clients and giving effect to the transactions laid down under Chapter 9 of the Bye Laws and Chapter 11, 12 and 13 of this Business Rules.

Provided however that to effect such transaction as may be specified by the Depository based on the electronic instructions received by Participant from the Client through an electronic facility provided by Depository, the Client should opt for the electronic facility and agree with the terms and conditions specified at Annexure N.

Provided further that to effect such transaction as may be specified by the Depository based on the electronic instructions received from the Client by the Trading Members and/or the Participants which are authenticated by the Participant and/or Trading Member and accepted by the Client on the Depository system, shall be bound by the terms and conditions as specified at Annexure O.

Provided further that to effect such transactions as may be specified by the Depository based on electronic instructions received from the Client, the Participant shall obtain the prior approval of the Depository. The Depository may grant such an approval to the Participant if;

i) the Participant has adequate systems and security features in place to authenticate the Client and the Client to authenticate the Participant;

ii) the Participant is able to conclusively prove the origin, destination, date and time of receipt or despatch of such electronic instructions received by it;

iii) the Participant retains such electronic instructions in the format in which it was originally received or sent or in a format which can be demonstrated to represent accurately the information which was originally received or sent;

iv) the instructions received remain accessible and usable for subsequent reference; and

v) the Participant fulfills such other conditions as may be specified by the Depository.

Provided further that the Participant may operate such accounts or effect such transactions by using any other form or manner of authorisation from the Client provided the same has been approved by the Depository.

4.5.2.[15]The Participant shall promptly inform the Clients in respect of those instructions which have not been executed along with reasons thereof.

4.5.3.[16] The Participant shall not accept any instruction for debit or pledge or margin pledge or hold of securities from a Client unless the Participant has fully satisfied itself that the instruction has been given by the Client itself. In respect of instructions received in paper form, the Participant shall ensure that the Client submits the instructions only on an instruction form issued by the Participant to the Client by verifying the instruction forms with its records pertaining to serial numbers of instruction forms issued to the Clients.

4.5.4[17A] Operation of joint account in case of individual client

4.5.4.1 In the case of a joint account, the Participant shall ensure that all the instructions submitted are duly signed by all the account holders.

Provided however that in respect of the instructions specified at Rule 4.5.4.2, all the account holders jointly may opt for any one of the following modes of operation:

i) First Holder
ii) Jointly;
iii) Anyone of the holders or survivor (s).

4.5.4.2 The Participants may execute following instructions on behalf of its Clients as per mode of operation specified at Rule 4.5.4.1:

i) Transfer of securities including Inter-Depository Transfer.
ii) Pledge/ Hypothecation / margin pledge / margin re-pledge (Creation, Closure and Invocation and confirmation thereof, as applicable).
iii) Freeze/ unfreeze account and/ or the ISIN and / or specific number of securities.
iv) Nomination Requests

However, for all other transactions at joint account level, the mode of operation shall be as specified at Rule 4.5.4.1 (i)

4.5.4.3 Where the Client account holders have opted for operation by first holder or any one holder or survivor, the instructions above should be duly signed by first holder any one of the holders/survivors of the joint account.

4.5.4.4 With regard to all transactions undertaken in the Client account as per Rule 4.5.4.2, signature of fist holder or one of the Client account holders as per the mandate of operation given by the joint account holders shall discharge the Participant in full vis-a-vis all account holders.

4.5.4.5 Each Client account holder in the demat account is jointly and severally liable towards the Participant for all the commitments entered into by himself/ herself or by any other Client account holder or authorised representative (within the limits of the power).

4.5.4.6 Any account holder may opt out from the facility as mentioned at proviso to Rule 4.5.4.1 by giving signed written request to the Participant and upon receipt of such a request by Participant, the Participant shall change the mode of operation to jointly.

4.5.4.7 In case of a joint account, all communications shall be sent to the first holder and shall be deemed to have been duly sent to all Client account holders. Participant shall give an option to all joint account holders that communication will be sent to all joint account holders in electronic mode, if desired by account holders.

4.5.4.8 [18]This arrangement of mode of operation shall not expire on the death of one of the Client holders, if the surviving account holder(s) chose the option to continue with the same account by deletion of name of the deceased account holder(s) as per the procedure specified at 12.6.1.

4.5.4.9 In the event of the death of any of the joint holders, the liability of the Participant shall be discharged provided the Participant:

i) Exercises due care and caution in establishing the identity of the survivor(s) and the fact of death of deceased joint account holder, through appropriate documentary evidence;
ii) Reasonably satisfies itself that there is no order from any competent court brought to its notice restraining the transmission of the deceased's securities; and
iii) The surviving member(s) shall receive the assets as owner(s) and not as a trustee.

Notes:

[14] **Amended w.e.f. June 10, 2022. Prior to this amendment, the Rule 4.5.1 was amended on January 04, 2019 read as follows:**

4.5.1. The forms laid down under these Business Rules shall be adhered to by the Participants at the time of operating the accounts of its Clients and giving effect to the transactions laid down under Chapter 9 of the Bye Laws and Chapter 11, 12 and 13 of this Business Rules.

Provided however that to effect such transaction as may be specified by the Depository based on the electronic instructions received by Participant from the Client through an electronic facility provided by Depository, the Client should opt for the electronic facility and agree with the terms and conditions specified at Annexure N.

Provided further that to effect such transactions as may be specified by the Depository based on electronic instructions received from the Client, the Participant shall obtain the prior approval of the Depository. The Depository may grant such an approval to the Participant if;

i) the Participant has adequate systems and security features in place to authenticate the Client and the Client to authenticate the Participant;

ii) the Participant is able to conclusively prove the origin, destination, date and time of receipt or despatch of such electronic instructions received by it;

iii) the Participant retains such electronic instructions in the format in which it was originally received or sent or in a format which can be demonstrated to represent accurately the information which was originally received or sent;

iv) the instructions received remain accessible and usable for subsequent reference; and

v) the Participant fulfills such other conditions as may be specified by the Depository.

Provided further that the Participant may operate such accounts or effect such transactions by using any other form or manner of authorisation from the Client provided the same has been approved by the Depository.

Prior to this amendment, the Rule 4.5.1 read as follows:

4.5.1. The forms laid down under these Business Rules shall be adhered to by the Participants at the time of operating the accounts of its Clients and giving effect to the transactions laid down under Chapter 9 of the Bye Laws and Chapter 11, 12 and 13 of this Business Rules.

Provided however that to effect such transactions as may be specified by the Depository based on electronic instructions received from the Client, the Participant shall obtain the prior approval of the Depository. The Depository may grant such an approval to the Participant if;

i) the Participant has adequate systems and security features in place to authenticate the Client and the Client to authenticate the Participant;

ii) the Participant is able to conclusively prove the origin, destination, date and time of receipt or despatch of such electronic instructions received by it;

iii) the Participant retains such electronic instructions in the format in which it was originally received or sent or in a format which can be demonstrated to represent accurately the information which was originally received or sent;

iv) the instructions received remain accessible and usable for subsequent reference; and

v) the Participant fulfills such other conditions as may be specified by the Depository.

Provided further that the Participant may operate such accounts or effect such transactions by using any other form or manner of authorisation from the Client provided the same has been approved by the Executive Committee.

Amended w.e.f. May 7, 2001. Prior to this amendment, the Rule 4.5.1 read as follows:

4.5.1. The forms laid down under these Business Rules shall be adhered to by the Participants at the time of operating the accounts of its Clients and giving effect to the transactions laid down under Chapter 9 of the Bye Laws.

Provided, however, that the Participants may operate such accounts or effect such transactions by using any other form or manner of authorisation from the Client provided the same has been approved by the Executive Committee.

[15] **Amended w.e.f. February 8, 2018. Prior to this amendment, the original Rule 4.5.2 read as follows:**

4.5.2. The Participant shall promptly inform the Clients in respect of those instructions which have not been executed

[16] **Amended w.e.f. August 01, 2020. Prior to this amendment, Rule 4.5.3 was amended w.e.f. February 08, 2018 and read as follows:**

4.5.3. The Participant shall not accept any instruction for debit or pledge or hold of securities from a Client unless the Participant has fully satisfied itself that the instruction has been given by the Client itself. In respect of instructions received in paper form, the Participant shall ensure that the Client submits the instructions only on an instruction form issued by the Participant to the Client by verifying the instruction forms with its records pertaining to serial numbers of instruction forms issued to the Clients.

Amended w.e.f. February 08, 2018 Prior to this amendment, Rule 4.5.3 was inserted w.e.f. May 07, 2001 and read as follows:

4.5.3. The Participant shall not accept any instruction for debit or pledge of securities from a Client unless the Participant has fully satisfied itself that the instruction has been given by the Client itself. In respect of instructions received in paper form, the Participant shall ensure that the Client submits the instructions only on an instruction form issued by the Participant to the Client by verifying the instruction forms with its records pertaining to serial numbers of instruction forms issued to the Clients.

Amended w.e.f. May 7, 2001. Prior to this amendment, Rule 4.5.3 was inserted w.e.f. February 4, 1999 and read as follows:

4.5.4. The Participant shall not accept any instruction for debit or pledge of securities in a Client account submitted on an instruction form other than the one issued to a Client unless the Participant has fully satisfied itself that the instruction has been given by the Client itself. The Participant shall for this purpose verify the instruction forms with its records pertaining to the serial numbers of instruction forms issued to the Clients.

17A Inserted w.e.f. April 16, 2026
Inserted w.e.f. February 28, 2022.

18. Amended clause 4.5.4.8 w.e.f. January 23, 2025. Prior to this amendment, Rule 4.5.4.8 read as follows:

This arrangement of mode of operation shall not expire on the death of one of the Client holders, if the surviving account holder(s) chose the option to continue with the same account by deletion of name of the deceased account holder(s) as per the procedure specified at 12.6.1. The surviving account holder(s) have to inform Participant about the death of account holder(s) with required documents within one year of the date of demise. If the surviving account holder(s) fails to report the death of deceased joint holder within one year of the date of demise, a new demat account shall be opened by the surviving account holder(s) to execute transmission as per the procedure specified at Rule 12.1.

5. CONDUCT OF BUSINESS BY USERS

5.1. MANNER OF DEALINGS BY USERS

5.1.1. Only those persons who are approved as Users in accordance with the provisions of the Bye Laws and Business Rules of the Depository may be approved as Users of the DPM system.

5.1.2. The release of transactions for execution on the DPM for any working day must be completed by the User a minimum time period before the EOD process is initiated at the DM. This minimum time period shall be specified by the Depository.

5.1.3. At the end of the EOD processing by the Depository, the DM shall electronically intimate to the User the BOD for the next working day. Any release of transactions for execution made thereafter shall be recorded for the next working day.

5.1.4. Any transactions entered into by the User after such period can be released for execution on the DPM only on the next working day.

5.1.5. The electronic communication link between the DPM and DM must be maintained by the User at all times unless otherwise agreed upon by the Depository.

5.2. SUPERVISION BY PARTICIPANTS

5.2.1. Each Participant shall establish, maintain and enforce procedures to supervise its business and to supervise the activities of its employees, that are reasonably designed to achieve compliance with the Bye Laws, Business Rules, notifications and directions issued there under by the Depository.

5.2.2. The Participant shall maintain an internal record of the names of all persons who are designated as supervisory personnel and dates for which such designation is or was effective. Such record shall be preserved by the Participant for a period not less than three years.

5.2.3. Each Participant shall conduct a review, at least annually, of its business relating to the operations of the Depository, which shall be reasonably designed to assist in detecting and preventing violation of and achieving compliance of the Bye Laws and Business Rules of the Depository.

5.2.4. The Participant shall bring to the notice of its Clients, and other Participants, any indictments, penalties etc. imposed on it by the Depository or any other regulatory authority within seven days from the date of such indictment or order.

5.2.5. The Participant shall bring to the notice of the Depository, any indictments or any other orders that may have been passed against it by any regulatory authority within seven days from the date of such order or indictment.

5.3. [19] FEES AND CHARGES

The Participant shall have the discretion to charge any fees to its Clients. Further, the Participant may charge different types of fees to its various Clients. In the event of the Client committing a default in the payment of any of the charges within a period of thirty days from the date of demand, without prejudice to the right of the Participant to close the account of the Client, the Participant may charge interest @ not more than 24% p.a. or such other rate as may be specified by the Depository from time to time for the period of such default.

Provided further that the Participant shall file the charge structure every year, latest by 30th April, with the Depository and also inform the depository the changes in their charge structure as and when they are effected.

Notes:

[19] **Amended w.e.f. April 4, 2014. Prior to this amendment Rule 5.3 was amended on January 1, 2007, which read as follows:**

The Participant shall have the discretion to charge any fees to its Clients. Further, the Participant may charge different types of fees to its various Clients.
Provided further that the Participant shall file the charge structure every year, latest by 30th April, with the Depository and also inform the depository the changes in their charge structure as and when they are effected.

Prior to this amendment Rule 5.3 read as follows:

5.3. FEES AND CHARGES

The Participant shall have the discretion to charge any fees to its Clients. Further, the Participant may charge different types of fees to its various Clients.
Provided further that the participant shall file the charge structure with the Depository as and when called for.

Prior to this amendment Rule 5.3 read as follows:

5.3. FEES AND CHARGES

The Participant shall have the discretion to charge any fees to its Clients. Further, the Participant may charge different types of fees to its various Clients.

6. GUIDELINES GOVERNING RELATIONSHIP BETWEEN PARTICIPANT AND CLIENT

6.1. The Participants shall execute transactions on behalf of its Clients only on authorisations from their Clients.

6.2. A Participant may accept standing instructions from the Client for crediting the account of the Client without the Participant requiring separate authorisation for each credit.

6.3. The Participant shall not be required to receive authorisation for receiving credit in the accounts of the Clearing Member, in case of receipt of securities from the Clearing Corporation.

6.4. [20] The Participant shall make available to the Client for his reference, the list of Clearing Members, Trading Members, and Portfolio Managers, who have opened an account with the Participant and the securities which have been admitted to the Depository to be in dematerialised form.

6.5. [21] The Participant shall not be required to receive authorisation from the Clearing Member for the delivery-out instruction given by the Clearing Corporation in pursuance of Rule 13.7.5.

6.6 [22] The Participant shall have a right to provide such information related to the Client's account as may be requested by the National Securities Depository Limited from time to time.

Notes :

[20] **Amended w.e.f. May 16, 2022. Prior this amendment rule 6.4 read as follows:**
6.4. The Participant shall make available to the Client for his reference, the list of Clearing Members who have opened an account with the Participant and the securities which have been admitted to the Depository to be in dematerialised form.

[21] **Inserted w.e.f. July 10, 2000.**

[22] **Inserted w.e.f. April 4, 2014.**

7. CODE OF ETHICS FOR PARTICIPANTS

7.1. GENERAL PRINCIPLES

7.1.1. **Professionalism:** A Participant in the conduct of its business shall observe high standards of commercial honour and just and equitable principles of business.

7.1.2. **Adherence to Business Rules:** Participant shall adhere to the Bye Laws and Business Rules of the Depository and shall comply with such operational parameters, rulings, notices, guidelines and instructions of the relevant authority as may be applicable from time to time.

7.1.3. **Honesty and fairness:** In conducting its business activities, a Participant shall act honestly and fairly in the best interests of its Clients.

7.1.4. **Capabilities:** A Participant shall have and employ effectively the resources and procedures which are needed for the proper performance of its business activities.

7.2. OPERATIONAL PRINCIPLES

7.2.1. Participants shall ensure:-

i) that any employee who commits the Participant to a transaction has the necessary authority to do so;

ii) that employees are adequately trained in operating in the relevant areas they are assigned to and are aware of their own, and their organisation's responsibilities as well as the relevant statutory acts governing the Participant, the Bye Laws and the Business Rules including any additions or amendments thereof;

7.2.2. No Participant or person associated with a Participant shall make improper use of Clients' securities or funds.

7.2.3. While performing any transaction in the Client accounts, the Participant must ensure that, great care is taken at all times not to misrepresent in any way, the nature of the transaction.

7.2.4. No Participant shall exercise any discretionary power in a Client's account unless such Client has given prior written authorisation in this regard.

7.3. GENERAL GUIDELINES

No Participant shall shield or assist or omit to report about any Participant whom it has known to have committed a breach or evasion of any Rules, Bye Laws, or Regulations of the Depository or of any resolution, order, notice or direction there under of the Depository or the Managing Director or any committee or officer of the Depository authorised in that behalf.

8. ADMISSION OF PARTICIPANTS

8.1. The applicant shall submit FORM 'F' specified under The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and the Annexures specified thereunder along with the following documents:

i) Business history of the applicant for the last three years;

ii) Net worth as certified by a Chartered Accountant as per the latest audited accounts in the manner specified in Annexure A of these Business Rules;

iii) Copies of the annual reports of the last three years

8.2. The applicant shall have appropriate safekeeping measures (such as vaults and other security measures) to store securities and physical records at its end.

8.3. Even after the applicant procures the certificate of commencement of business from the Securities and Exchange Board of India, the Participant shall not transact the business on the Depository system unless it has paid the security deposit and other fees as stipulated by the Depository for this purpose.

8.4. [23] A Clearing Corporation or a Clearing House of a stock exchange shall not be permitted to open Client accounts.

Provided however that in case where the Clearing Corporation or the Clearing House of a stock exchange have been permitted by RBI to offer constituent SGL account facility to the investors, it shall be permitted to open Client accounts subject to such terms and conditions as may be stipulated by the Depository.

Note:

[23] **Amended w.e.f September 2, 1998. Prior to this amendment, Rule 8.4, which was inserted on July 25, 1997, read as follows:**
8.4. A clearing corporation or a clearing house of a stock exchange shall not be permitted to open Client accounts.

9. HARDWARE AND SOFTWARE REQUIREMENTS

9.1. ISSUER OR ITS REGISTRAR & TRANSFER AGENT

9.1.1. [24] The Issuer or its Registrar & Transfer Agent shall install the hardware and software which shall be in conformity with the configurations specified by the Depository from time to time.

Provided however that, in case where a State or the Central Government is the Issuer, NSDL shall install the necessary hardware and software.

9.1.2. The Depository shall provide to the Issuer or its Registrar and Transfer Agent an application software called the Depository Participant Module [DPM (SHR)] and any upgradations or modifications to such software on payment of such fees as may be determined by the Depository.

9.2. PARTICIPANTS

9.2.1. [25] The Participant and the Participant which is a Clearing Corporation shall install the hardware and software which shall be in conformity with the configurations specified by the Depository from time to time.

9.2.2. [26] The Depository shall provide an application software called the Depository Participant Module [DPM (DP)] to the Participant and an application software called the Depository Participant Clearing Corporation Module [DPM(CC)] to the Participant which is a Clearing Corporation, and any up gradations or modifications to such software on payment of such fees as may be determined by the Depository.

9.3. [27] VAULT MANAGER

9.3.1 The Vault Manager shall install the hardware and software which shall be in conformity with the configurations specified by the Depository, from time to time.

9.3.2 The Depository shall provide to the Vault Manager an application software called the Depository Participant Module [DPM (VM)] and any upgradations or modifications to such software on payment of such fees as may be determined by the Depository.

Notes:

[24] **Amended w.e.f. September 3, 2001. Prior to this amendment, Rule 9.1.1 read as follows:**
9.1.1. The Issuer or its Registrar & Transfer Agent shall install the hardware and software which shall be in conformity with the configurations laid down in Annexure B. Provided however that, in case where a State or the Central Government is the Issuer, NSDL shall install the necessary hardware and software.

Prior to this amendment, Rule 9.1.1 was amended on November 12, 1998 which read as follows:
9.1.1. The Issuer or its Registrar and Transfer Agent shall install the hardware and software which shall be in conformity with the configurations laid out in Annexure B.

[25] **Amended w.e.f. September 3, 2001. Prior to this amendment, Rule 9.2.1 read as follows:**
9.2.1. The Participant shall follow the hardware and software requirements as specified in these Business Rules in Annexure C and the Participant which is a Clearing Corporation shall follow the hardware and software requirements as specified in these Business Rules in Annexure CC.
Prior to this amendment, Rule 9.2.1 was amended on January 20, 1998 which read as follows:
9.2.1. The Participant shall follow the hardware and software requirements as specified in these Business Rules in Annexure C.

[26] **Amended w.e.f. January 20, 1998. Prior to this amendment, Rule 9.2.2 read as follows:**
The Depository shall provide to the Participants an application software called the Depository Participant Module [DPM (DP)] and any upgradations or modifications to such software on payment of such fees as may be determined by the Depository.

[27] **Inserted w.e.f. August 10, 2023.**

10. FEES AND DEPOSITS*

***Since deleted w.e.f. September 1, 2000, refer Chapter 21 on Fees and Deposits**

Prior to deletion the provisions of Chapter 10 were as under

10.1. ISSUERS OR ITS REGISTRAR AND TRANSFER AGENTS

No fee is payable by the Issuers (companies whose shares are declared eligible for dematerialisation) or its Registrar and Transfer Agent to the Depository.

10.2. PARTICIPANTS

10.2.1. ENTRY FEES: Each Participant shall pay, to the Depository, a non- refundable entry fee of ₹ 25,000.

10.2.2. [28] ANNUAL FEES: Each Participant shall pay to the Depository, an annual fee as per the schedule given below:

Average market value of dematerialised securities with the Participant	**ANNUAL FEES**
Upto ₹ 200 crore	₹ 100,000
Between ₹ 200 crore and ₹ 500 crore	₹ 250,000
More than ₹ 500 crore	₹ 500,000

The fee shall be charged on a yearly basis from October 1 to September 30. This fee shall be paid before October 31 of the following year.

Provided that all Participants who join the depository in the second half (on or after April 1) of any year shall be required to pay only half of the annual fee for that year.

10.2.3. [29] TRANSACTION RELATED FEES:

The following transaction related feesshall be payable by the Participants to the Depository:

i) A settlement fee at the rate of 0.04% (4 basis points) shall be payable on the value of the securities received from the Clearing Corporation into the Receipt- in account of each Clearing Member maintained with the Participant.

Provided however that, with effect from August 1, 1999, a settlement fee at the rate of 0.02% (2 basis points) each shall be payable by the Participant on the value of the securities received from the Clearing Corporation into the Receipt-in account of each Clearing Member maintained with the Participant and on the value of the securities delivered from the Delivery account of each Clearing Member to the Clearing Corporation.

No settlement fee will be payable for securities received from the Clearing Corporation into the additional Receipt-in account maintained for the purpose of Vyaj Badla transactions. However, a settlement fee at the rate of 0.04% will be payable on the value of securities moveable out to the beneficial owners' accounts at the time of book closure/record date from the additional CM accounts maintained for the purpose of Vyaj Badla transactions.

Notes:

[28] **Amended w.e.f. November 20, 1997. Prior to this amendment, Rule 10.2.2 read as follows:**
10.2.2. ANNUAL FEES: Each Participant shall pay, to the Depository, an annual fee as per the schedule given below:

Average market value of dematerialised securities with the participant	ANNUAL FEES
Upto ₹ 200 crore	**₹ 100,000**
Between ₹ 200 crore and ₹ 500 crore	**₹ 250,000**
More than ₹ 500 crore	**₹ 500,000**

The fee shall be charged on a yearly basis from October 1 to September 30. This fee shall be paid before October 31 of the following year.

[29] **Amended w.e.f. June 9, 2000. Prior to this amendment, Rule 10.2.3 was amended on July 31, 1999 which read as follows:**

TRANSACTION RELATED FEES : The following transaction related fees shall be payable by the Participants to the Depository :

i) A settlement fee at the rate of 0.04% (4 basis points) shall be payable on the value of the securities received from the Clearing Corporation into the Receipt-in account of each Clearing Member maintained with the Participant.
Provided however that, with effect from August 1, 1999, a settlement fee at the rate of 0.02% (2 basis points) each shall be payable by the Participant on the value of the securities received from the Clearing Corporation into the Receipt-in account of each Clearing Member maintained with the Participant and on the value of the securities delivered from the Delivery account of each Clearing Member to the Clearing Corporation.
No settlement fee will be payable for securities received from the Clearing Corporation into the additional Receipt-in account maintained for the purpose of Vyaj Badla transactions. However, a settlement fee at the rate of 0.04% will be payable on the value of securities moveable out to the beneficial owners' accounts at the time of book closure/record date from the additional CM accounts maintained for the purpose of Vyaj Badla transactions.
In respect of debt instruments and government securities, no settlement fee shall be charged till March 31, 2000.

ii) A settlement fee at the rate of 0.1% of the value of the securities credited to the account(s) of its Client(s) in respect of off-market transactions shall be charged from the Participant. Provided however that, with effect from August 1, 1999, a settlement fee at the rate of 0.02% (2 basis points) each on the value of the securities debited and credited to the account(s) of its Client(s) in respect of off-market transactions shall be charged from the Participant. However no settlement fee shall be charged in the following cases :-
   a) in the case of transfers necessitated by transmission;
   b) in the case of transfer of the account of the Client from one Participant to another as a consequence of the expulsion or suspension of such Participant;
   c) when the Client closes its account with a Participant and transfers the entire balance in its account to its account maintained with another Participant.

iii) When a pledge/hypothecation is invoked, a settlement fee at the rate of 0.1% of the value of the securities credited to the account(s) of its Client(s) shall be charged from the Participant.

iv) A fee at the rate of 0.05% of the value of the securities lent by the intermediary to the borrower shall be charged from the Participant of the borrower if the transaction is for a period upto three months. In case, the transaction extends beyond three months, the Participant of the borrower shall pay an additional fee at the rate of 0.05% of the value of securities lent. The transaction fee shall be collected from the Participant either at the beginning of the transaction or any roll over of transactions beyond three months. Provided however that, with effect from August 1, 1999, a fee at the rate of 0.04% of the value of the securities lent by the intermediary to the borrower shall be charged from the Participant of the borrower if the transaction is for a period upto three months. In case, the transaction extends beyond three months, the Participant of the borrower shall pay an additional fee at the rate of 0.04% of the value of securities lent. The transaction fee shall be collected from the Participant either at the beginning of the transaction or any roll over of transactions beyond three months.

Prior to this amendment, Rule 10.2.3 was amended on February 24, 1999 which read as follows:

TRANSACTION RELATED FEES: The following transaction related fees shall be payable by the Participants to the Depository:

i) A settlement fee at the rate of 0.05% of the value of securities received from the Clearing Corporation into the Receipt-in account of each Clearing Member maintained with the Participant. No settlement fee will be payable for the securities delivered from the Delivery account of each Clearing Member to the Clearing Corporation.
No settlement fee will be payable for securities received from the Clearing Corporation into the additional Receipt-in account maintained for the purpose of Vyaj Badla transactions. However, a settlement fee at the rate of 0.05% will be payable on the value of securities moveable out to the beneficial owners' accounts at the time of book closure/record date from the additional CM accounts

ii) maintained for the purpose of Vyaj Badla transactions.
In respect of debt instruments and government securities, no settlement fee shall be charged till March 31, 2000.
Provided however that, with effect from April 1, 1999, the settlement fee at the rate of 0.04% (4 basis points) shall be payable on the value of the securities received from the Clearing Corporation into the Receipt-in account of each Clearing Member maintained with the Participant and on the value of securities moveable out to the beneficial owners' accounts at the time of book closure/ record date from the additional CM accounts maintained for the purpose of Vyaj Badla transactions. ii) A settlement fee at the rate of 0.1% of the value of the securities credited to the account(s) of its Client(s) in respect of off-market transactions shall be charged from the Participant. However no settlement fee shall be charged in the following cases :-
   a) in the case of transfers necessitated by transmission;
   b) in the case of transfer of the account of the Client from one Participant to another as a consequence of the expulsion or suspension of such Participant;
   c) when the Client closes its account with a Participant and transfers the entire balance in its account to its account maintained with another Participant.

iii) When a pledge/hypothecation is invoked, a settlement fee at the rate of 0.1% of the value of the securities credited to the account(s) of its Client(s) shall be charged from the Participant.

iv) A fee at the rate of 0.05% of the value of the securities lent by the intermediary to the borrower shall be charged from the Participant of the borrower if the transaction is for a period up to 3 months. In case, the transaction extends beyond 3 months, the Participant of the borrower shall pay an additional fee at the rate of 0.05% of the value of the securities lent. The transaction fee shall be collected from the Participants either at the beginning of the transaction or on any roll over of transactions beyond three months.

Prior to this amendment, Rule 10.2.3 was amended on April 8, 1998 which read as follows: 10.2.3. TRANSACTION RELATED FEES: The following transaction related fees shall be payable by the Participants to the Depository:-

i) A settlement fee at the rate of 0.05% of the value of the securities received from the Clearing Corporation into the Receipt-in account of each Clearing Member maintained with the Participant shall be charged. No settlement fee will be payable for securities received from the Clearing Corporation into the additional Receipt-in account maintained for the purpose of Vyaj Badla transactions. However, settlement fee at the rate of 0.05% shall be charged on the value of the securities moveable out to beneficial owners' accounts at the time of book closure/record date from the additional CM accounts maintained for the purpose of Vyaj Badla transactions. No settlement fee will be payable for the securities delivered from the Delivery account of each Clearing Member to the Clearing Corporation. In respect of debt instruments and government securities, no settlement fee shall be charged till March 31, 1999.

ii) A settlement fee at the rate of 0.1% of the value of the securities credited to the account(s) of its Client(s) in respect of off-market transactions shall be charged from the Participant. However no settlement fee shall be charged in the following cases :-

a) in the case of transfers necessitated by transmission;
b) in the case of transfer of the account of the Client from one Participant to another as a consequence of the expulsion or suspension of such Participant;
c) when the Client closes its account with a Participant and transfers the entire balance in its account to its account maintained with another Participant

iii) When a pledge/hypothecation is invoked, a settlement fee at the rate of 0.1% of the value of the securities credited to the account(s) of its Client(s) shall be charged from the Participant.

Prior to this amendment, Rule 10.2.3 was amended on March 26, 1998 which read as follows:
10.2.3. TRANSACTION RELATED FEES : The following transaction related fees shall be payable by the Participants to the Depository:-

i) A settlement fee at the rate of 0.05% of the value of the securities received from the Clearing Corporation into the Receipt-in account of each Clearing Member maintained with the Participant shall be charged. No settlement fee will be payable for the securities delivered from the Delivery account of each Clearing Member to the Clearing Corporation. In respect of debt instruments and government securities, no settlement fees shall be charged till March 31, 1999.

ii) A settlement fee at the rate of 0.1% of the value of the securities credited to the account(s) of its Client(s) in respect of off-market transactions shall be charged from the Participant. However no settlement fee shall be charged in the following cases :-

a) in the case of transfers necessitated by transmission;
b) in the case of transfer of the account of the Client from one Participant to another as a consequence of the expulsion or suspension of such Participant;
c) when the Client closes its account with a Participant and transfers the entire balance in its account to its account maintained with another Participant.

iii) When a pledge/hypothecation is invoked, a settlement fee at the rate of 0.1% of the value of the securities credited to the account(s) of its Client(s) shall be charged from the Participant.

Prior to this amendment, Rule 10.2.3 was amended on March 21, 1997 which read as follows:
10.2.3. TRANSACTION RELATED FEES : The following transaction related fees shall be payable by the Participants to the Depository:-

i) A settlement fee at the rate of 0.05% of the value of the securities received from the Clearing Corporation into the Receipt-in account of each Clearing Member maintained with the Participant shall be charged. No settlement fee will be payable for the securities delivered from the Delivery account of each Clearing Member to the Clearing Corporation. In respect of debt instruments and government securities, no settlement fees shall be charged till March 31, 1998.

ii) A settlement fee at the rate of 0.1% of the value of the securities credited to the account(s) of its Client(s) in respect of off-market transactions shall be charged from the Participant. However no settlement fee shall be charged in the following cases :-

a) in the case of transfers necessitated by transmission;
b) in the case of transfer of the account of the Client from one Participant to another as a consequence of the expulsion or suspension of such Participant;
c) when the Client closes its account with a Participant and transfers the entire balance in its account to its account maintained with another Participant.

iii) When a pledge/hypothecation is invoked, a settlement fee at the rate of 0.1% of the value of the securities credited to the account(s) of its Client(s) shall be charged from the Participant.

The original Rule read as follows :

10.2.3. TRANSACTION RELATED FEES: The following transaction related fees shall be payable by the Participants to the Depository:-

i) A settlement fee at the rate of 0.05% of the value of the securities received from the Clearing Corporation into the Receipt-in account of each Clearing Member maintained with the Participant shall be charged. No transaction fee will be payable for the securities delivered from the Delivery account of each Clearing Member to the Clearing Corporation.

In case of debt instruments, other than Commercial Papers, a settlement fee at the rate of 0.01% (one basis point) on the value of debt securities received from the Clearing Corporation into the Receipt-in account of each Clearing Member or delivered from the Delivery account of each Clearing Member to the Clearing Corporation shall be charged from the Participant. The above settlement fee of one basis point shall be subject to a maximum of ₹100 for each different security.

Provided however that;

a. in respect of government securities, no settlement fee shall be charged till September 30, 2000.

b. in respect of commercial papers, no transaction fees shall be charged on the Participants.

ii) A settlement fee at the rate of 0.1% of the value of the securities credited to the account(s) of its Client(s) in respect of off-market transactions shall be charged from the Participant.

Provided however that, with effect from August 1, 1999, a settlement fee at the rate of 0.02% (2 basis points) each on the value of the securities debited and credited to the account(s) of its Client(s) in respect of off-market transactions shall be charged from the Participant. However no settlement fee shall be charged in the following cases:-

a. in the case of transfers necessitated by transmission;

b. in the case of transfer of the account of the Client from one Participant to another as a consequence of the expulsion or suspension of such Participant;

c. when the Client closes its account with a Participant and transfers the entire balance in its account to its account maintained with another Participant.

In case of debt instruments, other than Commercial Papers, in respect of Off-market transactions, a settlement fee at the rate of 0.01% (one basis point) on the value of debt securities debited and credited to the account(s) of its Clients shall be charged from the Participant. The above settlement fee of one basis point shall be subject to a maximum of ₹ 100 for each different security.

Provided however that;

a. in respect of Government Securities, no settlement fee shall be charged till September 30, 2000.

b. in respect of Commercial Papers, no transaction fees shall be charged on the Participants.

iii) When a pledge/hypothecation is invoked, a settlement fee at the rate of 0.1% of the value of the securities credited to the account(s) of its Client(s) shall be charged from the Participant.

iv) A fee at the rate of 0.05% of the value of the securities lent by the intermediary to the borrower shall be charged from the Participant of the borrower if the transaction is for a period upto three months. In case, the transaction extends beyond three months, the Participant of the borrower shall pay an additional fee at the rate of 0.05% of the value of securities lent. The transaction fee shall be collected from the Participant either at the beginning of the transaction or any roll over of transactions beyond three months.

Provided however that, with effect from August 1, 1999, a fee at the rate of 0.04% of the value of the securities lent by the intermediary to the borrower shall be charged from the Participant of the borrower if the transaction is for a period upto three months. In case, the transaction extends beyond three months, the Participant of the borrower shall pay an additional fee at the rate of 0.04% of the value of securities lent. The transaction fee shall be collected from the Participant either at the beginning of the transaction or any roll over of transactions beyond three months.

Notes:

ii) A settlement fee at the rate of 0.1% (subject to a minimum of ₹10,000/- per transaction) of the value of the securities credited to the account(s) of its Client(s) in respect of off-market transaction shall be charged from the Participant. However no settlement fee shall be charged in the following cases :-

a) in the case of transfers necessitated by transmission;

b) in the case of transfer of the account of the Client from one Participant to another as a consequence of the expulsion or suspension of such Participant;

c) when the Client closes its account with a Participant and transfers the entire balance in its account to its account maintained with another Participant.

10.2.4. [30] CUSTODY FEES

Each Participant shall pay custody fee at the rate of 0.01% (1 basis point) per annum on the average value of securities held by the Participant in dematerialised form. This fee will be collected quarterly on the basis of average holding during the quarter.

Provided however that, with effect from August 1, 1999, the custody fees payable by a Participant will be subject to an annual overall ceiling as given below:

Average market value of dematerialised securities with the Participant during the quarter	**Annual Ceiling (to be recovered quarterly)**
Upto ₹ 200 crore	₹ 25,000
More than ₹ 200 crore and upto ₹ 500 crore	₹ 50,000
More than ₹ 500 crore and upto ₹ 2000 crore	₹ 1,25,000
More than ₹ 2000 crore	₹ 4,00,000

Provided further that while calculating the custody value as mentioned above, the value of the shares of those companies which have paid a one time custody fee will not be included. In case of debt instruments and Government Securities, each Participant shall pay custody fee at the rate of 0.005% (1/2 a basis point) per annum on the average value of the securities held by the Participant in dematerialised form subject to a ceiling of ₹ 1,00,000/- p.a.
Provided however that, with effect from August 1, 1999, the custody fees payable by a Participant in respect of debt instruments and Government Securities will be subject to the overall ceiling as given above.

Notes:

[30] **Amended w.e.f. July 31, 1999. Prior to this amendment, Rule 10.2.4 as amended on Feb 24, 1999 read as follows:**
10.2.4. CUSTODY FEES
Each Participant shall pay custody fee at the rate of 0.02% (2 basis points) per annum on the average value of securities held by the Participant in dematerialised form. Provided however that, each Participant shall, with effect from April 1, 1999, pay custody fees at the rate of 0.01% (1 basis point) per annum on the average value of securities held by the Participant in dematerialised form. This fee will be collected quarterly on the basis of average holding during the quarter.

In case of debt instruments and Government securities, each Participant shall pay custody fee at the rate of 0.005% (1/2 a basis point) per annum on the average value of the securities held by the Participant in dematerialised form. Provided however that in case of Government securities, custody fees payable by a Participant shall be subject to a ceiling of ₹ 1,00,000/- p.a.
Prior to this amendment, Rule 10.2.4 was amended on September 2, 1998, which read as follows:
10.2.4. CUSTODY FEES: Each Participant shall, with effect from August 1, 1997, pay custodyfee at the rate of 0.035% (3.5 basis points) per annum on the average value of securities held by the Participant in dematerialised form. This fee will be collected quarterly on the basis of average holding during the quarter.

Provided however that, each Participant shall, with effect from October 1, 1998, pay custody fees at the rate of 0.02% (2 basis points) per annum on the average value of securities held by the Participant in dematerialised form. This fee will be collected quarterly on the basis of average holding during the quarter.

However, in the case of debt instruments and Government securities, each Participant shall pay custody fee at the rate of 0.005% per annum on the average value of the securities held by the Participant in dematerialised form. Provided that in case of Government securities, custody fees payable by a Participant shall be subject to a ceiling of ₹ 1,00,000/- p.a.

Prior to this amendment, Rule 10.2.4 was amended on March 26, 1998 which read as follows:

10.2.4. CUSTODY FEES: Each Participant shall, with effect from August 1, 1997, pay custody fee at the rate of 0.035% (3.5 basis points) per annum on the average value of securities held by the Participant in dematerialised form. This fee will be collected quarterly on the basis of average holding during the quarter. However, in the case of debt instruments and Government Securities, till March 31, 1999, each Participant shall pay custody fee at the rate of 0.005% per annum on the average value of the securities held by the Participant in dematerialised form.

Prior to this amendment, Rule 10.2.4 was amended on July 25, 1997 which read as follows:

10.2.4. CUSTODY FEES: Each Participant shall, with effect from August 1, 1997, pay custody fee at the rate of 0.035% (3.5 basis points) per annum on the average value of securities held by the Participant in dematerialised form. This fee will be collected quarterly on the basis of average holding during the quarter. However, in the case of debt instruments and Government Securities, each Participant shall pay custody fee at the rate of 0.005% per annum on the average value of the securities held by the Participant in dematerialised form.

Prior to this amendment, Rule 10.2.4 was amended on March 21, 1997 which read as follows:

10.2.4. CUSTODY FEES: Each Participant shall pay custody fee at the rate of 0.07% per annum on the average value of securities held by the Participant in dematerialised form. This fee will be collected quarterly on the basis of average holding during the quarter.

However, in the case of debt instruments and government securities, each Participant shall pay custody fee at the rate of 0.005% per annum on the average value of securities held by the Participant in dematerialised form.

Further, in case the average value of securities (other than debt instruments and Government securities) held in dematerialised form in one account of any Client of the Participant exceeds ₹ 500 crores, the

10.2.5. [31] FEE FOR DEMATERIALISATION & REMATERIALISATION

No fee shall be charged by the Depository on Dematerialisation requests. However, in case of Rematerialisation, a fee at the rate of 0.10% of the value of the securities requested for rematerialisation or ₹ 10/- per certificate, whichever is higher will be charged.

10.2.6. [32] SECURITY DEPOSITS

Every Participant will be required to pay an amount of ₹ 10 lakh by way of interest free refundable security deposit. However, a Clearing Corporation or a Clearing House of a Stock Exchange will be exempt from payment of the security deposit.

10.2.7. [33] ONE TIME CUSTODY FEES

10.2.7.1. An issuer may, with effect from August 1, 1997, pay a one time custody fee to the depository at the rate of 0.05% on the market capitalisation of the company. The market capitalisation of a company will be determined on the basis of the average market price for a period of 26 weeks preceding the date on which the company agrees to make such payment. Consequent upon such payment, the depository shall not levy any custody fee on the Participants.

10.2.7.2. If a company opts to pay the aforesaid one time fee, it will also be required to agree to pay on the newly issued shares, a custody fee at the rate of 0.05% on the value of shares calculated on the basis of issue price of newly issued shares. In case the company does not pay this amount, the depository shall charge custody fee as per provision mentioned at Rule 10.2.4 above. However, the issuer shall not be required to pay any custody fee on any subsequent issue of Bonus shares by the company.

Notes:

Participant shall be entitled to a refund calculated at the rate of 0.02% of the average value of securities in excess of ₹ 500 crores and at the rate of 0.03% of the value of the securities in excess of ₹ 1000 crores held by such Client(s).

The original Rule read as follows:

10.2.4. CUSTODY FEES: Each Participant shall pay custody fee at the rate of 0.07 % per annum on the average value of securities held by the Participant in dematerialised form. This fee will be collected quarterly on the basis of average holding during the quarter.

However in case the average value of securities held in dematerialised form in one account of any Client of the Participant exceeds ₹ 500 crores, the Participant shall be entitled to a refund calculated at the rate of 0.02% of the average value of securities in excess of ₹ 500 crores and at the rate of 0.03% of the value of the securities in excess of ₹ 1000 crores held by such Client(s).

[31] **Amended w.e.f September 2, 1998. Prior to this amendment, Rule 10.2.5 read as follows:**
10.2.5. No fee shall be charged by the Depository on Dematerialisation requests. However, in case of Rematerialisation, a flat fee of ₹10/- per certificate will be charged.

[32] **Amended w.e.f. July 25, 1997. Prior to this amendment, Rule 10.2.6 read as follows:**
10.2.6. SECURITY DEPOSITS: Every Participant will be required to pay an amount of ₹ 10 lakhs by way of interest free refundable security deposit.

[33] **Inserted w.e.f. July 25, 1997.**

10.2.9. [34] FEE FOR NON-CASH CORPORATE ACTIONS

i. In case of offers for sale or divestment by GOI, a fee at the rate of four basis points (0.04%) of the offer price will be charged to the Issuer/Offerer.

ii. In case of all other corporate actions, viz., bonus, rights, public issues, share-split, merger, de-merger etc., a fee at the rate of four basis points (0.04%) of the price or Rupees 20 per record whichever is lower, will be charged to the Issuer. For this purpose, "price" means the market price as on the date of allotment or the offer price as the case may be.

iii. In case of conversion of shares of non pari-passu to pari-passu, partly-paid to fully-paid etc., no fee shall be charged.

iv. In case of companies which have paid/pay one time custody fee, no corporate action fee as mentioned at (i) and (ii) above shall be charged till March 31, 2002.

Provided however that in case of any corporate action of commercial papers, a flat fee of ₹10,000/- shall be levied on the Issuer.

10.2.10. [35] The Business Rules 10.1 to 10.2.9 shall apply till August 31, 2000 and the provisions of Chapter 20 will come into effect from September 1,2000.

Notes:

[34] **Amended w.e.f June 9, 2000. Prior to this amendment, Rule 10.2.9 inserted w.e.f. December 1, 1999, read as follows:**
10.2.9. FEE FOR NON-CASH CORPORATE ACTIONS

i. In case of offers for sale or divestment by GOI, a fee at the rate of four basis points (0.04%) of the offer price will be charged to the Issuer/Offerer.
ii. In case of all other corporate actions, viz., bonus, rights, public issues, share-split, merger, de-merger etc., a fee at the rate of four basis points (0.04%) of the value or Rupees 20 per record whichever is lower, will be charged to the Issuer. For this purpose, "price" means the market price as on the date of allotment or the offer price as the case may be.
iii. In case of conversion of shares of non pari-passu to pari-passu, partly-paid to fully-paid etc., no fee shall be charged.
iv. In case of companies which have paid/ pay one time custody fee, no corporate action fee as mentioned at (i) and (ii) above shall be charged till March 31, 2002.

[35] **Inserted w.e.f. August 1, 2000.**

11. WITHDRAWAL AND DEPOSIT OF SECURITIES TO/ FROM A CLIENT ACCOUNT

11.1. DEMATERIALISATION OF SECURITIES

11.1.1. Every Client shall submit to the Participant the securities for dematerialisation along with the Dematerialisation Request Form (DRF). The specimen of the DRF is given in Form 4.

11.1.2. No dematerialisation request shall be entertained by the Participant other than from a registered holder of securities.

11.1.3. The Participant shall first ensure that the certificates submitted by its Client for dematerialisation belong to the list of securities admitted by the Depository as eligible for dematerialisation.

11.1.4. [36]The Participant shall ensure that the DRF submitted by its Client is completely filled and duly signed, including verification of the signature of the client with its records.

11.1.5. [37] The Participant shall forward the DRF to the Issuer or its Registrar & Transfer Agent only after ascertaining that the number of certificates annexed with the DRF tallies with the number of certificates mentioned on the DRF.

Provided further that in case of transposition/transmission/signature variation with issuer's records and dematerialisation cases, the Participant shall also forward Form 31/32/42 as the case may be, alongwith the DRF to the Issuer or its Registrar & Transfer Agent.

11.1.6 [38] The Participant shall check the Distinctive Numbers of certificates of securities submitted by its Client for dematerialisation with the records of Distinctive Numbers made available by the depository and ensure that the appropriate International Securities Identification Number [ISIN] is filled in DRF, as applicable.

11.1.7. The Participant shall also verify the details of the certificates submitted for dematerialisation with the details filled up in the corresponding DRF.

11.1.8. [39] The Participant shall ensure that the certificates submitted for dematerialisation are marked by the Client with the words **"Surrendered for Dematerialisation"** which should be at least four inches in length and one inch in width.

11.1.9. The Participant shall ensure the safety and security of the certificates submitted for dematerialisation till the certificates are forwarded to the Issuer or its Registrar and Transfer Agent.

Notes:

[36]Amended w.e.f. December 31, 2018. Prior to this amendment, Rule 11.1.4 read as follows:
The Participant shall ensure that the DRF submitted by its Client is completely filled and duly signed

[37]Amended w.e.f. December 31, 2018. Prior to this amendment, Rule 11.1.5 read as follows:
11.1.5. The Participant shall forward the DRF to the Issuer or its Registrar & Transfer Agent only after ascertaining that the number of certificates annexed with the DRF tallies with the number of certificates mentioned on the DRF.
Provided further that in case of transposition/transmission and dematerialisation cases, the Participant shall also forward Form 31/32 as the case may be, alongwith the DRF to the Issuer or its Registrar & Transfer Agent.
Amended w.e.f. May 7, 2001. Prior to this amendment, Rule 11.1.5 read as follows:
11.1.5. The Participant shall forward the DRF to the Issuer or its Registrar and Transfer Agent only after ascertaining that the number of certificates annexed with the DRF tallies with the number of certificates mentioned on the DRF.

[38]Inserted w.e.f. October 31, 2012. The original Rule 11.1.6 to 11.1.17 has been renumbered as Rule 11.1.7 to 11.1.18.

[39]Amended w.e.f. January 1, 2000. Prior to this amendment, Rule 11.1.7 read as follows:
11.1.7. The Participant shall ensure that the certificates submitted for dematerialisation are marked by the Client with the words "Surrendered for Dematerialisation"

11.1.10. [40] The Participant shall cancel the security certificates by drawing two parallel lines across the certificate and punch two holes on the company name in the manner laid down in Annexure A before forwarding the same to the Issuer or its Registrar and Transfer Agent.

11.1.11. The Participant shall ensure that a separate DRF is filled in by the Client for securities having distinct International Securities Identification Numbers [ISINs].

11.1.12. The Participant shall ensure that a separate DRF is filled in by the Client for locked in and free securities having the same ISIN.

11.1.13. The Participant shall ensure that the Client submits a separate DRF for each of its accounts maintained with the Participant.

11.1.14. [41] The securities which have been dematerialised shall be credited to the accounts maintained by a Participant only when the pattern of holdings in the account of the Client matches with the pattern of holdings as per the security certificates.

Provided however that in case where the names appearing on the certificates match with the names in which the account has been opened but are in a different order, the Client can get the security certificates dematerialised by submitting the security certificates alongwith the Transposition Form as per Form 31 and the Dematerialisation Request Form (DRF) to the Participant. The explanation of such pattern of holding is given in Annexure B.

11.1.15. In the case of securities which have been submitted for dematerialisation for which any objection memo has been received from the Issuer or its Registrar and Transfer Agent, the Participant shall facilitate the correction of such objections on a timely basis.

11.1.16. In case of a public or rights issue with respect to a security which has been admitted to the Depository to be held in dematerialised form, the Issuer or its Registrar and Transfer Agent shall provide the Clients with the facility to indicate their option between electronic and physical holdings in the share application form in the form and manner provided in Form 5.

11.1.17. In the case of such issue in electronic form as specified above, the account of the Client maintained with the Participants shall be credited with such securities issued only when the pattern of holdings of such account matches with the pattern of application of the Client in the form specified above. The pattern of such holding has been explained in Annexure B

11.1.18. [42A]In case of Investor Service Request (ISR) request for dematerialisation of securities relating to: (i) Issue of duplicate securities certificate, (ii) Claim from Unclaimed Suspense Account, (iii) Renewal / Exchange of securities certificate, (iv) Endorsement, (v) Sub- division / Splitting of securities certificate, (vi) Consolidation of securities certificates/folios, (vii) Transmission, (viii) Transposition or (ix) any other service request as prescribed by SEBI from time to time, Issuer or its Registrar and Transfer Agent shall.

11.1.18.1 Security holder /claimant shall submit ISR as prescribed by SEBI along with duly filled-in Demat Conversion Request Form (DCRF) to Issuer or its Registrar and Transfer Agent. The specimen of the DCRF is given in Form 4.1.

11.1.18.2 The Issuer or its Registrar and Transfer Agent shall verify that the particulars appearing on the ISR correspond to the particulars furnished in DCRF.

11.1.18.3 The Issuer or its Registrar and Transfer Agent shall ensure that the security holder/claimant submits a separate DCRF for each demat account maintained with the Participant.

11.1.18.4 No service request shall be entertained by the Issuer or its Registrar and Transfer Agent except when submitted by security holder/claimant.

11.1.18.5 Participant shall verify the signature of the investor on DCRF and shall be duly attested by the respective Participant of the security holder/claimant.

11.1.18.6 The Issuer or its Registrar and Transfer Agent shall ensure that a separate DCRF is submitted by the security holder/claimant for securities having distinct International Securities Identification Number [ISIN].

11.1.18.7 The Issuer or its Registrar and Transfer Agent shall ensure that the DCRF submitted by security holder/claimant is duly filled, complete in all respect and shall verify the signature(s) against its records.

11.1.18.8 The Issuer or its Registrar and Transfer Agent shall also verify that the Distinctive Numbers (as provided in DCRF) are available in the Depository system for dematerialization in such security and shall ensure that the appropriate International Securities Identification Number [ISIN] is correctly filled in DCRF, wherever applicable.

11.1.18.9 The Issuer or its Registrar and Transfer Agent shall ensure the pattern of holdings in the demat account matches the pattern of holdings as reflected in the ISR for initiation of demat conversion.

Provided, however, that where the names appearing on the certificate(s) correspond to the names in the account but are recorded in a different order, the Client may dematerialise the security certificate(s) by submitting the security certificate(s) alongwith the Transposition Form as per Form 31.1 and the Demat Conversion Request Form (DCRF) to the Issuer or its Registrar and Transfer Agent. The explanation of such pattern of holdings is set out in Annexure B.

11.1.18.10 The Issuer or its Registrar and Transfer Agent shall initiate demat conversion for direct credit of securities in the demat account of the security holder/claimant as requested in DCRF after processing such ISR as mentioned in 11.1.18.1.

11.1.18.11 Post confirmation of the demat conversion request for conversion request initiated as per 11.1.18.3, the Depository shall credit securities in the requested demat account. Depository shall send an intimation to the demat account holder regarding successful dematerialisation of the securities.

11.1.18.12 In case of the securities which are required to be locked in, the RTA, while crediting the securities in the demat account of the security holder/claimant, shall incorporate the lock-in and its period.

11.1.18.13 The Issuer or its Registrar and Transfer Agent shall process the service requests and there after issue securities to the securities holder / claimant in dematerialized form, directly in the demat account of the securities holder / claimant, within thirty (30) days of its receipt of such request after removing objections, if any.

11.1.18.14 The Issuer or its Registrar and Transfer Agent shall ensure that the DCRF maintained as per record maintenance guidelines.

11.1.19. [43A] TRANSMISSION (NAME DELETION) AND DEMATERIALISATION OF SECURITIES:

In case of death of one or more of the joint holders, the surviving joint holder(s) can get the name(s) of the deceased deleted from the security certificate(s) and get them dematerialised by submitting the security certificates along with the Transmission Form as per Form 32 and the Dematerialisation Request Form (DRF) to the Participant. In case of Service Request as per 11.1.18, Form 32.1 along with DCRF shall be submitted to Registrar and Transfer Agent.

Notes:

[40]Amended w.e.f. January 1, 2000. Prior to this amendment, Rule 11.1.9 read as follows:

11.1.9. The Participant shall punch two holes on the company name on the security certificates in the manner laid down in Annexure E before forwarding the same to the Issuer or its Registrar and Transfer Agent.

[41]Amended w.e.f. May 7, 2001. Prior to this amendment, Rule 11.1.13 read as follows:

11.1.13. The securities which have been dematerialised shall be credited to the accounts maintained with a Participant only when the pattern of holdings in the account of the Client matches with the pattern of holdings as per the security certificates. The explanation of such pattern of holding is given in Annexure F.

[42A] Inserted w.e.f. April 24, 2026
Inserted w.e.f October 04, 2022.

[43A]Inserted w.e.f. April 24, 2026
Inserted w.e.f December 31, 2018.

11.1.20[44A] SIGNATURE VARIATION FORM ALONGWITH DEMATERIALISATION REQUEST

In case the signature of the client recorded with the Issuer varies with the signature of the client as recorded with the Participant, the client may submit to the Participant a Signature Variation Form as per Form 42 alongwith the Dematerialisation Request Form. In case of Service Request as per 11.1.18, Form 42.1 along with DCRF shall be submitted to Registrar and Transfer Agent.

11.1.21[45] ACCEPTANCE OF SECURITY CERTIFICATES IN THE OLD NAME OF THE ISSUER FOR DEMATERIALISATION

11.1.21.1 In case the certificates submitted by the client are in old name of the issuer, the Participant shall accept the requests for dematerialisation.

11.1.21.2 The Participant shall verify the name change information available on the NSDL website or Ministry of Corporate Affairs (MCA) website and if the name matches, the Participant can accept the certificate with old name for dematerialisation of securities.

11.2. REMATERIALISATION

11.2.1. Every Client shall submit to the Participant the securities for rematerialisation along with the Rematerialisation Request Form (RRF). The specimen of the RRF is given in Form 6.

11.2.2. The Participant shall ensure that the Client submits a separate RRF for each security and for each account maintained by the Client with the Participant.

11.2.3. The Participant shall ensure that the RRF submitted by its Client is completely filled and duly signed.

11.2.4. The Participant shall ensure that the Client has sufficient free holdings in its account maintained in electronic form before sending the RRF to the Issuer or its Registrar and Transfer Agent.

11.2.5. The Participant shall verify the signatures on each rematerialisation request with the signatures on the records held with it and authorise each rematerialisation form before forwarding it to the Issuer or its Registrar and Transfer Agent.

11.2.6. The Participant shall print the Client details from the DPM (DP) and enclose the same along with the RRF to the Issuer or its Registrar and Transfer Agent.

11.2.7. The securities issued at the time of rematerialisation shall be in the name of the person(s) who held the account in respect of which such securities have been rematerialised, as explained in Annexure C.

11.3. [45] REDEMPTION OR REPURCHASE

11.3.1. In case the Issuer gives an option to the Client for repurchase or redemption of securities held in dematerialised form, the Client on exercising his option, shall submit to the Participant the Redemption or Repurchase Request Form (RF) in the format given in Form 7.

11.3.2. The Participant shall ensure that the Client submits a separate RF for each security and for each account maintained by the Client with the Participant.

11.3.3. [46] The Participant shall ensure that the RF submitted by his Client is completely filled and duly signed. The Participant shall verify the details mentioned in the RF with the details of Client's account and ensure that the RF is in order.

11.3.4. The Participant shall verify the signatures on each RF with the signatures on the records held with it.

Notes:

[44A] **Inserted w.e.f. April 24, 2026**
Inserted w.e.f May 7, 2001. The original rule 11.1.17 has been deleted & original rule 11.1.18 has been renumbered as 11.1.17 w.e.f February 27, 2004. Prior to this amendment original rule 11.1.17 which was inserted w.e.f. Nov. 12, 1998 read as follows:
Further to the Rules 11.1.1 to 11.1.16 above, the Participant shall process the request for dematerialisation of shares sent for transfer as per the procedure prescribed in the Guidelines for dematerialisation of shares sent for transfer issued by the Securities and Exchange Board of India. The Depository may notify from time to time the ISINs, which will be eligible for dematerialisation under the said Guidelines.

[45] **Business rule 11.1.21 – Inserted w.e.f. May 22, 2024.**
Business rule 11.3 - Inserted w.e.f April 8, 1998.

[46] **Amended w.e.f. December 30, 2010. Prior to this amendment Rule 11.3.3 Read as follow -**
11.3.3. The Participant shall ensure that the RF submitted by his client is completely filled and duly signed.

11.3.5. [47] The Participant shall, except in the case of amount based redemption, ensure that the Client has sufficient free holdings in his account before executing the instructions in the DPM (DP).

11.3.6. The Participant shall execute the instructions for Repurchase or Redemption of securities in the DPM (DP).

11.3.7. [48] The Issuer or its Registrar and Transfer Agent shall verify the request in the DPM (SHR), and if in order, confirm the request for Redemption or Repurchase in the DPM (SHR) and pay the proceeds directly to the Client.

11.4. [49]CONVERSION OF ISIN

11.4.1. In case the Issuer gives an option to the Client to convert his holding from one ISIN to the other, the Client for the purpose of exercising his option shall, submit to the Participant an ISIN conversion form (ICF) in the format given in Form 8.

11.4.2. The Participant shall ensure that the client submits a separate ICF for each account maintained by the client with the Participant.

11.4.3. The Participant shall ensure that the ICF submitted by his Client is completely filled and duly signed.

11.4.4. The Participant shall verify the signatures on each ICF with the signatures on the records held with it.

11.4.5. The Participant shall ensure that the Client has sufficient free holdings in his account before executing the instructions and sending the ICF to the Issuer or its Registrar and Transfer Agent.

11.4.6. The Participant shall execute the instructions for conversion of securities in the DPM (DP).

11.4.7. The Participant shall authorise the ICF, enclose the client details printed from the DPM (DP) and forward it to the Issuer or its Registrar and Transfer Agent.

11.4.8. The Issuer or its Registrar and Transfer Agent shall verify the form and the request, and if in order, confirm the request for conversion of ISIN in the DPM (SHR) and provide to the Depository the details of the request for conversion of ISIN.

11.4.9. On receipt of the conversion details, the Depository shall cause necessary credit entries to be made in the accounts of the Clients on a date requested by the Issuer or its Registrar and Transfer Agent (hereinafter referred to as Execution Date).

11.4.10. In case the records are rejected by the Depository, the Issuer or its Registrar and Transfer Agent shall send the rectified records to the Depository within seven days from the Execution Date. In case the Issuer or its Registrar and Transfer Agent fails to send the rectified records within seven days from the Execution Date, it shall proceed to issue securities in the physical form in respect of the unrectified records.

Notes :-

[47]**Amended w.e.f. June 7, 2011. Prior to this amendment Rule 11.3.5 was amended w.e.f. December 30, 2010. Which read as follows -**
11.3.5. The Participant shall ensure that the Client has sufficient free holdings in his account before executing the instructions in the DPM (DP).

Prior to this amendment Rule 11.3.5 Read as follow -
11.3.5. The Participant shall ensure that the Client has sufficient free holdings in his account before executing the instructions and sending the RF to the Issuer or its Registrar and Transfer Agent.

[48]**Rule 11.37 of Business Rules has been deleted w.e.f. December 30, 2010. Rule 11.3.8 of Business Reles has been amended and renumbered as 11.3.7. Priror to delection, Rule 11.3.7 read as follow -**
11.3.7. The Participant shall authorise the RF, enclose the client details printed from the DPM (DP) and forward it to the Issuer or its Registrar and Transfer Agent.

Rule 11.3.8 read as follow -
11.3.8. The Issuer or its Registrar and Transfer Agent shall verify the form and the request, and if in order, confirm the request for Redemption or Repurchase in the DPM (SHR) and pay the proceeds directly to the Client.

[49]**Inserted w.e.f. April 8, 1998.**

11.4.11. At the time of crediting the accounts of beneficial owners, if the accounts are either in the status of "to be closed" or "suspended for all", such allotments will be credited to "DP Suspense Accounts" by the Depository.

11.4.12. The Depository shall carry out a suspense reversal function and credit the relevant Client accounts after resolving the balances in "DP Suspense Accounts".

11.5. [50] DEMATERIALISATION OF GOVERNMENT SECURITIES

11.5.1. Every Client desirous of getting the physical securities converted into dematerialised form shall submit the securities to the Participant along with the Dematerialisation Request Form (DRF-GS) and the form of transfer prescribed by RBI. The specimen of the DRF-GS and the form of transfer prescribed by RBI are given in Form 23 and Form 24 respectively.

11.5.2. No dematerialisation request as provided in Rule 11.5.1 above, shall be entertained by the Participant other than from a registered holder of securities.

11.5.3. [51] Every Client desirous of transferring his holdings in dematerialised form held in an SGL account with other eligible entity, shall submit to the Participant the Dematerialisation Request Form (DRF-GS).

11.5.4. The Participant shall ensure that the DRF-GS submitted by its Client is duly filled and signed.

11.5.5. The Participant shall forward the DRF-GS to the Depository only after ascertaining that the face value of certificates annexed with the DRF-GS tallies with the face value of certificates mentioned on the DRF-GS.

11.5.6. [52] The Participant shall execute and forward the request electronically for transfer of holdings held in other eligible SGL entity to an account held with the Participant in the DPM System and shall inform the SGL entity name and SGL account number of the other eligible entity to NSDL in such form and manner as may be prescribed.

11.5.7. The Participant shall also verify the details of the certificates submitted for dematerialisation with the details filled up in the corresponding DRF-GS.

11.5.8. [53] The Participant shall ensure that the certificates submitted for dematerialisation are endorsed on the reverse, in the space provided, with the words **"Tendered for Cancellation and Credit to SGL A/c. No.SG020196 of National Securities Depository Limited, Mumbai"** in the manner laid down in Annexure I.

11.5.9. The responsibility to ensure safety and security of the certificates submitted for dematerialisation will be on the Participant till the certificates are forwarded to the Depository.

11.5.10. The Participant shall not deface or mutilate the certificates either by punching holes or by any other means.

11.5.11. The Participant shall ensure that a separate DRF-GS is filled in by the Client for securities having distinct International Securities Identification Numbers [ISINs].

Notes:

[50]**Inserted w.e.f. November 12, 1998.**

[51]**Amended w.e.f. June 26, 2013. Prior to this amendment, Rule 11.5.3 read as follows:**

11.5.3. Every Client desirous of transferring his holdings in dematerialised form held in an SGL account with other eligible entity, shall submit to the Participant SGL transfer documents as prescribed under Rule 7 of P.D.Rules of RBI duly executed by the other eligible entity along with the Dematerialisation Request Form (DRF-GS).

[52]**Inserted w.e.f. June 26, 2013. The Original Rule 11.5.6 to 11.5.14 has been renumbered as 11.5.7 to 11.5.15.**

[53]**Amended w.e.f. April 2, 2009. Prior to this amendment, Rule 11.5.7 as amended on February 25, 1999 read as follows:** The Participant shall ensure that the certificates submitted for dematerialisation are endorsed on the reverse, in the space provided, with the words "Tendered for Cancellation and Credit to SGL A/C. No. BYSL0838 of National Securities Depository Limited, Mumbai" in the manner laid down in Annexure UB.

Prior to this amendment, Rule 11.5.7 read as follows:

11.5.7. The Participant shall ensure that the certificates submitted for dematerialisation are endorsed on the reverse, in the space provided, with the words "Surrendered for Transfer to NSDL SGL-2" in the manner laid down in Annexure UB.

11.5.12. The Participant shall ensure that the Client submits a separate DRF-GS for each of its accounts maintained with the Participant.

11.5.13. The securities requested for dematerialisation shall be credited to the accounts maintained with a Participant only when the pattern of holding in the account of the Client matches with the pattern of holding as per the security certificates. The explanation of such pattern of holding is given in Annexure B.

Provided however that, in case of transfer of holdings from an SGL account with other eligible entity, credit may be allowed when the securities are in the name of the other eligible entity.

11.5.14. In the case of securities which have been submitted for dematerialisation for which any objection memo has been received from the Depository, the Participant shall facilitate the correction of such objections on a timely basis.

11.5.15. In case of issue of securities in electronic form, the account of the Client maintained with the Participants shall be credited with such securities issued only when the pattern of holdings of such account matches with the pattern of holding given in the allotment statement. The pattern of such holding has been explained in Annexure B.

11.6. [54] WITHDRAWAL OF GOVERNMENT SECURITIES FROM THE DEPOSITORY

11.6.1. [55] Every Client desirous of withdrawing the securities either by getting physical certificates or by transferring to an SGL account with other eligible entity shall submit to the Participant the Rematerialisation Request Form (RRF-GS). The specimen of RRF-GS is given in Form 25.

11.6.2. The Participant shall ensure that the Client submits a separate RRF-GS for each security and for each account maintained by the Client with the Participant.

11.6.3. The Participant shall ensure that the RRF-GS submitted by its Client is duly filled and signed.

11.6.4. The Participant shall ensure that the Client has sufficient holdings free of encumbrances or lien in its account before sending the RRF-GS to the Depository.

11.6.5. The Participant shall verify the signatures on each rematerialisation request with the signatures on the records held with it and authorise each RRF-GS before forwarding it to the Depository.

11.6.6 [56] The Participant shall enclose the Client details printed from the DPM in case the request was for physical certificates, and forward the same alongwith the RRF-GS to the Depository.

11.6.7. [57] The Participant shall execute and forward the request electronically for transfer of holdings held in dematerialised form to other eligible SGL entity for transfer to an SGL account with other eligible entity, and shall inform the SGL entity name and SGL account number of the other eligible entity to NSDL in such form and manner as may be prescribed.

11.6.8. In case the request was for physical certificates, the Depository shall receive, from RBI, the physical certificates in its name and execute a form of transfer as prescribed by RBI in favour of the Client. The Depository shall confirm the acceptance of RRF-GS electronically and forward the physical certificates along with the form of transfer to the Client directly.

11.6.9. In case the request was for transfer to an SGL account with other eligible entity, the Depository shall confirm the acceptance of RRF-GS electronically to the Participant, after obtaining approval from RBI.

Notes:

54 **Inserted w.e.f. November 12, 1998.**

55 **Amended w.e.f. February 24, 1999. Prior to this amendment, Rule 11.6.1 read as follows:**
11.6.1. Every Client desirous of withdrawing the securities either by getting physical certificates or by transferring to an SGL account with other eligible entity shall submit to the Participant the Rematerialisation Request Form (RRF-GS) together with enclosures prescribed by the Depository. The specimen of RRF-GS and the enclosure are given in Annexure UC and UD.

56 **Amended w.e.f. June 26, 2013. Prior to this amendment, Rule 11.6.6 read as follows:**
11.6.6. The Participant shall enclose the Client details printed from the DPM and forward the same alongwith the RRF-GS to the Depository.

57 **Inserted w.e.f. June 26, 2013. The original Rule 11.6.7, 11.6.8 has been renumbered as 11.6.8, 11.6.9.**

11.7 [58] CONVERSION OF MUTUAL FUND/ ALTERNATIVE INVESTMENT FUND (AIF) UNITS REPRESENTED BY STATEMENT OF ACCOUNT INTO DEMATERIALISED FORM THROUGH A PARTICIPANT

11.7.1 [59]Every Client desirous of converting mutual fund/ AIF units represented by Statement of Account into dematerialised form through a Participant shall submit to the Participant the Conversion Request Form along with the Statement of Account evidencing the holding of mutual fund/ AIF units. The specimen of Conversion Request Form is given in Form 2.

11.7.2 The Client submitting the Conversion Request Form shall declare to the Participant that the units sought to be held in dematerialised form are in the name of the client itself and are not already dematerialised and no certificates are issued against these units.

11.7.3 [59]The Participant shall first ensure that the mutual fund/ AIF units submitted by its Client for conversion belong to the list of securities admitted by the Depository as eligible to be held in dematerialised form.

11.7.4 The Participant shall ensure that the Conversion Request Form submitted by its Client is completely filled and duly signed.

11.7.5[60] The Participant shall verify the name and the pattern of holding of the Client's account with the name and the pattern of holdings as mentioned on the Statement of Account and Conversion Request Form.

11.7.6 [60] The Participant shall intimate the Conversion Request to the Depository within five days from the date of accepting the same from its Client by initiating the request in the DPM system.

11.7.7[60] Upon receipt of electronic conversion request from the Depository, the Issuer or its Registrar and Transfer Agent shall after due verification including the verification of signature of Clients from the DPM (SHR) system with their records, confirm the conversion request to the Depository for credit of the units into the account of the Client within two days from the date of receipt of request.

11.7.8 In case any objection memo has been received for such units from the Issuer or its Registrar and Transfer Agent, the Participant shall facilitate the correction of such objections on a timely basis.

11.7.9[61] In case of conversion of Alternative Investment Fund (AIF) units represented by Statement of Account (SoA) into dematerialized form, clients may also submit the request to the Alternative Investment Fund (AIF) / Investment Manager (IM) / Registrar and Transfer Agent (RTA).

11.7.10[61] The AIF shall verify the name and the pattern of holding of the Client's account with the name and the pattern of holdings as mentioned on the Statement of Account.

11.7.11[61] After verification of requests, AIF/IM/RTA shall credit the units through corporate action to the demat account of the unit holder(s).

Notes:

[58] Amended w.e.f. May 02, 2024. Prior to this amendment, Rule 11.7 read as follows:
CONVERSION OF MUTUAL FUND UNITS REPRESENTED BY STATEMENT OF ACCOUNT INTO DEMATERIALISED FORM THROUGH A PARTICIPANT
Inserted w.e.f. July 1, 2010.

[59] **Amended w.e.f. May 02, 2024. Prior to this amendment, Rule 11.7.1 and 11.7.3 read as follows:**
11.7.1 Every Client desirous of converting mutual fund units represented by Statement of Account into dematerialised form through a Participant shall submit to the Participant the Conversion Request Form along with the Statement of Account evidencing the holding of mutual fund units. The specimen of Conversion Request Form is given in Form 2.

11.7.3 The Participant shall first ensure that the mutual fund units submitted by its Client for conversion belong to the list of securities admitted by the Depository as eligible to be held in dematerialised form.

[60] **Amended w.e.f. Feb 24, 2020. Prior to this amendment, Rule 11.7.5 read as follows:**
The Participant shall verify the name and the pattern of holding of the Client's account with the name and the pattern of holdings as mentioned on the Statement of Account and Conversion Request Form. Further, the Participant shall verify all other details and verify the number of pages of Statement of Account mentioned on the Conversion Request Form with the Statement of Account submitted by the Client.

Amended w.e.f. Feb 24, 2020. Prior to this amendment, Rule 11.7.6 read as follows:
The Participant shall intimate the Conversion Request to the Depository. After writing the Conversion Request Number on the Conversion Request Form and retaining a copy of the form, forward the Conversion Request Form along with the Statement of Account to the Issuer or its Registrar and Transfer Agent.

Amended w.e.f. Feb 24, 2020. Prior to this amendment, Rule 11.7.7 read as follows:
The Issuer or its Registrar and Transfer Agent shall after due verification, promptly confirm the conversion request to the Depository for credit of the units into the account of the Client.

Rule 11.7.3, 11.7.4 and 11.7.9 has been deleted w.e.f Feb 24, 2020. Prior to deletion, Rule 11.7.3, 11.7.4 and 11.7.9 read as follows:
11.7.3 The Client shall submit separate Conversion Request Form for its each folio number with the Issuer and/or its Registrar and Transfer Agent and for each of its account with the Participant.
11.7.4 The Client shall submit a separate Conversion Request Form for locked in and free units under the same ISIN.
11.7.9 The Conversion Request Form shall be forwarded by the Participant to the Issuer or its Registrar and Transfer Agent within seven days of accepting the same from its Client.

The original Rules 11.7.5, 11.7.6, 11.7.7, 11.7.8, 11.7.10 and 11.7.11 have been renumbered as 11.7.3, 11.7.4, 11.7.5, 11.7.6, 11.7.7 and 11.7.8 respectively.

[61] **Inserted w.e.f. May 02, 2024.**

11.8 [62] RECONVERSION OF MUTUAL FUND UNITS INTO STATEMENT OF ACCOUNT FORM (SOA FORM).

11.8.1. Every Client desirous of reconverting units held in dematerialised form to units in SOA, shall submit to the Participant Reconversion Request Form. The specimen of the same is given in Form 3.

11.8.2. The Client shall submit separate Reconversion Request Form (i.e. Form 3) for each Issuer separately.

11.8.3. The Client shall submit a separate Reconversion Request Form for locked in and free units under the same ISIN.

11.8.4. The Participant shall ensure that the Reconversion Request Form (i.e. Form 3) submitted by its Client is completely filled and duly signed.

11.8.5. The Participant shall ensure that the Client has sufficient free or locked-in units in its account maintained in electronic form and also verify the signatures on each Reconversion Request Form (i.e. Form 3) with the signatures held with it and authorise each Reconversion Request Form (i.e. Form 3) before forwarding it to the Issuer or its Registrar and Transfer Agent.

11.8.6. The Participant shall intimate the Reconversion Request to the Depository. After writing the Reconversion Request Number on the Reconversion Request Form (i.e. Form 3) and retaining a copy of the form, forward the Reconversion Request Form (i.e. Form 3) to the Issuer or its Registrar and Transfer Agent.

11.8.7. The Reconversion Request Form shall be forwarded by the Participant to the Issuer or its Registrar and Transfer Agent within seven days of accepting the same from its Client.

11.8.8. The units issued at the time of reconversion of units into SOA form shall be in the name(s) of the person(s) who held the account in respect of such units. At the time of reconversion of units, the units in SOA form shall be issued to the persons as per the pattern of holdings in the account of the Participant from which such units are reconverted.

11.8.9. [63]The Issuer or its Registrar and Transfer Agent shall after due verification confirm the reconversion request to the Depository for debit of units from the account of the Client within five days from receipt of request.

11.8.10. In case any objection memo has been received for such units from the Issuer or its Registrar and Transfer Agent, the Participant shall facilitate the correction of such objections on a timely basis.

Notes:

[62]Inserted w.e.f. June 7, 2011.

[63]Amended w.e.f. Feb 24, 2020. Prior to this amendment, Rule 11.8.9 read as follows:

11.8.9. The Issuer or its Registrar and Transfer Agent shall after due verification promptly confirm the reconversion request to the Depository for debit of units from the account of the Client.

12. TRANSACTIONS IN ACCOUNTS

12.1. [64] ACCOUNT OPENING

12.1.1 [65] Any person desiring to become a Client of the Participant shall make an application as per the KYC Application forms as prescribed by SEBI and forms which have been laid out in FORM 9 and FORM 11 of these Business Rules and instructions/check list for filling KYC Form as prescribed by SEBI from time to time.

12.1.2 [66] Any resident individual desiring to open a SARAL account shall submit FORM

38 in addition to SARAL form prescribed by SEBI.

12.1.3 The Participant shall ensure that the application form submitted by the Client is completely filled, including the Bank Account particulars of the Client, and properly signed.

12.1.4 [67] Participant shall provide a copy of Rights and Obligations Document as specified at Annexure K to the Client and shall obtain an acknowledgement for the same. Participant may provide copy of Rights and Obligations Document to the Client in electronic form, if opted by the Client.

12.1.5 [68] The Participant shall open/activate Client account of a beneficial owner in the Depository system only after receipt of complete Account opening form, KYC and supporting documents as specified by SEBI from time to time and when the application referred to above has been found to be valid and accepted by the Participant, the Participant shall enter the data (on the application form) into the DPM (DP) and activate the Client account.

12.1.6 The Client account number generated through DPM (DP) shall be referenced by the Client for all its transactions in the Depository system.

12.1.7 The applicant may open an account either singly or with one or more joint holders.

Notes:

[64] **Amended w.e.f. November 2, 2012. Prior to this amendment, Rule 12.1 read as follows:**

12.1. Account Opening

12.1.1 Any person desiring to become a Client of the Participant shall make an application as per the forms which have been laid out in Annexures J and K of these Business Rules.

12.1.2. # The Participant shall ensure that the application form submitted by the Client is completely filled, including the Bank Account particulars of the Client, and properly signed.

12.1.3. When the application referred to above has been found to be valid and accepted by the Participant and after the agreement specified under Annexure B of the Bye Laws has been signed, the Participant shall enter the data (on the application form) into the DPM (DP) which will generate a Client account number which shall be referenced by the Client for all its transactions in the Depository system.

12.1.4. The applicant may open an account either singly or with one or more joint holders.

#- Amended w.e.f. July 22, 1997. Prior to this amendment, Rule 12.1.2 read as follows:

12.1.2. The Participant shall ensure that the application form submitted by the Client is completely filled and properly signed.

[65] **Amended w.e.f. October 19, 2020. Prior to this amendment, Rule 12.1.1 read as follows:**

Any person desiring to become a Client of the Participant shall make an application as per the forms which have been laid out in FORM 9 and FORM 11 of these Business Rules and instructions/check list for filling KYC Form as laid out in Annexure D

[66] **Inserted w.e.f. October 27, 2015, The Original Rules 12.1.2, 12.1.3, 12.1.4, 12.1.5 and 12.1.6 renumbered as Rules 12.1.3, 12.1.4, 12.1.5, 12.1.6 and 12.1.7 respectively.**

[67] **Inserted w.e.f. April 4, 2014, The Original Rules 12.1.3, 12.1.4 and 12.1.5 renumbered as Rules 12.1.4, 12.1.5 and 12.1.6 respectively.**

[68] **Amended w.e.f. April 4, 2014. Prior to this amendment, Rule 12.1.4 read as follows:**

12.1.4 When the application referred to above has been found to be valid and accepted by the Participant and after the agreement specified under Annexure B of the Bye Laws has been signed, the Participant shall enter the data (on the application form) into the DPM (DP) and activate the Client account.

12.2. MARKET TRADES

12.2.1. [69] The Participant shall effect a debit or credit to the accounts of its Clients only on receipt of proper authorization from the Clients in the forms laid out in Form 12 and Form 14. Alternatively, a Client may give standing instructions to its Participant to credit its account. In case the Client does not have sufficient balance in its account, the debit to the account shall be effected to the extent of balance available.

12.2.2. The aforementioned forms submitted by the Clients and Clearing Members shall be checked by the Participant to ensure the completeness of the form and validity of the signature of the Client and the Clearing Member before the requests on these forms are executed.

12.3. OFF - MARKET TRADES

12.3.1. [70] Transfer of securities in respect of off market trades shall be effected on receipt of a duly filled in securities transfer instruction form from the Clients for delivery as well as a securities transfer instruction form from the Clients for receipt and after obtaining client's consent through One Time Password (OTP). The specimen of these forms have been laid out in Form 12 and Form 14 respectively as specified in Rule 12.2.1. above. Alternatively, a Client may give standing instructions to its Participant to credit its account.

Provided that in case the client has a joint account, any one holder may provide such a client consent through OTP.

12.3.2. The Participant should check for the completeness of the form and validity of the signature of the Client before effecting such transfers.

12.4. [71] CORPORATE BENEFITS

12.4.1. The Issuer or its Registrar & Transfer Agent shall intimate the Depository on the next day of communication to the relevant stock exchange where the eligible security is listed, of the corporate actions which would herein mean and include any action taken by the Issuer relating to prescribing dates for book closures, record dates, dates for redemption or maturity of security, dates of conversion of debentures, warrants, call money dates and such other action from time to time.

12.4.2. On receiving the intimation as stated above, the Depository shall inform all the Participants about the corporate action.

Notes:

[69] **Amended w.e.f. March 20, 2009. Prior to this amendment, Rule 12.2.1 as amended on May 6, 1997 read as follows:**
The Participant shall effect a debit or credit to the accounts of its Clients only on receipt of proper authorisation from the Clients in the forms laid out in Annexures L and M. Alternatively, a Client may give standing instructions to its Participant to credit its account.
Prior to this amendment, Rule 12.2.1 read as follows:
12.2.1. The Participant shall effect a debit or credit to the accounts of its Clients only on receipt of proper authorisation from the Clients in the forms laid out in Annexures L and M.

[70] **Amended w.e.f December 26, 2020. Prior to this amendment, Rule 12.3.1 read as follows:**
Transfer of securities in respect of off market trades shall be effected on receipt of a duly filled in securities transfer instruction form from the Clients for delivery as well as a securities transfer instruction form from the Clients for receipt. The specimen of these forms have been laid out in Form 12 and Form 14 respectively as specified in Rule 12.2.1. above. Alternatively, a Client may give standing instructions to its Participant to credit its account.
Prior to this amendment, Rule 12.3.1 was amended on February 4, 1999, which is read as follows:
12.3.1. Transfer of securities in respect of off market trades shall be effected on receipt of a duly filled in securities transfer instruction form from the Clients for delivery as well as a securities transfer instruction form from the Clients for receipt. The specimen of these forms have been laid out in Annexure M and N respectively as specified in Rule 12.2.1 above.

[71] **Amended w.e.f. May 6, 1997. Prior to this amendment, Rule 12.4 read as follows:**
12.4.CORPORATE BENEFITS: The Issuer or its Registrar and Transfer Agent shall obtain the details of the tax status of Clients from the list of Clients provided by the Depository in accordance with the provisions of the Bye Laws for the purpose of distribution of Corporate Benefits.

12.4.3. [72] All Participants must thereafter ensure that:

i) changes such as tax status, bank details, change of address, etc. in the Client, Clearing Members, Trading Members, Portfolio Managers and Clearing Corporations accounts are updated well in advance of the record date/book closure.

ii) there are no balances lying in the Clearing Members, Trading Members and Portfolio Managers Accounts on the EOD of the record date or the EOD of one business day prior to the commencement of book closure.

iii) they remain connected till the EOD of the record date or the EOD of one business day prior to the commencement of book closure.

12.4.4. [73] The Depository shall provide the details of the holdings in the accounts of the Clients, Clearing Members, Trading Members, Portfolio Managers and Clearing Corporations electronically to the Issuer or its Registrar and Transfer Agent as of the relevant record date/book closure for the purpose of corporate actions and distribution of corporate benefits.

Notes:

[72] **Amended w.e.f. May 16, 2022. Prior to this amendment, Rule 12.4.3 was amended on May 10, 2008, which read as follows:** 12.4.3. All Participants must thereafter ensure that:

i) changes such as tax status, bank details, change of address, etc. in the Client/ Clearing Members/Clearing Corporations accounts are updated well in advance of the record date/book closure.

ii) there are no balances lying in the CM Accounts on the EOD of the record date or the EOD of one business day prior to the commencement of book closure.

iii) they remain connected till the EOD of the record date or the EOD of one business day prior to the commencement of book closure.

Prior to this amendment, Rule 12.4.3 was amended on May 7, 2001, which read as follows: 12.4.3. All Participants must thereafter ensure that:

i) changes such as tax status, bank details, change of address, etc. in the Client/Clearing Members/ Clearing Corporations/Intermediaries accounts are updated well in advance of the record date/book closure.

ii) there are no balances lying in the CM Accounts or the Intermediary Accounts on the EOD of the record date or the EOD of one business day prior to the commencement of book closure.

iii) they remain connected till the EOD of the record date or the EOD of one business day prior to the commencement of book closure.

Prior to this amendment, Rule 12.4.3 was amended on November 12, 1998, which read as follows: 12.4.3. All Participants must thereafter ensure that:

i) changes such as tax status, bank details, change of address, etc. in the beneficial owner accounts are updated well in advance of the record date/book closure.

ii) there are no balances lying in the CM Accounts or the Intermediary Accounts on the EOD of the record date or the EOD of one business day prior to the commencement of book closure.

iii) they remain connected till the EOD of the record date or the EOD of one business day prior to the commencement of book closure.

Prior to this amendment, Rule 12.4.3 read as follows: 12.4.3. All Participants must thereafter ensure that:

i) changes such as tax status, bank details, change of address, etc. in the beneficial owner accounts are updated well in advance of the record date/book closure.

ii) there are no balances lying in the CM Accounts on the EOD of the record date or the EOD of one business day prior to the commencement of book closure.

iii) they remain connected till the EOD of the record date or the EOD of one business day prior to the commencement of book closure.

[73] **Amended w.e.f. May 16, 2022. Prior to this amendment, Rule 12.4.3 was amended on May 10, 2008, which read as follows:** 12.4.4. The Depository shall provide the details of the holdings in the accounts of the Clients/Clearing Members/Clearing Corporations electronically to the Issuer or its Registrar and Transfer Agent as of the relevant record date/book closure for the purpose of corporate actions and distribution of corporate benefits.

Prior to this amendment, Rule 12.4.4 was amended on May 7, 2001, which read as follows: 12.4.4. The Depository shall provide the details of the holdings in the accounts of the Clients/Clearing Members/Clearing Corporations/Intermediaries electronically to the Issuer or its Registrar and Transfer Agent as of the relevant record date/book closure for the purpose of corporate actions and distribution of corporate benefits.

Prior to this amendment, Rule 12.4.4 was amended on November 12, 1998, which read as follows: 12.4.4. The Depository shall provide the details of the holdings of the beneficial owners electronically to the Issuer or its Registrar and Transfer Agent as of the relevant record date/book closure for the purpose of corporate actions and distribution of corporate benefits. If there are balances lying in the CM Accounts or Intermediary Accounts, such balances will be reported to Issuer or its Registrar and Transfer Agent as transit account position.

Prior to this amendment, Rule 12.4.4 read as follows: 12.4.4 The Depository shall provide the details of the holdings of the beneficial owners electronically to the Issuer or its Registrar and Transfer Agent as of the relevant record date/book closure for the purpose of corporate actions and distribution of corporate benefits. If there are balances lying in the CM Accounts, such balances will be reported to Issuer or its Registrar and Transfer Agent as transit account position.

12.4.5. [74] The Issuer or its Registrar and Transfer Agent may obtain the details of the tax status of Clients, Clearing Members, Trading Members, Portfolio Managers and Clearing Corporations from the list of Clients, Clearing Members, Trading Members, Portfolio Managers and Clearing Corporations provided by the Depository.

12.4.6. [75] The Issuer or its Registrar and Transfer Agent shall, on the basis of the list provided by the Depository distribute dividend, interest and other monetary benefits directly to the Clients, Clearing Members, Trading Members, Portfolio Managers and Clearing Corporations for onward distribution to the Clients. Corporate benefits availed by Clearing Members, Trading Membes, Portfolio Managers and Clearing Corporations shall be held in trust on behalf of beneficiary owners.

12.4.7. [76] If the benefits are in form of eligible securities and the holders are holding the securities in electronic form, the Issuer or its Registrar & Transfer Agent shall credit the securities in electronic form to respective account unless otherwise opted by the holders. For those holders who hold the securities in certificate form, the Issuer or its Registrar & Transfer Agent may provide an option to such holders and if such holders desire to hold the eligible securities in electronic form, they shall do so by providing the details of their DP ID and the Client ID. Based on the option exercised by these holders, the Issuer or its Registrar and Transfer Agent shall credit the securities to the respective accounts.

[77] Provided that if the security holder is holding physical securities, Issuer or its Registrar & Transfer Agent shall ensure that the Bonus securities against the physical folios shall mandatorily be issued in physical mode only.

12.4.8. [78] In such a case, the Issuer or its Registrar and Transfer Agent shall provide to the Depository allotment details of the Clients, Clearing Members, Trading Members, Portfolio Managers and Clearing Corporations in an electronic form.

Notes:

[74] **Amended w.e.f. May 16, 2022. Prior to this amendment, Rule 12.4.5 was amended on May 10, 2008, which read as follows:**

12.4.5. The Issuer or its Registrar and Transfer Agent may obtain the details of the tax status of Clients/Clearing Members/Clearing Corporations from the list of Clients/ Clearing Members/ Clearing Corporations provided by the Depository.

Prior to this amendment, Rule 12.4.5 was amended on May 7, 2001, which read as follows:

12.4.5. The Issuer or its Registrar and Transfer Agent may obtain the details of the tax status of Clients/ Clearing Members/Clearing Corporations/Intermediaries from the list of Clients/ Clearing Members/ Clearing Corporations/ Intermediaries provided by the Depository.

Prior to this amendment, Rule 12.4.5 read as follows:

12.4.5. The Issuer or its Registrar and Transfer Agent may obtain the details of the tax status of beneficial owners from the list of beneficial owners provided by the Depository.

[75] **Amended w.e.f. May 16, 2022. Prior to this amendment, Rule 12.4.6 was amended on May 10, 2008, which read as follows:**

12.4.6. The Issuer or its Registrar and Transfer Agent shall, on the basis of the list provided by the Depository distribute dividend, interest and other monetary benefits directly to the Clients/Clearing Members/Clearing Corporations for onward distribution to the Clients. Corporate benefits availed by Clearing Member and Clearing Corporations shall be held in trust on behalf of beneficiary owners.

Prior to this amendment, Rule 12.4.6 was amended on May 7, 2001, which read as follows:

12.4.6. The Issuer or its Registrar and Transfer Agent shall, on the basis of the list povided by the Depository distribute dividend, interest and other monetary benefits directly to the Clients/Clearing Members/Clearing Corporations/ Intermediaries for onward distribution to the Clients. Corporate benefits availed by Clearing Member, Clearing Corporations and Intermediaries shall be held in trust on behalf of beneficiary owners.

Prior to this amendment, Rule 12.4.6 read as follows:

The Issuer or its Registrar and Transfer Agent shall distribute dividend, interest and other monetary benefits directly to the beneficial owners on the basis of the list provided by the Depository.

[76] **Inserted w.e.f September 04, 2018**

[77] **Amended w.e.f. June 30, 2009. Prior to this amendment, Rule 12.4.7 was amended on May 10, 2008, which read as follows:**

12.4.7. If the benefits are in form of eligible securities, the Issuer or its Registrar & Transfer Agent shall provide an option to all shareholders, Clients, Clearing Members/Clearing Corporations to receive the certificate(s) of securities or receive credit in their accounts. Those, who wish to receive their securities in electronic form, shall do so by providing the details of their DP id and the Client id. Based on the option exercised by the entity, the Issuer or its Registrar and Transfer Agent shall issue the certificate(s) of securities or credit the securities to the respective accounts. In case no response is received, the Issuer or its Registrar & Transfer Agent shall issue the securities in the form in which they were held as on the record date.

Prior to this amendment, Rule 12.4.7 was amended on May 7, 2001, which read as follows:

12.4.7. If the benefits are in form of eligible securities, the Issuer or its Registrar & Transfer Agent shall provide an option to all shareholders, Clients, Clearing Members/Clearing Corporations/Intermediaries to receive the certificate(s) of securities or receive credit in their accounts. Those, who wish to receive their securities in electronic form, shall do so by providing the details of their DP id and the Client id. Based on the option exercised by the entity, the Issuer or its Registrar and Transfer Agent shall issue the certificate(s) of securities or credit the securities to the respective accounts. In case no response is received, the Issuer or its Registrar & Transfer Agent shall issue the securities in the form in which they were held as on the record date.

Prior to this amendment, Rule 12.4.7. was amended on October 8, 1999, which read as follows:

12.4.7. If the benefits are in the form of eligible securities, the Issuer or its Registrar & Transfer Agent shall provide an option to all shareholders to receive the certificate(s) of securities or receive credit in their client accounts. Those shareholders who wish to receive their securities in electronic form, shall do so by providing the details of their DP id and the Client id. Based on the option exercised by the shareholders, the Issuer or its Registrar and Transfer Agent shall issue the certificate(s) of securities or credit the securities to the account of the client. In case the shareholder does not respond, the Issuer or its Registrar & Transfer Agent shall issue the securities in the form in which the shareholder held the securities as on the record date.

Prior to this amendment, Rule 12.4.7 read as follows:

If the benefits are in form of eligible securities, the Issuer or its Registrar & Transfer Agent shall provide an option to all shareholders to be allotted securities either in physical or electronic form. In respect of those beneficial owners who opt for electronic securities the Issuer or its Registrar & Transfer Agent shall obtain the DP Id and beneficial owners account number to which the securities are to be credited. In case the beneficial owner does not indicate any choice, the Issuer or its Registrar & Transfer Agent shall issue the securities in a physical form.

[78] **Amended w.e.f. May 16, 2022. Prior to this amendment, Rule 12.4.8 was amended on May 10, 2008, which read as follows:**

12.4.8. In such a case, the Issuer or its Registrar and Transfer Agent shall provide to the Depository allotment details of the Clients/ Clearing Members/Clearing Corporations in an electronic form.

Prior to this amendment, Rule 12.4.8 was amended on May 7, 2001, which read as follows:

12.4.8. In such a case, the Issuer or its Registrar and Transfer Agent shall provide to the Depository allotment details of the Clients/ Clearing Members/Clearing Corporations/Intermediaries in an electronic form.

Prior to this amendment, Rule 12.4.8 was amended on July 22, 1997, which read as follows:

12.4.8. In such a case, the Issuer or its Registrar and Transfer Agent shall provide to the Depository allotment details of all beneficial owners in an electronic form.

Prior to this amendment, Rule 12.4.8 as amended on May 6, 1997 read as follows:

12.4.8. In such case, the Issuer or its Registrar and Transfer Agent shall provide to the Depository allotment details of all beneficial owners in an electronic form as well as a certified hard copy.

12.4.9. [79] On receipt of allotment details, the Depository shall cause necessary credit entries to be made in the accounts of Clients, Clearing Members, Trading Members, Portfolio Managers and Clearing Corporations on a date requested by Issuer or its Registrar and Transfer Agent (hereinafter referred to as execution date).

12.4.10. [80] In case of records rejected by the Depository, the Issuer or its Registrar and Transfer Agent shall send the rectified records to the Depository within **thirty days** from the execution date. In case the Issuer or its Registrar and Transfer Agent fails to send the rectified records within thirty days from the execution date, it shall proceed to issue securities in the physical form in respect of the unrectified records.

Notes:

[79] **Amended w.e.f. May 10, 2008. Prior to this amendment, Rule 12.4.9 was amended on May 10, 2008, which read as follows:**

12.4.9. On receipt of allotment details, the Depository shall cause necessary credit entries to be made in the accounts of Clients/ Clearing Members/Clearing Corporations on a date requested by Issuer or its Registrar and Transfer Agent (hereinafter referred to as execution date).

Prior to this amendment, Rule 12.4.9 was amended on May 7, 2001, which read as follows:

12.4.9. On receipt of allotment details, the Depository shall cause necessary credit entries to be made in the accounts of Clients/ Clearing Members/Clearing Corporations/Intermediaries on a date requested by Issuer or its Registrar and Transfer Agent (hereinafter referred to as execution date).

Prior to this amendment, Rule 12.4.9 read as follows:

12.4.9. On receipt of allotment details, the Depository shall cause necessary credit entries to be made in the accounts of the beneficial owners on a date requested by Issuer or its Registrar and Transfer Agent. (hereinafter referred to as Execution date).

[80] **Amended w.e.f. September 2, 2002. Prior to this amendment, Rule 12.4.10 was amended on May 7, 2001, which read as follows:**

12.4.10. In case of records rejected by the Depository, the Issuer or Registrar and its Transfer Agent shall send the rectified records to the Depository within seven days from the execution date. In case the Issuer or its Registrar and Transfer Agent fails to send the rectified records within seven days from the execution date, it shall proceed to issue securities in the physical form in respect of the unrectified records.

Prior to this amendment Rule 12.4.10 read as follows:

12.4.10. In case of records rejected by the Depository, the Issuer or Registrar and its Transfer Agent shall send the rectified records to the Depository within seven days from the execution date. In case the Issuer or its Registrar and Transfer Agent fails to send the rectified records within seven days from the execution date, it shall proceed to issue securities in the physical form in respect of the unrectified records.

*** Rule 12.4.11 has been deleted w.e.f June 24, 2005. Prior to deletion, Rule 12.4.11 that was amended w.e.f December 3, 1998 read as follows:**

12.4.10. In respect of transit account position referred to in Rule 12.4.4 above, the Issuer or its Registrar and Transfer Agent shall keep the corporate benefits in abeyance till the beneficiary ownership is determined and provided by the Depository. After determination of the beneficial owners, the issuer shall distribute the corporate benefits. If the benefits are in the form of securities, the Issuer or its Registrar and Transfer Agent shall distribute the benefits as per Rule 12.4.7.

Prior to this amendment, Rule 12.4.11 read as follows:

12.4.11. In respect of transit account position referred to in Rule 12.4.4 above, the Issuer or its Registrar and Transfer Agent shall keep the corporate benefits in abeyance till the beneficiary ownership is determined and provided by the Depository. After determination of the beneficial owners, the issuer shall distribute the corporate benefits. If the benefits are in the form of securities, the Issuer or its Registrar and Transfer Agent shall proceed to issue securities in physical form.

*** Rule 12.4.12 has been deleted w.e.f June 24, 2005. Prior to deletion, Rule 12.4.12 read as follows:**

12.4.11. At the time of crediting the accounts of beneficial owners, if the accounts are either in the status of "to be closed" or "suspended for all", then such allotments will be credited to "DP Suspense Accounts" by the Depository. The Depository shall carry out a suspense reversal function and credit the relevant beneficial owner after resolving the balances in 'DP Suspense Accounts'.

12.5. [81] PUBLIC ISSUES

12.5.1. If the newly created security is an eligible security, the Issuer or its Registrar and Transfer Agent shall provide an option to the beneficial owners to be allotted securities either in physical or electronic form. In respect of those beneficial owners who opt for electronic securities the Issuer or its Registrar & Transfer Agent shall obtain the DP Id and beneficial owner's account number to which the securities are to be credited. In case the beneficial owner does not indicate any choice, the Issuer or its Registrar & Transfer Agent shall issue the securities in a physical form.

12.5.2. [82] The Issuer or its Registrar & Transfer Agent shall provide to the Depository, allotment details of all beneficial owners in an electronic form.

12.5.3. On receipt of allotment details, the Depository shall cause necessary credit entries to be made in the accounts of the beneficial owners on a date requested by Issuer or its Registrar & Transfer Agent (hereinafter referred to as Execution date).

12.5.4. [83] In case of records rejected by the Depository, the Issuer or its Registrar and Transfer Agent shall send the rectified records to the Depository within **thirty days** from the execution date. In case the Issuer or its Registrar and Transfer Agent fails to send the rectified records within **thirty days** from the execution date, it shall proceed to issue securities in the physical form in respect of the unrectified records.

Notes

[81]Inserted w.e.f. May 6, 1997. The Original Rules 12.5, 12.6 & 12.7 renumbered as Rules 12.6, 12.7 and 12.8 respectively.

[82]Amended w.e.f. July 22, 1997. Prior to this amendment, Rule 12.5.2 as inserted on May 6, 1997 read as follows:
The Issuer or its Registrar and Transfer Agent shall provide to the Depository, allotment details of all beneficial owners in an electronic form as well as certified hard copy.

[83]Amended w.e.f. September 2, 2002. Prior to this amendment, Rule 12.5.4. read as follows:
12.5.4. In case of records rejected by the Depository, the Issuer or its Registrar & Transfer Agent shall send the rectified records to the Depository within seven days from the execution date. In case the Issuer or its Registrar & Transfer Agent fails to send the rectified records within seven days from the execution date, it shall proceed to issue securities in the physical form in respect of the unrectified records.

*** Rule 12.5.5 has been deleted w.e.f June 24, 2005. Prior to deletion, Rule 12.5.5 read as follows:**
At the time of crediting the accounts of beneficial owners, if the accounts are either in the status of "to be closed" or "suspended for all", then such allotments will be credited to "DP Suspense Accounts" by the Depository. The Depository shall carry out a suspense reversal function and credit the relevant beneficial owners accounts after resolving the balances in "DP Suspense Accounts".

12.6. [84A] ACCOUNT TRANSFER IN CASE OF TRANSMISSION

12.6.1. Transmission of Securities held jointly in the Depository

12.6.1.1. [85] In case of death of one of the Clients in a joint account, the surviving Client(s) shall request the Participant to continue with the same account by deletion of name of the deceased account holder(s) or to transmit the balances lying in the Client account to the account of the surviving Client(s). The surviving Client(s) shall make an application to the Participant in the form specified in Form 30 alongwith a self-attested copy of the death certificate attested by the joint account holder(s) subject to verification with the original 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 Government's website and keep a record of the same with his signature and stamp of Participant.

12.6.1.2. The Participant shall verify the death certificate and the signature of the surviving Client(s) before effecting the transmission.

12.6.1.3 [86] In case of death of one or more of the Clients in a joint account if the surviving client(s) wish to open a new account with the same Participant, then the participant will open the new account in the name(s) of the surviving member(s), in the same order as in the original account, on the basis of the existing documents already in the possession of the Participant, provided that the said documents meet the prevailing requirements for opening an account.

12.6.1.4. [87] The Participant after being fully satisfied on all aspects, shall then effect deletion of name of the deceased account holder(s) or transfer of the balances to the account of the surviving Client(s). For this purpose, the Participant may conduct such further enquiries as may be deemed necessary.

12.6.1.5. [88] After effecting the transmission, the Participant shall close the account of the deceased.

Notes:

[84A] **Amended w.e.f. April 16, 2026**
Amended w.e.f November 12, 1998. Prior to this amendment, Rule 12.6. read as follows:
12.6. ACCOUNT TRANSFER IN CASE OF TRANSMISSION
12.6.1. In the case of transmission, the Participant shall transfer the securities to the account of the claimant on receipt of the form, duly filled up by such claimant. The specimen of this form is laid out in Annexure O.
12.6.2. The Participant shall ensure that the form is complete and the signature of the claimant is valid.
12.6.3. The Participant shall ensure that the transmission request is supported by valid documents and shall be liable for any errors of judgment in this behalf.

[85] **Amended w.e.f July 18, 2023. Prior to this amendment, Rule 12.6.1.1 read as follows:**
12.6.1.1. In case of death of one of the Clients in a joint account, the surviving Client(s) shall request the Participant to transmit the balances lying in the Client account to the account of the surviving Client(s). The surviving Client(s) shall make an application to the Participant in the form specified in Form 30 alongwith a copy of the death certificate duly attested by a Notary Public or by a Gazetted Officer.

Amended w.e.f January 3, 2009. Prior to this amendment, Rule 12.6.1.1 read as follows:
12.6.1.1. In case of death of one of the Clients in a joint account, the surviving Client(s) shall request the Participant to transmit the balances lying in the Client account to the account of the surviving Client(s). The surviving Client(s) shall make an application to the Participant in the form specified in Annexure O alongwith a copy of the death certificate duly notarised.

Amended w.e.f January 23, 2025. Prior to this amendment, Rule 12.6.1.1 read as follows:
In case of death of one of the Clients in a joint account, the surviving Client(s) shall request the Participant to transmit the balances lying in the Client account to the account of the surviving Client(s). The surviving Client(s) shall make an application to the Participant in the form specified in Form 30 alongwith a 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 Government's website and keep a record of the same with his signature and stamp of Participant.

[86] **Inserted w.e.f. January 11, 2010.**

[87] **Rule 12.6.1.3 has been renumbered as 12.6.1.4 w.e.f. January 11, 2010.**
Amended w.e.f January 23, 2025. Prior to this amendment, Rule 12.6.1.4 read as follows:
The Participant after being fully satisfied on all aspects, shall then effect transfer of the balances to the account of the surviving Client(s). For this purpose, the Participant may conduct such further enquiries as may be deemed necessary

[88] **Rule 12.6.1.4 has been renumbered as 12.6.1.5 w.e.f. January 11, 2010.**

12.6.2. [89] Transmission of Securities held in single name without nomination or simultaneous passing away of joint holders without nomination

12.6.2.1. In case of death of the sole Client, the legal heir(s) or claimant(s) of the deceased shall request the Participant to transmit the balances lying in the Client account of the deceased to the account of the legal heir(s) or claimant(s).

12.6.2.2. In case of transmission of securities, where the securities are held in single name without nomination the legal heir(s) or claimant(s) of such securities or in the event of the simultaneous demise of joint holders without a valid nomination, the legal heir(s) or legal representative(s) of the youngest joint holder, shall submit following documents to the Participant:-

i). the transmission request form in the format specified in Form 30 duly signed by the legal heir(s)/claimant(s);

ii). Self-attested copy of death certificate attested by the legal heir(s) / claimant(s) subject to verification with the original 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 Government's website and keep a record of the same with his signature and stamp of Participant;

iii). Self-attested copy of the Permanent Account Number (PAN) card of the legal heirs / claimants(s) issued by the Income Tax Department;

iv). in case the claimant/legal heir is a minor, Copy of Birth Certificate;

v) In case of legal heir/claimant being a minor / of unsound mind, KYC of the Guardian of legal heir/claimant;

(vi) A notarized affidavit, in the format provided in Form 30 from all legal heir(s)/ claimants made on non-judicial stamp paper of appropriate value, to the effect of identification and claim of legal ownership to the securities;

However, in case the legal heir(s)/claimant(s) are named in any of the Succession Certificate or Probate of Will or Will or Letter of Administration as may be applicable in terms of Indian Succession Act, 1925 (39 of 1925), or Legal Heirship Certificate or its equivalent certificate issued by a competent Government Authority, an affidavit from such legal heir(s)/claimant(s) alone shall be sufficient;

(vii) A copy of any one of following document evidencing rights of legal heir(s) or claimant(s):

(a) the Succession Certificate, or the Probate of Will*, or Will, or Letter of Administration, or Court Decree, as may be applicable in terms of the Indian Succession Act, 1925 (39 of 1925); or

(b) Legal Heirship Certificate (or its equivalent) issued by a competent Government Authority;

The document should be attested by the legal heir(s) / claimant(s) subject to verification with the original or duly attested by a notary public or by a gazetted officer;

*Probate of Will shall be only insisted on, if applicable in terms of Indian Succession Act, 1925.

Provided that in case where a copy of Will is submitted, the same shall be accompanied with a notarized indemnity bond from the legal heir(s) /claimant(s) to whom the securities are transmitted, in the format specified in Form 30;

Provided further that in case where a Legal Heirship Certificate (or its equivalent certificate) issued by a competent Government Authority is submitted, the same shall be accompanied with (i) a notarized indemnity bond from the legal heir(s) /claimant(s) to whom the securities are transmitted, in the format specified in Form 30; and (ii) no objection from all the non-claimants stating that they have relinquished their rights to the claim for transmission of securities, duly attested by a notary public or by a gazetted officer in the format specified in Form 30.

(viii) In case the account of the legal heir(s)/ claimant(s) is not with the Participant, copy of Client Master Report of the account of the legal heir(s)/ claimant(s) duly signed and stamped/ electronic copy of Client Master Report digitally signed by the Participant.

In case client submits an electronic copy of digitally signed CMR, the Participant should validate the digital signature and ensure that the same is signed by an official on behalf of the Participant.

Notes:

[89] **Amended w.e.f. July 18, 2023. Prior to this amendment, Rule 12.6.2.2 (ii) and (viii) read as follows:**
12.6.2.2. (ii) Original death certificate or copy of death certificate attested by the legal heir(s) / claimant(s) subject to verification with the original or copy of the death certificate duly attested by a notary public or by a gazetted officer

12.6.2.2. (viii) In case the account of the legal heir(s)/ claimant(s) is not with the Participant, copy of Client Master Report of the account of the legal heir(s)/ claimant(s)

Amended w.e.f. January 17, 2023. Prior to this amendment, Rule 12.6.2.2 read as follows:
12.6.2. Transmission of Securities held singly in the Depository
12.6.2.1. In case of death of the sole Client, the legal heir(s) or legal representative(s) of the deceased shall request the Participant to transmit the balances lying in the Client account of the deceased to the account of the legal heir(s) or legal representative(s).

12.6.2.2. The legal heir(s) or the legal representative(s) of such securities shall make an application to the Participant in the form specified in Form 30 along with the following documents:-
i). A copy of the death certificate duly attested by a Notary Public or by a Gazetted Officer.
ii). A copy of the Succession certificate duly attested by a Notary Public or by a Gazetted Officer or an order of a court of competent jurisdiction where the deceased has not left a Will; or
iii). A copy of the Probate or Letter of Administration duly attested by a Notary Public or by a Gazetted Officer.
iv). In case the account of the claimant is not with the Participant, copy of Client Master Report of the account of the claimant.

Amended w.e.f. May 13, 2014. Prior to this amendment, Rule 12.6.2.2 read as follows:
12.6.2.2. The legal heir(s) or the legal representative(s) of such securities shall make an application to the Participant in the form specified in Annexure O alongwith the following documents:-
i) A copy of the death certificate duly attested by a Notary Public or by a Gazetted Officer.
ii) A copy of the Succession certificate duly attested by a Notary Public or by a Gazetted Officer or an order of a court of competent jurisdiction where the deceased has not left a Will; or
iii) A copy of the Probate or Letter of Administration duly attested by a Notary Public or by a Gazetted Officer.

Prior to this amendment, Rule 12.6.2.2 read as follows:

12.6.2.2. The legal heir(s) or the legal representative(s) of such securities shall make an application to the Participant in the form specified in Annexure O alongwith the following documents:-
i) A copy of the death certificate duly notarised.
ii) A copy of the Succession certificate duly notarised or an order of a court of competent jurisdiction where the deceased has not left a Will; or .
iii) A copy of the Probate or Letter of Administration duly notarised.

12.6.2.3. [90] If the legal heir(s) or claimant(s) express inability to produce either of the documents mentioned under Rule 12.6.2.2(vii), and the market value of the securities held in each of the accounts of the deceased as on the date of application for transmission by the legal heir(s) or claimant is upto Rs. 15,00,000 (Rupees Fifteen Lakhs only), then the legal heir(s) or claimant(s) may submit the following documents with the Participant:

i) the transmission request form in the format specified in Form 30 duly signed by the legal heir(s)/claimant(s);

ii) Self-attested copy of the death certificate attested by the legal heirs (s) or claimant(s), subject to verification with the original, 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;

iii) Self-attested copy of the Permanent Account Number (PAN) card of the legal heir(s) or claimant(s) issued by the Income Tax Department;

iv) a notarized affidavit, in the format provided in Form 30 from all legal heir(s)/ claimants made on non-judicial stamp paper of appropriate value, to the effect of identification and claim of legal ownership to the securities;

Provided that, in case the legal heir(s)/claimant(s) are named in any of the Succession Certificate or Probate of Will or Will or Letter of Administration as may be applicable in terms of Indian Succession Act, 1925 (39 of 1925), or Legal

Heirship Certificate or its equivalent certificate issued by a competent Government Authority, an affidavit from such legal heir(s)/claimant(s) alone shall be sufficient;

v) a notarised indemnity bond from the legal heir(s) or claimant(s) made on non-judicial stamp paper of appropriate value in the format specified in Form 30;

vi) No Objection Certificate(s) from all the legal heir(s) / non-claimants, stating that they do not object to such transmission in the format provided in Form 30, or a copy of Family Settlement Deed duly executed by all legal heirs, duly attested by a notary Public or by a gazetted officer;

provided that the Family Settlement Deed clearly vest the securities in favour of the person seeking transmission in his/her name and vesting of securities in his/her name is not contingent upon any other onerous conditions in such Family Settlement Deed.

Provided further that if the division of securities as per the Family Settlement Deed is amongst more than one person, then Family Settlement Deed can be considered as an agreement amongst the legal heirs for transmission of securities to each legal heir applying for transmission.

(vii) In case the account of the legal heir(s) or claimant(s) is/are not with the Participant, copy of Client Master Report of the account of the legal heir(s) or claimant(s) duly signed and stamped/ electronic copy of Client Master Report digitally signed by the Participant.

In case client submits an electronic copy of digitally signed CMR, the Participant should validate the digital signature and ensure that the same is signed by an official on behalf of the Participant.

Notes:

[90] **Amended w.e.f. July 18, 2023. Prior to this amendment, Rule 12.6.2.3 (ii) and (vii) was amended on January 17, 2023, which was read as follows:**

12.6.2.3. (ii) Original death certificate or copy of the death certificate attested by the legal heirs (s) or claimant(s), subject to verification with the original, or copy of the death certificate duly attested by a notary public or by a gazetted officer;

12.6.2.3. (vii) In case the account of the legal heir(s) or claimant(s) is/are not with the Participant, copy of Client Master Report of the account of the legal heir(s) or claimant(s).

Amended w.e.f. January 17, 2023. Prior to this amendment, Rule 12.6.2.3 was amended on May 13, 2014, which was read as follows:

12.6.2.3. However, if the legal heir(s) or the legal representative(s) express inability to produce either of the documents mentioned under (ii) and (iii) of 12.6.2.2, and the market value of the securities held in each of the account of the deceased as on the date of application for transmission does not exceed ₹ 5,00,000 then the Participant shall process the transmission request on the basis of the following documents:

i) Request for transmission in FORM 30;
ii) Copy of the death certificate duly attested by a Notary Public or by a Gazetted Officer;
iii) Letter of Indemnity made on appropriate non judicial stamp paper;
iv) An Affidavit made on appropriate non judicial stamp paper; and
v) No Objection Certificate(s) from all the legal heir(s) who do not object to such transmission.
vi) As an alternate to No Objection Certificate from all legal heir(s) who do not object to such transmission specified at 12.6.2.3 (v), a copy of Family Settlement Deed duly attested by a Notary Public or by a Gazetted Officer provided that the Family Settlement Deed clearly vest the securities in favour of the person seeking transmission in his/her name and vesting of securities in his/her name is not contingent upon any other onerous conditions in such Family Settlement Deed.

Provided further that if the division of securities as per the Family Settlement Deed is amongst more than one person, then Family Settlement Deed can be considered as an agreement amongst the legal heirs for transmission of securities to each legal heir applying for transmission.

vii) In case the account of the claimant is not with the Participant, copy of Client Master Report of the account of the claimant;

Amended w.e.f. May 13, 2014. Prior to this amendment, Rule 12.6.2.3 was amended on November 18, 2013, which was read as follows:

However, if the legal heir(s) or the legal representative(s) express inability to produce either of the documents mentioned under (ii) and (iii) of 12.6.2.2, and the market value of the securities held in each of the account of the deceased as on the date of application for transmission does not exceed ₹ 5,00,000 then the Participant shall process the transmission request on the basis of the following documents:

i) Request for transmission in Annexure O;
ii) Copy of the death certificate duly attested by a Notary Public or by a Gazetted Officer;

iii) Letter of Indemnity made on appropriate non judicial stamp paper;

iv) An Affidavit made on appropriate non judicial stamp paper; and

v) No Objection Certificate(s) from all the legal heir(s) who do not object to such transmission.

vi) As an alternate to No Objection Certificate from all legal heir(s) who do not object to such transmission specified at 12.6.2.3 (v), a copy of Family Settlement Deed duly attested by a Notary Public or by a Gazetted Officer provided that the Family Settlement Deed clearly vest the securities in favour of the person seeking transmission in his/her name and vesting of securities in his/her name is not contingent upon any other onerous conditions in such Family Settlement Deed. Provided further that if the division of securities as per the Family Settlement Deed is amongst more than one person, then Family Settlement Deed can be considered as an agreement amongst the legal heirs for transmission of securities to each legal heir applying for transmission.

Prior to this amendment, Rule 12.6.2.3 read as follows:

12.6.2.3. However, if the legal heir(s) or the legal representative(s) express inability to produce either of the documents mentioned under (ii) and (iii) of 12.6.2.2, and the market value of the securities held in each of the account of the deceased as on the date of application for transmission does not exceed ₹ 1,00,000 then the Participant shall process the transmission request on the basis of the following documents:

i) Request for transmission in Annexure O;

ii) Copy of the death certificate duly attested by a Notary Public or by a Gazetted Officer;

iii) Letter of Indemnity made on appropriate non judicial stamp paper;

iv) An Affidavit made on appropriate non judicial stamp paper; and

v) No Objection Certificate(s) from all the legal heir(s) who do not object to such transmission.

vi) As an alternate to No Objection Certificate from all legal heir(s) who do not object to such transmission specified at 12.6.2.3 v) a copy of Family Settlement Deed duly attested by a Notary Public or by a Gazetted Officer provided that the Family Settlement Deed clearly vest the securities in favour of the person seeking transmission in his/her name and vesting of securities in his/her name is not contingent upon any other onerous conditions in such Family Settlement Deed.

Provided further that if the division of securities as per the Family Settlement Deed is amongst more than one person, then Family Settlement Deed Can be considered as an agreement amongst the legal heirs for transmission of securities to each legal heir applying for transmission.

Prior to this amendment, Rule 12.6.2.3 read as follows:

However, if the legal heir(s) or the legal representative(s) express inability to produce either of the documents mentioned under (ii) and (iii) above, and the market value of the securities held in each of the account of the deceased as on the date of application for transmission does not exceed ₹ 1,00,000/- then the Participant shall process the transmission request on the basis of the following documents:

i) Request for transmission in Annexure O;

ii) Copy of the death certificate duly attested by a Notary Public or by a Gazetted Officer;

iii) Letter of Indemnity duly supported by a guarantee of an independent Surety acceptable to the Participant, made on appropriate non judicial stamp paper;

iv) An Affidavit made on appropriate non judicial stamp paper; and

v) No Objection Certificate(s) from all the legal heir(s) who do not object to such transmission.

Prior to this amendment, Rule 12.6.2.3 read as follows:

12.6.2.3. However, if the legal heir(s) or the legal representative(s) express inability to produce either of the documents mentioned under (ii) and (iii) above, and the market value of the securities held in each of the account of the deceased as on the date of application for transmission does not exceed ₹ 1,00,000/-then the Participant shall process the transmission request on the basis of the following documents:

i) Request for transmission in Annexure O;

ii) Copy of the death certificate duly notarised;

iii) Letter of Indemnity duly supported by a guarantee of an independent Surety acceptable to the Participant, made on appropriate non judicial stamp paper;

iv) An Affidavit made on appropriate non judicial stamp paper; and

v) No Objection Certificate(s) from all the legal heir(s) who do not object to such transmission.

12.6.2.4. [91] The Participant shall verify that the documents submitted by the legal heir(s) or the claimant(s) are in order, satisfy itself about identity of the legal heir(s) or the claimant(s) mentioned in the documents and shall then effect transmission of the balances to the Client account of the legal heir(s) or the claimant(s).

12.6.2.5. After effecting the transmission, the Participant shall close the account of the deceased.

12.6.2.6 [92] Notwithstanding anything contained in any other disposition made by the deceased Client(s) under any other law for the time being in force, for the purposes of dealing with the securities lying to the credit of deceased Client(s) in any manner, the Participant shall rely upon the documents submitted by the legal heir(s)/ claimant(s) mentioned under Rules 12.6.2.1 to 12.6.2.5 above. The Participant shall not be liable for any action taken in reliance upon and on the basis of documents submitted by the legal heir(s)/ claimant(s).

12.6.3. [93] TRANSMISSION OF SECURITIES IN CASE OF NOMINATION

12.6.3.1. [94] The Client(s) shall make a nomination of his/their account in favour of any person(s), up to three persons by filing with the relevant Participant the form as prescribed by SEBI or opt-out of nomination by filing the relevant form as prescribed by SEBI. In the case of joint accounts, all the Clients shall be required to affix their signatures to the said form as per the mode of operation. The requirement of nomination or opt-out of nomination shall be optional for jointly held demat accounts. However, if joint account becomes single holding account, then either the nomination or opt-out of nomination is mandatory. Such nomination shall be conclusive evidence of the Client(s) disposition in respect of all the securities in the account for which nomination has been made.

Participants may allow their clients to submit their nomination by way of using digital signature or e-sign facility or two factor authentication (2FA) in which one of the factors shall be a One-Time Password sent to its registered mobile number and email address

12.6.3.2. [95] In case, the Client(s) appoints more than one person, maximum up to three persons, as nominees, the Client must specify the percentage of share for each nominee which must total up to hundred percent. In case the percentage of share is not provided, allocation of securities amongst the nominees shall be considered as equal.

12.6.3.3. [96] A nomination once made shall not be considered to have been changed or withdrawn, unless the Client(s) files another form as prescribed by SEBI with the Participant, expressly signifying the interest to change or withdraw all nominations made earlier. Unless a change or withdrawal is registered with the Participant, the Depository shall consider the nomination last validly recorded in its books as being conclusive evidence of the Client(s)' disposition in respect of the securities.

Notes:

[91]Amended w.e.f. January 17, 2023. Prior to this amendment, Rule 12.6.2.4 read as follows:
12.6.2.4. The Participant shall ensure that the documents submitted by the legal heir(s) or the legal representative(s) are in order, satisfy itself about Identity of the claimant mentioned in the documents and shall then effect a transfer of the balances to the Client account of the legal heir(s) or the legal representative(s).

Amended w.e.f. May 13, 2014. Prior to this amendment, Rule 12.6.2.4 read as follows:
12.6.2.4. The Participant shall ensure that the documents submitted by the legal heir(s) or the legal representative(s) are in order and shall then effect a transfer of the balances to the Client account of the legal heir(s) or the legal representative(s).

[92]Inserted w.e.f. January 17, 2023.

[93]Inserted w.e.f. October 25, 2000.

[94]Amended w.e.f. February 3, 2023. Prior to this amendment, Rule 12.6.3.1 was amended on December 3, 2016 which read as follows:
12.6.3.1. The Client(s) may make a nomination of his/their account in favour of any person(s), up to three persons by filing with the relevant Participant the form laid out in FORM 10 of these Business Rules. In the case of joint accounts, all the Clients shall be required to affix their signatures to the said form. Such nomination shall be conclusive evidence of the Client(s) disposition in respect of all the securities in the account for which nomination has been made.

Amended w.e.f. December 3, 2016. Prior to this amendment, Rule 12.6.3.1 was amended on May 13, 2014 which read as follows:
12.6.3.1. The Client(s) may make a nomination of his/their account in favour of any person by filing with the relevant Participant the form laid out in Form 9 or Form 10 of these Business Rules. In the case of joint accounts, all the Clients shall

be required to affix their signatures to the said form. Such nomination shall be conclusive evidence of the Client(s) disposition in respect of all the securities in the account for which nomination has been made.

Prior to this amendment, Rule 12.6.3.1 read as follows:

The Client(s) may make a nomination of his/their account in favour of any person by filing with the relevant Participant the form laid out in Annexure JA of these Business Rules. In the case of joint accounts, all the Clients shall be required to affix their signatures to the said form. Such nomination shall be conclusive evidence of the Client(s) disposition in respect of all the securities in the account for which nomination has been made.

[95]Inserted w.e.f. December 3, 2016.

[96]Amended w.e.f. February 3, 2023. Prior to this amendment, Rule 12.6.3.3 was inserted on December 3, 2016 which read as follows:

12.6.3.3. A nomination once made shall not be considered to have been varied, substituted or canceled, unless the Client(s) files another form as laid out in Form 10 with the Participant, expressly signifying the interest to vary, substitute or cancel all nominations made earlier. Unless a fresh variation, substitution or cancellation is registered with the Participant, the Depository shall consider the nomination last validly recorded in its books as being conclusive evidence of the Client(s)' disposition in respect of the securities.

The Original Rule 12.6.3.2 has been renumbered as Rule 12.6.3.3 w.e.f. December 3, 2016.

12.6.3.4. [97] A nomination, change or withdrawal of a nomination shall be valid only if :-

a) it is submitted to the Participant by the rightful Client(s) or under his/their due authority.
b) it is in prescribed form
c) it is duly signed by Client(s)
d) it is properly signed
e) signature of the Client(s) tally with the specimen signature records

12.6.3.5. [98] If the form is valid in all respects and accepted by the Participant, the Participant shall record the nomination by entering the same in the DPM (DP) and confirm the same to the Client(s).

12.6.3.6. [99] In the event of a change or withdrawal of a nomination, a fresh registration shall be updated in the DPM (DP) by the Participant and the Participant shall confirm the same to the Client(s).

Notes:

[97] **Amended w.e.f. February 3, 2023. Prior to this amendment, Rule 12.6.3.4 was inserted on December 3, 2016 which read as follows:**

12.6.3.4. A nomination, substitution shall be valid only if :-

a) it is submitted to the Participant by the rightful Client(s) or under his/their due authority.
b) it is in prescribed form (Form 10)
c) it is duly signed by Client(s)
d) it is properly signed
e) signature of the Client(s) tally with the specimen signature records

The Original Rule 12.6.3.3 has been renumbered and amended as Rule 12.6.3.4 w.e.f. December 3, 2016. Prior to this amendment, Rule 12.6.3.3 was amended on May 13, 2014 which read as follows:

12.6.3.3. A nomination, substitution shall be valid only if :-

a) it is submitted to the Participant by the rightful Client(s) or under his/their due authority.
b) it is in prescribed form (Form 9/10)
c) it is duly signed by Client(s)
d) it is properly signed
e) signature of the Client(s) tally with the specimen signature records

Prior to this amendment, Rule 12.6.3.3 read as follows:

12.6.3.3. A nomination, substitution shall be valid only if :-

a) it is submitted to the Participant by the rightful Client(s) or under is/their due authority.
b) it is in prescribed form (Annexure J/JA)
c) it is duly signed by Client(s)
d) it is properly signed and witnessed
e) signature of the Client(s) tally with the specimen signature records

f) the details of the securities entered in the nomination forms match those in the records of the Participant

g) the photograph of the Nominee is annexed to the nomination form

h) the Nominee has signed the nomination form and guardian in case of the nominee being a minor

[98]The Original Rule 12.6.3.4 has been renumbered as Rule 12.6.3.5 w.e.f. December 3, 2016.
Prior to this amendment original Rule 12.6.3.4 was amended on May 13, 2014, which read as follows:
12.6.3.4. If the form is valid in all respects and accepted by the Participant, the Participant shall record the nomination by entering the same in the DPM (DP) and confirm the same to the Client(s).

Prior to this amendment, Rule 12.6.3.4 read as follows:
12.6.3.4. If the form is valid in all respects and accepted by the Participant, the Participant shall register the nomination by generating a "Nomination Registration Number" ("NRN"), enter the same in the DPM (DP) and confirm the same to the Client(s) in writing.

[99]Amended w.e.f. February 3, 2023. Prior to this amendment, Rule 12.6.3.6 was inserted on December 3, 2016 which read as follows:
12.6.3.6. In the event of a substitution/ cancellation of a nomination, a fresh registration shall be updated in the DPM (DP) by the Participant and the Participant shall confirm the same to the Client(s).

The Original Rule 12.6.3.5 has been renumbered as Rule 12.6.3.6 w.e.f. December 3, 2016.
Prior to this amendment original Rule 12.6.3.5 was amended on May 13, 2014, which read as follows:
12.6.3.5. In the event of a substitution/ cancellation of a nomination, a fresh registration shall be updated in the DPM (DP) by the Participant and the Participant shall confirm the same to the Client(s).

Prior to this amendment, Rule 12.6.3.5 read as follows:
In the event of a substitution/ cancellation of a nomination a fresh NRN or a written certification of cancellation, as the case may be, shall be generated by the Participant and given to the Client(s) and the DPM (DP) shall be updated.

12.6.3.7 [100] Upon the death of the sole Client or the death of all the Clients, as the case may be, the nominee(s) shall submit following documents to the Participant to transmit the securities covered by the nomination to the account of the nominee(s), held with any depository:

(i) the transmission request form in the format specified in Form 30 duly signed by the nominee(s);

(ii) Self-attested copy of death certificate attested by the nominee(s) subject to verification with the original \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;

(iii) Original copy of the Permanent Account Number (PAN) card of the nominee issued by the Income Tax Department;

(iv) copy of Client Master Report of the account of the nominee(s) duly signed and stamped/ electronic copy of Client Master Report digitally signed by the Participantin case the account of the nominee(s) is not with the Participant.

In case client submits an electronic copy of digitally signed CMR, the Participant should validate the digital signature and ensure that the same is signed by an official on behalf of the Participant.

(v) in case the nominee is a minor, Copy of Birth Certificate

(vi) In case of nominee being a minor / or unsound person, KYC of the Guardian of minor / unsound person

If the Nominee(s) does not have an account with the Participant, the Nominee(s) shall be required to open an account with any Participant. Upon demise of one of the nominees prior to the demise of the Client and if no change is made in the nomination, then the securities shall be distributed to the surviving nominees on pro rata basis as per the procedure specified by SEBI/NSDL.

12.6.3.8 [101] In case of multiple nominees in the account, the Participant shall divide the securities at an ISIN level in the proportion of share indicated at the time of nomination. In case the number of securities are not exactly divisible in the specified proportion in respect of particular ISIN, the Participant shall divide the securities at the ISIN level to the extent, the securities are divisible and remaining indivisible securities, if any, shall be transmitted to the nominee whose name is recorded first in the form as prescribed by SEBI to receive such indivisible securities.

12.6.3.9. [102] The provisions relating to Form 30 shall apply *mutatis mutandis* to the process of transmission of securities to the Nominee(s).

12.6.3.10 [103] Before executing any request made under any of the forms in respect of nomination, the Participant shall ensure the completeness of the form and validity of the signature of the Client(s) and satisfy itself about identity of the nominee(s) mentioned in the documents.

12.6.3.11. [104] The details of various nominations made by the Client(s) shall form an integral part of the records of the Participant, Depository and the Issuer or its Registrar and Transfer Agent under Chapter 16 of these Business Rules and shall be reconciled in accordance with Chapter 15 of these Business Rules.

12.6.3.12 The nominee(s) shall receive the securities of the deceased as a trustee of the legal heirs of the deceased demat account holder.

12.6.3.13 No claims in respect of such transmission shall subsist against Participant or NSDL and any claim or contestation shall be only amongst the nominee(s) and the claimants without reference to Participant or NSDL.

Notes:

***Rule 12.6.3.6 and 12.6.3.7 has been deleted w.e.f. May 13, 2014 and remaining Rules 12.6.3.8, 13.6.3.9, 13.6.3.10 and 13.6.3.11 have been renumbered as 12.6.3.6, 12.6.3.7, 12.6.3.8 and 12.6.3.9. Prior to this deletion Rule 12.6.3.6 and 12.6.3.7 read as follows:**

12.6.3.6. The Participant shall at all times, irrespective of subsequent variations and cancellations, maintain an updated "Register of Nominations" which shall contain the following information :-

a) Serial number
b) Date of Registration
c) Nomination Registration Number
d) Certificate of Cancellation of nomination
e) Account number of the Client(s)
f) Name(s) of the Client(s)
g) Address of the Client(s)
h) Name of nominee
i) Address of nominee
j) Schedule date of attaining majority (if the Nominee is a minor)
k) All details of variation/ cancellation of nomination with respective dates
l) Remarks and observations of the Participant, if any
m) In case the nominee is a minor, the DP shall ensure that a fresh photograph and the signatures of the nominee are obtained once in every five years.

12.6.3.7. The Participant shall ensure that such register is maintained properly and is verified periodically. All the nominations received should be bound and preserved for record purposes. These records shall form part of the records of the Participant.

[100] **Amended w.e.f. July 18, 2023. Prior to this amendment, Rule 12.6.3.7 (ii) and (iv) was amended on January 17, 2023 which read as follows:**

12.6.3.7. (ii) Original death certificate or copy of death certificate attested by the nominee(s) subject to verification with the original or copy of the death certificate duly attested by a notary public or by a gazetted officer;
12.6.3.7. (iv) copy of Client Master Report of the account of the nominee(s) in case the account of the nominee(s) is not with the Participant

Amended w.e.f. January 17, 2023. Prior to this amendment, Rule 12.6.3.7 was amended on December 3, 2016 which read as follows:

12.6.3.7 Upon the death of the sole Client or the death of all the Clients, as the case may be, the nominee(s) shall request the Participant in writing along with a certified true copy of the death certificate (or a duplicate copy of the death certificate if original lost or misplaced) issued by the competent authority and copy of Client Master Report of the account of the nominee(s) in case the account of the nominee(s) is not with the Participant to transmit the securities covered by the nomination to the account of the Nominee(s), held with any Depository. If the Nominee(s) does not have an account with the Depository, the Nominee(s) shall be required to open an account with any Depository.

The Original Rule 12.6.3.6 has been renumbered and amended as Rule 12.6.3.7 w.e.f. December 3, 2016. Prior to this amendment, Rule 12.6.3.6 was amended on May 13, 2014 which read as follows:

12.6.3.6. Upon the death of the sole Client or the death of all the Clients, as the case may be, the nominee shall request the Participant in writing along with a certified true copy of the death certificate (or a duplicate copy of the death certificate if original lost or misplaced) issued by the competent authority and copy of Client Master Report of the account of the nominee

in case the account of the nominee is not with the Participant to transmit the securities covered by the nomination to the account of the Nominee, held with any Depository. If the Nominee does not have an account with the Depository, the Nominee shall be required to open an account with any Depository.

Prior to this amendment, Rule 12.6.3.6 read as follows:

12.6.3.6. Upon the death of the sole Client or the death of all the Clients, as the case may be, the nominee shall request the Participant in writing alongwith a certified true copy of the death certificate (or a duplicate copy of the death certificate if original lost or misplaced) issued by the competent authority to transmit the securities covered by the nomination to the account of the Nominee, held with any Depository. If the Nominee does not have an account with the Depository, the Nominee shall be required to open an account with any Depository.

[101] **Amended w.e.f. February 3, 2023. Prior to this amendment, Rule 12.6.3.8 was amended on December 3, 2016 which read as follows:**

12.6.3.8 In case of multiple nominees in the account, the Participant shall divide the securities at an ISIN level in the proportion of share indicated at the time of nomination. In case the number of securities are not exactly divisible in the specified proportion in respect of particular ISIN, the Participant shall divide the securities at the ISIN level to the extent, the securities are divisible and remaining indivisible securities, if any, shall be transmitted to the nominee whose name is recorded first in the form laid out in FORM 10 of these Business Rules to receive such indivisible securities.

Inserted w.e.f. December 3, 2016.

[102] **The Original rule 12.6.3.7 has been renumbered and amended as Rule 12.6.3.9 w.e.f. December 3, 2016. Prior to this amendment, Rule 12.6.3.7 read as follows:**

12.6.3.7. The provisions relating to Form 30 shall apply *mutatis mutandis* to the process of transmission of securities to the Nominee.

[103] **The Original Rule 12.6.3.8 has been renumbered and amended as Rule 12.6.3.10 w.e.f. December 3, 2016. Prior to this amendment, Rule 12.6.3.8 was amended on May 13, 2014 which read as follows:**

12.6.3.8. Before executing any request made under any of the forms in respect of nomination, the Participant shall ensure the completeness of the form and validity of the signature of the Client(s) and satisfy itself about identity of the nominee mentioned in the documents.

Prior to this amendment, Rule 12.6.3.8 read as follows:

12.6.3.8. Before executing any request made under any of the forms in respect of nomination, the Participant shall ensure the completeness of the form and validity of the signature of the Client(s).

[104] **Rule 12.6.3.12 has been renumbered as Rule 12.6.3.11 w.e.f. December 22, 2016. Prior to this amendment, Rule 12.6.3.12 read as follows:**

12.6.3.12. The details of various nominations made by the Client(s) shall form an integral part of the records of the Participant, Depository and the Issuer or its Registrar and Transfer Agent under Chapter 16 of these Business Rules and shall be reconciled in accordance with Chapter 15 of these Business Rules.

Prior to this amendment, Rule 12.6.3.11 has been deletedw.e.f. December 22, 2016. Prior to this deletion, Rule 12.6.3.11 read as follows:

12.6.3.11. The provisions relating to Form 30 shall apply mutatis mutandis to the process of transmission of securities to the Nominee(s).

Prior to this amendment, Rule 12.6.3.9 has been renumbered and amended as Rule 12.6.3.11 w.e.f. December 3, 2016 which read as follows:

12.6.3.9. The provisions relating to Form 30 shall apply mutatis mutandis to the process of transmission of securities to the Nominee(s).

12.6.4 [105] 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;

Notes:

[105] **Amended w.e.f July 18, 2023. Prior to this amendment, Rule 12.6.4.2 (i) was amended on January 18, 2023, which read as follows:**

12.6.4.2. (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.;

Amended w.e.f January 18, 2023. Prior to this amendment, Rule 12.6.4 was amended on March 28, 2018, which read as follows:

12.6.4 Transmission of Securities held by Karta of 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 surviving member 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 copy of the death certificate or true Copy of the death certificate of the deceased Karta, duly attested by a Notary Public or by a Gazetted Officer.;

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;

Amended w.e.f March 28, 2018. Prior to this amendment, Rule 12.6.4 was amended on January 03, 2009, which read as follows:

12.6.4 Transmission of Securities held by Karta of 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 surviving member of the HUF as the new Karta of the HUF.

(A) For transmission of securities to the account of the new Karta from the account of the deceased Karta, the surviving members through the new Karta shall make a joint application to the Participant in the Form specified in Form 30 along with the following documents:

i. True Copy of the death certificate of the Karta, duly attested by a Notary Public or by a Gazetted Officer.;

ii. An appropriate order by a competent court,

Provided however that, if the surviving members or the New Karta express their inability to produce the order of a competent Court, and that the market value of securities lying to the credit of such account as on the date of application for transmission of securities does not exceed Rupees Ten Lakh then the Participant shall process the transmission request on the basis of the following documents:

a) Request for transmission in Form 30, duly signed by the New Karta;

b) A declaration of the list of surviving members of HUF in an affidavit in the prescribed form (Form 30), duly attested by a Notary Public or by a Gazetted Officer;

c) Letter of Indemnity in the prescribed form (Form 30) from the surviving members.

(B) Where there is an objection from any member of the HUF, transmission of securities held in the beneficial owner account should be effected only on the basis of a Decree by a competent Court or the Deed of Partition.

Inserted w.e.f. March 9, 2005.

Amended w.e.f January 3, 2009. Prior to this amendment, Rule 12.6.4.1 was amended on October 17, 2008, which read as follows:

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 surviving member of the HUF as the new Karta of the HUF.

(A) For transmission of securities to the account of the new Karta from the account of the deceased Karta, the surviving members through the new Karta shall make a joint application to the Participant in the Form specified in Annexure "O" along with the following documents:

i. True Copy of the death certificate of the Karta, duly certified by a notary public;

ii. An appropriate order by a competent court,

Provided however that, if the surviving members or the New Karta express their inability to produce the order of a competent Court, and that the market value of securities lying to the credit of such account as on the date of

application for transmission of securities does not exceed Rupees Ten Lakh then the Participant shall process the transmission request on the basis of the following documents:

a) Request for transmission in Annexure "O", duly signed by the New Karta;

b) A declaration of the list of surviving members of HUF in an affidavit in the prescribed form (Annexure "O"), duly notarised;

c) Letter of Indemnity in the prescribed form (Annexure "O") from the surviving members.

(B) Where there is an objection from any member of the HUF, transmission of securities held in the beneficial owner account should be effected only on the basis of a Decree by a competent Court or the Deed of Partition.

12.6.4.3[106] 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 [107] 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 [108] The surviving members shall furnish to the Participant the intimation of partial or total partition accompanied by a dissolution deed and a signed letter mentioning the names of the members and their confirmation of partial or total partition having taken place.

12.6.4.6 [109] 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 [110] 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 [110A]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. [111] The Participant shall effect the request for transmission of securities within seven days of receipt of complete set of requisite documents.

Notes:

[106, 107] **Inserted w.e.f. March 28, 2018.**

[108,109,110] **Amended w.e.f. March 28, 2018, Prior to this amendment, Rule 12.6.4.4, 12.6.4.6 and 12.6.4.7 read as follows:**

12.6.4.2. The surviving members shall furnish to the Participant the certified copy of the Settlement Deed / Deed of Partition / Decree of the relevant Court, duly stamped in case the HUF goes into separation / partition for dealing with the securities lying in the beneficial owner account held by the deceased Karta, and 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.

12.6.4.3. The Participant shall ensure that the documents submitted by the surviving members or the new Karta are in order and shall then effect a transfer of the balances to the client account of the new Karta.

12.6.4.4. After effecting the transmission, the Participant shall close the account held in the name of the deceased Karta.

Rule 12.6.5. has been deleted w.e.f. March 28, 2018. Prior to deletion, Rule 12.6.5 which was read as follows, Inserted w.e.f. June 30, 2009.:

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

[111]**Reinstated w.e.f. March 28, 2022.**

[110A] Inserted w.e.f. September 11, 2026

12.7. [112] FREEZING/ UNFREEZING OF AN ACCOUNT AND/OR ISIN AND/ OR SPECIFIC NUMBER OF SECURITIES UNDER AN ISIN

12.7.1. FREEZING OF AN ACCOUNT AND/OR ISIN AND/OR SPECIFIC NUMBER OF SECURITIES UNDER AN ISIN

12.7.1.1. A Client may freeze its account and/or the ISIN and/or specific number of securities by making a request:

(a) in the form specified in Form 33, to its Participant; or

(b) electronically, to its Participant or to the Depository in the form and manner as may be prescribed by the Depository.

Provided however that, the Client shall submit such a request to its Participant or to the Depository, at least one clear working day prior to the date of freeze. (e.g.; if the Client wishes to freeze its account with effect from Friday, such instruction must be given latest by Wednesday).

12.7.1.2. The Participant, before executing the instruction received from its Client as per Rule 12.7.1.1.(a) into the DPM (DP), shall ensure that the form is duly filled in and the signature(s) of the Client(s) is/are valid.

12.7.1.3. The Participant shall freeze the account of its Client and/or the ISIN and/or specific number of securities through the DPM (DP), on receipt of;

(a) instructions received from its Client as per rule 12.7.1.1; or

(b) written instructions from the Depository; or

(c) orders received from the Central or State Government, the Securities and Exchange Board of India; or

(d) any order passed by a court, tribunal, or any other statutory authority.

Notes:

[112] **Amended w.e.f. February 18, 2003. Prior to this amendment, Rule 12.7 read as follows:**
12.7. FREEZING OF AN ACCOUNT
12.7.1. # A Client may freeze its account in the manner provided under the Bye Laws by making an application to the Participant in the form specified in Annexure P. The Client may unfreeze its account frozen in the manner specified in the Bye Laws by making an application in the form specified in Annexure P.

Amended w.e.f. December 27, 2001. Prior to this amendment, Rule 12.7.1 read as follows:
12.7.1. A Client may freeze its account in the manner provided under the Bye Laws by making an application to the Participant in the form specified in Annexure P. The Client may defreeze its account frozen in the manner specified in the Bye Laws by making an application in the form specified in Annexure P.
12.7.1. The Participant shall ensure that the form is complete and the signature of the Client is valid.
12.7.1. ## A Client may give an electronic instruction to freeze its account in the form and manner as may be prescribed by the Depository at least one clear working day prior to the date on which such freeze should be effected. On receipt of such instruction, within the stipulated time, the Depository shall freeze the account. The Client may unfreeze such an account only by giving an electronic instruction to the Depository in the form and manner prescribed by the Depository at least one clear working day prior to the date on which such unfreeze should be effected. Based on the request, the Depository shall unfreeze the account. (For e.g.; if the Client wishes to freeze/unfreeze its account with effect from Friday, such electronic instruction must be given latest by Wednesday).
##- Inserted w.e.f. December 27, 2001.

12.7.1.4. The Depository shall freeze the account of a Client and/or the ISIN and/or specific number of securities through the Depository Module;

(a) on receipt of instruction from a Client as per Rule 12.7.1.1; or

(b) on receipt of orders received from the Central or State Government, the Securities and Exchange Board of India or any orders passed by a court, tribunal, or any other statutory authority; or

(c) at the request of a Participant.

12.7.1.5. The Depository shall, on its own through the Depository Module, freeze the Participant's own account and/or the ISIN and/or specific number of securities, to the extent of the securities held in the Participant's name or advise the Participant to do so through its DPM (DP) under the following circumstances:

a) on the basis of the orders received from the Central or State Government or the Securities and Exchange Board of India or any court or tribunal or any other statutory authority in this regard; or

b) on the basis of the orders passed by the Depository as set out in Chapter 11 of the Bye Laws; or

c) the Participant has become insolvent, bankrupt or in case the Participant is a body corporate, it being wound up.

12.7.2. UNFREEZING OF AN ACCOUNT AND/OR ISIN AND/OR SPECIFIC NUMBER OF SECURITIES UNDER AN ISIN

12.7.2.1. The Client may unfreeze its account and/or the ISIN and/or specific number of securities frozen:

(a) as per Rule 12.7.1.1 (a), only by making such request in the form specified in Form 33 to its Participant;

(b) as per Rule 12.7.1.1 (b), only by making a request electronically to its Participant or to the Depository, as the case may be, in the form and manner as may be prescribed by the Depository.

Provided however that, the Client shall submit such a request to its Participant or to the Depository, at least one clear working day prior to the date of unfreeze. (e.g.; if the Client wishes to unfreeze its account with effect from Friday, such instruction must be given latest by Wednesday).

12.7.2.2. The Participant, before executing the instruction received from its Client as per Rule 12.7.2.1 (a), shall ensure that the form is duly filled in and the signature(s) of the Client(s) is/are valid.

12.7.2.3. The Participant may unfreeze an account and/or the ISIN and/or specific number of securities, frozen under the Rules 12.7.1.3 and 12.7.1.5 through the DPM(DP) on the basis of instructions received from the Client as per the Rule 12.7.2.1 or on receipt of written instructions, from the Depository or on receipt of order to that effect received from the relevant statutory authority.

12.7.2.4. The Depository may also unfreeze an account and/or the ISIN and/or specific number of securities, frozen under the Rules 12.7.1.3, 12.7.1.4 and 12.7.1.5 through the Depository Module, on the basis of instructions from the Client as per Rule 12.7.2.1 or on receipt of orders received from the relevant statutory authority.

12.7.3. [113] FREEZING OF SECURITIES IN FAVOUR OF A CLEARING MEMBER

12.7.3.1. The Client may give an instruction electronically to the Participant to freeze specific number of securities in its account till a pre-determined time in a manner as may be prescribed by the Depository such that it can be unfrozen or can be debited to credit the account of a Clearing Member pre-registered by the Client.

12.7.3.2 Upon receipt of instructions from the Client as specified at 12.7.3.1, the Depository shall execute the request for freezing of specific number of securities in its account till the pre-determined time prescribed by the Depository.

12.7.3.3 The Clearing Member pre-registered by the Client at 12.7.3.1 may at any time prior to the pre-determined time submit an instruction electronically in a manner prescribed by the Depository to debit and receive specific number securities or less to the extent frozen by the Client in its account as per Rule 12.7.3.1.

12.7.3.4 Upon receipt of instructions from the pre-registered Clearing Member prior to the pre-determined time, the Depository shall execute the request for debiting the specific number of securities or less to the extent frozen by the Client in its account as per Rule 12.7.3.1 and crediting the securities to the account of the pre-registered Clearing Member.

12.7.3.5 In case no instruction is received from the pre-registered Clearing Member prior to the pre-determined time, the Depository shall unfreeze the specific number of securities frozen in the account of the Client as per Rule 12.7.3.1.

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 [114] The Participant shall execute the request for closure into the DPM (DP) within 2 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.

Notes:

[113]Inserted w.e.f. November 1, 2013.

[114] Amended w.e.f. April 4, 2014. Prior to this amendment, Rule 12.8.3 was inserted w.e.f. April 15, 2013 and read as follows:
The Participant shall execute the request for closure into the DPM (DP) within 30 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.

Amended w.e.f. April 4, 2014. Prior to this amendment, Rule 12.8.3 was inserted w.e.f. April 15, 2013 and read as follows:
12.8.3 The Participant shall execute the request for closure into the DPM (DP) within 7 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.

Amended w.e.f. December 31, 2025. Prior to this amendment, Rule 12.8.3 was read as follows:
The Participant shall execute the request for closure into the DPM (DP) within 30 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.

12.9. [115] PLEDGE

12.9.1. The Participant of the pledgor shall request creation of pledge on receipt of the pledge creation form as laid out in Form 28 from the pledgor.

12.9.2. The Participant of the pledgee shall request confirmation of creation of pledge on receipt of the pledge creation confirmation form as laid out in Form 28 from the pledgee.

12.9.3. On receipt of the request and confirmation for creation of pledge from the pledgor and pledgee respectively through their Participants, the Depository may create the pledge.

12.9.4. [116] The Participant of the pledgor or the pledgee shall request closure of pledge on receipt of the pledge closure form as laid out in Form 28 from the pledgor or the pledgee, as the case may be.

12.9.5. [117] For the pledge closure request received from the pledgor, the Participant of the pledgee shall request confirmation of closure of pledge on receipt of the pledge closure confirmation form as laid out in Form 28, from the pledgee.

Provided however that for the pledge closure request received from the pledgee, no separate confirmation for closure of pledge is required.

12.9.6. [118] In case when the pledge closure request is received from the pledgor, on receipt of confirmation of closure of pledge from the pledgee through the Participant, the Depository may close the pledge.

12.9.7. [119] In case when the pledge closure request is received from the Participant of the pledgee, the Depository may close the pledge.

12.9.8. [120] The Participant of the pledgee shall request invocation of pledge on receipt of the pledge invocation form as laid out in Form 28 from the pledgee.

12.9.9. [121] On receipt of the request for invocation of pledge from the pledgee through its Participant, the Depository may amend its records.

12.9.10. [122] The aforementioned forms submitted by the pledgor and pledgee shall be checked by the Participant to ensure the completeness of the form and validity of the signature of the pledgor or pledgee before the requests on these forms are executed.

Notes:

[115]Inserted w.e.f. July 22, 1997.

[116]Amended w.e.f. April 3, 2003. Prior to this amendment, Rule 12.9.4 read as follows:
12.9.4. The Participant of the pledgor shall request closure of pledge on receipt of the pledge closure form as laid out in Annexure W from the pledgor.

[117]Amended w.e.f. April 3, 2003. Prior to this amendment, Rule 12.9.5 read as follows:
12.9.5. The Participant of the pledgee shall request confirmation of closure of pledge on receipt of the pledge closure confirmation form as laid out in Annexure W from the pledgee.

[118]Amended w.e.f. April 3, 2003. Prior to this amendment, Rule 12.9.6 read as follows:
12.9.6. On receipt of the request and confirmation for closure of pledge from the pledgor and pledgee respectively through their Participants, the Depository may close the pledge.

[119]Inserted w.e.f. April 3, 2003.

[120]Rule 12.9.7 has been renumbered as 12.9.8 w.e.f. April 3, 2003.

[121]Rule 12.9.8 has been renumbered as 12.9.9 w.e.f. April 3, 2003.

[122]Rule 12.9.9 has been renumbered as 12.9.10 w.e.f. April 3, 2003.

12.10. [123] HYPOTHECATION

12.10.1. The Participant of the hypothecator shall request creation of hypothecation on receipt of the hypothecation creation form as laid out in Form 28 from the hypothecator.

12.10.2. The Participant of the hypothecatee shall request confirmation of creation of hypothecation on receipt of the hypothecation creation confirmation form as laid out in Form 28 from the hypothecatee.

12.10.3. On receipt of the request and confirmation for creation of hypothecation from the hypothecator and hypothecatee respectively through their Participants, the Depository may create the hypothecation.

12.10.4. [124] The Participant of the hypothecator or the hypothecatee shall request closure of hypothecation on receipt of the hypothecation closure form as laid out in Form 28 from the hypothecator or the hypothecatee, as the case may be.

12.10.5. [125] For the hypothecation closure request received from the hypothecator, the Participant of the hypothecatee shall request confirmation of closure of hypothecation on receipt of the hypothecation closure confirmation form as laid out in Form 28, from the hypothecatee.

Provided however that for the hypothecation closure request received from the hypothecatee, no separate confirmation for closure of hypothecation is required.

12.10.6. [126] In case when the hypothecation closure request is received from the hypothecator, on receipt of confirmation of closure of hypothecation from the hypothecatee through the Participant, the Depository may close the hypothecation.

12.10.7. [127] In case when the hypothecation closure request is received from the Participant of the hypothecatee, the Depository may close the hypothecation.

12.10.8. [128] The Participant of the hypothecatee shall request invocation of hypothecation on receipt of the hypothecation invocation form as laid out in Form 28 from the hypothecatee.

12.10.9. [129] The Participant of the hypothecator shall request confirmation of invocation of hypothecation on receipt of the hypothecation invocation confirmation form as laid out in Form 28 from the hypothecator.

12.10.10. [130] On receipt of the request and confirmation for invocation of hypothecation from the hypothecatee and hypothecator respectively through their Participants, the Depository may amend its records.

12.10.11. [131] The aforementioned forms submitted by the hypothecator and hypothecatee shall be checked by the Participant to ensure the completeness of the form and validity of the signature of the hypothecator or hypothecatee before the requests on these forms are executed.

Notes:

[123]Inserted w.e.f. July 22, 1997.

[124]Amended w.e.f. April 3, 2003. Prior to this amendment, Rule 12.10.4 read as follows:
12.10.4. The Participant of the hypothecator shall request closure of hypothecation on receipt of the hypothecation closure form as laid out in Annexure W from the hypothecator.

[125]Amended w.e.f. April 3, 2003. Prior to this amendment, Rule 12.10.5 read as follows:
12.10.5. The Participant of the hypothecatee shall request confirmation of closure of hypothecation on receipt of the hypothecation closure confirmation form as laid out in Annexure W from the hypothecatee.

[126]Amended w.e.f. April 3, 2003. Prior to this amendment, Rule 12.10.6 read as follows:
12.10.6. On receipt of the request and confirmation for closure of hypothecation from the hypothecator and hypothecatee respectively through their Participants, the Depository may close the hypothecation.

[127]Inserted w.e.f. April 3, 2003.

[128]Rule 12.10.7 has been renumbered as 12.10.8 w.e.f. April 3, 2003.

[129]Rule 12.10.8 has been renumbered as 12.10.9 w.e.f. April 3, 2003.

[130]Rule 12.10.9 has been renumbered as 12.10.10 w.e.f. April 3, 2003.

[131]Rule 12.10.10 has been renumbered as 12.10.11 w.e.f. April 3, 2003.

12.11. [132] TRANSACTION IN GOVERNMENT SECURITIES

12.11.1. [133] The Participant shall effect a debit or credit to the accounts of its Clients only on receipt of proper authorisation from the Clients in the forms laid out in Form 12, Form 14, Form 15, Form 16, Form 36 and Form 37. Alternatively, a Client may give standing instructions to its Participant to credit its account.

12.11.2. [134] In case of purchase of Government Securities by a Client from seller holding securities in an SGL account with other eligible entity, the Client shall submit, to the Participant, purchase instruction in the format given in Form 27. The Client shall also make necessary funds available to the Depository for the purchase of these securities.

12.11.3. [135] In case of sale of Government Securities by a Client to a buyer who maintains an SGL account with other eligible entity, the Client shall submit to the Participant, Sale Instruction in the format given in Form 26. The Depository shall make necessary funds available to the Client against sale of these securities.

12.12. [136] CORPORATE BENEFITS WITH RESPECT TO GOVERNMENT SECURITIES

12.12.1. The Depository shall inform all the Participants about the shut period (book closure) for Government Securities as and when scheduled by RBI.

Notes:

[132] **Original Rule 12.18 which was inserted w.e.f. November 12, 1998 has been renumbered as 12.11 w.e.f. May 10, 2008.**

[133] **Amended w.e.f February 4, 1999. Prior to this amendment, Rule 12.11.1 read as follows:**
12.11.1. The Participant shall effect a debit or credit to the accounts of its Clients only on receipt of authorisation from the Clients in the forms laid down in Annexures L, M and N as the case may be.

[134] **Amended w.e.f. February 24, 1999. Prior to this amendment, Rule 12.11.2 read as follows:**
12.11.2. In case of purchase of Government Securities by a Client from another holder of Government Securities in an SGL account with other eligible entity, the Client shall submit, to the Participant, DRF-GS alongwith the enclosures prescribed by the Depository in Annexures U and UE. The Client shall also make necessary funds available to the Depository for the purchase of these securities.

[135] **Amended w.e.f. February 24, 1999. Prior to this amendment, Rule 12.11.3 read as follows:**
12.11.3. In case of sale of Government Securities by a Client to another, who maintains an SGL account with other eligible entity, the Client shall submit to the Participant, RRF-GS alongwith enclosures as prescribed in Annexure UD. The Depository shall make necessary funds available to the Client against sale of these securities.

[136] **Original Rule 12.19 which was inserted w.e.f. November 12, 1998 has been renumbered as 12.12 w.e.f. May 10, 2008.**

***Original Rule 12.11 has been deleted w.e.f. May 10, 2008. Prior to deletion, Original Rule 12.11 which was inserted w.e.f. November 12, 1998 read as follows:**

12.11. INTERMEDIARY ACCOUNT

12.11.1. An Intermediary may deal in the Depository system as an Intermediary only through a special account it has opened with a [100] Participant.

12.11.2. An Intermediary Account may be opened with the Participant only after the Intermediary has obtained registration from the [101] Securities & Exchange Board of India and with the prior approval of the Depository.

12.11.3. No Intermediary shall move securities from its Intermediary Account to any other account except as per the procedure [102] described hereinafter.

12.11.4. In case the Intermediary is itself a Participant, then the Intermediary may not submit the form specified under Rule 12.12 to Rule 12.17. However, it may keep such records relating to securities lending as it may deem appropriate.

***Original Rule 12.12 has been deleted w.e.f. May 10, 2008. Prior to deletion, Original Rule 12.12 which was inserted w.e.f. November 12, 1998 read as follows:**

[103] 12.12. DEPOSIT OF SECURITIES BY THE LENDER WITH THE INTERMEDIARY

12.12.1. The Participant of the lender shall execute the instructions for deposit of securities by the lender with the Intermediary on [104] receipt of securities lending form for lender/ borrower, as laid out in Annexure X from the lender.

12.12.2. On receipt of intimation for deposit of securities from the Participant of the lender, the Depository may block the securities in the lender's account in favour of the Intermediary and inform the Participant of the Intermediary.

12.12.3. After receiving intimation from the Depository for the blocking of securities, the Participant of the Intermediary shall [105] inform the Intermediary accordingly.

12.12.4. The Participant of the Intermediary shall execute the instructions for acceptance/ rejection of deposit of securities on
106 receipt of securities lending form for Intermediary as laid out in Annexure XX from the Intermediary.
12.12.5. On receipt of intimation for acceptance of deposit of securities from the Participant of the Intermediary, the Depository
107 may move the securities from the lender's account to the Intermediary's account and inform the Participant of the lender.
12.12.6. On receipt of intimation for rejection of deposit of securities from the Participant of the Intermediary, the Depository may
108 remove the blocking of securities created in the lender's account and inform the Participant of the lender.
12.12.7. After receiving the intimation for acceptance/rejection of deposit of securities from the Depository, the Participant of the lender shall inform the lender accordingly.
12.12.8. The aforementioned forms submitted by the lender and the Intermediary shall be checked by the Participant to ensure the completeness of the form and validity of the signature of the lender and the Intermediary before the requests on these forms are executed.

***Original Rule 12.13 has been deleted w.e.f. May 10, 2008. Prior to deletion, Original Rule 12.13 which was inserted w.e.f. November 12, 1998 read as follows:**

12.13. LENDING OF SECURITIES BY THE INTERMEDIARY TO THE BORROWER

12.13.1. The Participant of the borrower shall execute the instructions for lending of securities by the Intermediary to the borrower on receipt of securities lending form for lender/borrower as laid down in Annexure X from the borrower.
12.13.2. After receiving intimation from the Depository for lending of securities, the Participant of the Intermediary shall inform the Intermediary accordingly.
12.13.3. # The Participant of the Intermediary shall execute the instruction for acceptance/ rejection of lending of securities on receipt of Securities Lending Form for Intermediary as laid down in Annexure XX, from the Intermediary. Provided however that in case Clearing Corporation as an Intermediary borrows securities in its CC Account for the purpose of meeting shortages arising out of pay-in obligations of the Clearing Members, then the Depository will automatically create an instruction for acceptance of lending of securities.

 # Amended w.e.f. April 3, 2003. Prior to this amendment, Rule 12.13.3 read as follows:

12.13.3. The Participant of the Intermediary shall execute the instructions for acceptance/ rejection of lending of securities on receipt of securities lending form for Intermediary as laid down in Annexure XX from the Intermediary.

12.13.4. ## On receipt of intimation for acceptance of lending of securities from the Participant of the Intermediary, the Depository may move the securities from the Intermediary's account to the borrower's account and shall inform the Participant of the borrower. Provided however that if the Intermediary account of the Clearing Corporation has sufficient balance, the Depository will move the securities to the CC Account.
12.13.5. After receiving the intimation for acceptance/rejection of lending of securities from the Depository, the Participant of the borrower shall inform the borrower accordingly.
12.13.6. The aforementioned forms submitted by the Intermediary and the borrower shall be checked by the Participant to ensure the completeness of the form and validity of the signature of the Intermediary and the borrower before the requests on these forms are executed.

Amended w.e.f. April 3, 2003. Prior to this amendment, Rule 12.13.4 read as follows:

12.13.4. On receipt of intimation for acceptance of lending of securities from the Participant of the Intermediary, the Depository may move the securities from the Intermediary's account to the borrower's account and shall inform the Participant of the borrower.

*** Original Rule 12.14 has been deleted w.e.f. May 10, 2008. Prior to deletion, Original Rule 12.14 which was amended w.e.f. April 3, 2003 read as follows:**

12.14. REPAYMENT OF SECURITIES BY THE BORROWER TO THE INTERMEDIARY

12.14.1. In case the borrower repays the securities to the Intermediary using securities lending module of the DPM system, then;
12.14.1.1. The Participant of the borrower shall execute the instructions for repayment of securities by the borrower to the Intermediary on receipt of Securities Lending Form for Lender/Borrower as laid down in Annexure X, from the borrower.
12.14.1.2. If the borrower's account has sufficient balance, the Depository may automatically create an instruction for acceptance of repayment of securities and move securities from the borrower's account to the Intermediary's account and inform the Participant of the Intermediary.
12.14.1.3. After receiving the intimation for repayment of securities from the Depository, the Participant of the Intermediary shall inform the Intermediary accordingly.
12.14.2. In case the borrower repays the securities to the Intermediary outside the securities lending module of the DPM system, then;
12.14.2.1. The Participant of the borrower shall execute the instructions for repayment of securities on receipt of Securities Lending Form for Lender/Borrower as laid down in Annexure X from the borrower. 12.14.2.2. On receipt of the intimation for repayment of securities from the Participant of the borrower, the Depository may inform the Participant of the Intermediary who in turn shall inform the Intermediary accordingly.
12.14.2.3. The Participant of the Intermediary shall execute the instruction for acceptance/ rejection of repayment of securities on receipt of Securities Lending Form for Intermediary as laid down in Annexure XX from the Intermediary.
12.14.2.4. On receipt of intimation for acceptance/rejection of repayment of securities from the Participant of the Intermediary, the Depository may amend its records accordingly and inform the Participant of the Intermediary who in turn shall inform the Intermediary.
12.14.3. The aforementioned forms submitted by the Intermediary and the borrower as the case may be, shall be checked by the Participant to ensure the completeness of the form and validity of the signature of the Intermediary and the borrower before the requests on these forms are executed.

Prior to this amendment, Rule 12.14 as inserted w.e.f. November 12, 1998 read as follows:

12.14. REPAYMENT OF SECURITIES BY THE BORROWER TO THE INTERMEDIARY

12.14.1. The Participant of the borrower shall execute the instructions for repayment of securities by the borrower to the Intermediary on receipt of securities lending form for lender/borrower as laid down in Annexure X from the borrower.
12.14.2. On receipt of intimation for repayment of securities from the Participant of the borrower, the Depository may block the securities in the account of the borrower in favour of the Intermediary and inform the Participant of the Intermediary.
12.14.3. After receiving intimation from the Depository for blocking the securities, the Participant of the Intermediary shall inform the Intermediary accordingly.
12.14.4. The Participant of the Intermediary shall execute the instructions for acceptance/ rejection of repayment of securities on receipt of securities lending form for Intermediary as laid down in Annexure XX from the Intermediary.
12.14.5. On receipt of intimation for acceptance of repayment of securities from the Participant of the Intermediary, the Depository may move the securities from the borrower's account to the Intermediary's account and inform the Participant of the Intermediary.
12.14.6. On receipt of intimation for rejection of repayment of securities from the Participant of the Intermediary, the Depository may remove the blocking of securities created in the borrower's account and inform the Participant of the borrower.
12.14.7. After receiving the intimation for acceptance/rejection of repayment of securities from the Depository,
the Participant of the Intermediary shall inform the Intermediary accordingly.
12.14.8. If the borrower repays the securities to the Intermediary outside the securities lending module of the DPM system, then on receipt of information thereof from the Participants of the borrower and the Intermediary, the Depository may amend its records accordingly.
12.14.9. The aforementioned forms submitted by the Intermediary and the borrower shall be checked by the Participant to ensure the completeness of the form and validity of the signature of the Intermediary and the borrower before the requests on these forms are executed.

***Original Rule 12.15 has been deleted w.e.f. May 10, 2008. Prior to deletion, Original Rule 12.15 which was inserted w.e.f. November 12, 1998 read as follows:**

12.15. RECALL OF SECURITIES BY THE INTERMEDIARY FROM THE BORROWER

12.15.1. The Participant of the Intermediary shall execute the instructions for recall of securities by the Intermediary from the borrower on receipt of securities lending form for Intermediary as laid down in Annexure XX from the Intermediary.
12.15.2. After receiving intimation from the Depository for the recall of securities, the Participant of the borrower shall inform the borrower accordingly.
12.15.3. The Participant of the borrower shall execute the instructions for acceptance/ rejection of recall of securities on receipt of securities lending form for lender/borrower as laid down in Annexure X from the borrower.
12.15.4. On receipt of intimation for acceptance of recall of securities from the Participant of the borrower, the Depository may move the securities from the borrower's account to the Intermediary's account and inform the Participant of the Intermediary.
12.15.5. After receiving the intimation for acceptance/rejection of recall of securities from the Depository, the Participant of the Intermediary shall inform the Intermediary accordingly.
12.15.6. If the Intermediary recalls the securities from the borrower outside the securities lending module of the DPM system, then on receipt of information thereof from the Participants of the borrower and the Intermediary, the Depository may amend its records accordingly.
12.15.7. The aforementioned forms submitted by the Intermediary and the borrower shall be checked by the Participant to ensure the completeness of the form and validity of the signature of the Intermediary and the borrower before the requests on these forms are executed..

***Original Rule 12.16 has been deleted w.e.f. May 10, 2008. Prior to deletion, Original Rule 12.16 which was amended w.e.f. April 3, 2003 read as follows:**

12.16. REPAYMENT OF SECURITIES BY THE INTERMEDIARY TO THE LENDER

12.16.1. In case the Intermediary repays the securities to the lender using securities lending module of the DPM system, then;
12.16.1.1. The Participant of the Intermediary shall execute the instructions for repayment of securities by the Intermediary to the lender on receipt of Securities Lending Form for Intermediary as laid down in Annexure XX, from the Intermediary.
12.16.1.2. If the Intermediary's account has sufficient balance, the Depository may automatically create an instruction for acceptance of repayment of securities and move the securities from the Intermediary's account to the lender's account and inform the Participant of the lender.
12.16.1.3. After receiving the intimation for repayment of securities from the Depository, the Participant of the lender shall inform the lender accordingly.
12.16.2. In case the Intermediary repays the securities to the lender outside the securities lending module of the DPM system, then;
12.16.2.1. The Participant of the Intermediary shall execute the instruction for repayment of securities on receipt of Securities Lending Form for Intermediary as laid down in Annexure XX from the Intermediary. 12.16.2.2. On receipt of intimation for repayment of securities from the Participant of the Intermediary, the Depository may inform the Participant of the lender who in turn shall inform the lender accordingly.
12.16.2.3. The Participant of the lender shall execute the instruction for acceptance/ rejection of repayment of securities on receipt of Securities Lending Form for Lender/ Borrower as laid down in Annexure X from the lender.
12.16.2.4. On receipt of intimation for acceptance/rejection of repayment of securities from the Participant of the lender, the Depository may amend its records accordingly and inform the Participant of the Intermediary who in turn shall inform the Intermediary accordingly.
12.16.3. The aforementioned forms submitted by the lender and the Intermediary as the case may be, shall be checked by the Participant to ensure the completeness of the form and validity of the signature of the lender and the Intermediary before the requests on these forms are executed.

Prior to this amendment, Rule 12.16 as inserted w.e.f. November 12, 1998 read as follows:

12.16. REPAYMENT OF SECURITIES BY THE INTERMEDIARY TO THE LENDER

12.16.1. The Participant of the Intermediary shall execute the instructions for repayment of securities by the Intermediary to the lender on receipt of securities lending form for Intermediary as laid down in Annexure XX from the Intermediary.
12.16.2. On receipt of intimation for repayment of securities from the Participant of the Intermediary, the Depository may block the securities in the Intemediary's account in favour of the lender and inform the Participant of the lender.
12.16.3. After receiving intimation from the Depository for the blocking of securities, the Participant of the lender shall inform the lender accordingly.
12.16.4. The Participant of the lender shall execute the instructions for acceptance/ rejection of repayment of securities on receipt of securities lending form for lender/ borrower as laid down in Annexure X from the lender.
12.16.5. On receipt of intimation for acceptance of repayment of securities from the Participant of the lender, the Depository may move the securities from the Intermediary's account to the lender's account and inform the Participant of the lender.
12.16.6. On receipt of intimation for rejection of repayment of securities from the Participant of the lender, the Depository may remove the blocking of securities created in the Intermediary's account and inform the Participant of the Intermediary.
12.16.7. After receiving the intimation for acceptance/rejection of repayment of securities from the Depository, the Participant of the Intermediary shall inform the Intermediary accordingly.
12.16.8. If the Intermediary repays the securities to the lender outside the securities lending module of the DPM system, then on receipt of information thereof from the Participants of the lender and the Intermediary, the Depository may amend its records accordingly.
12.16.9. The aforementioned forms submitted by the lender and the Intermediary shall be checked by the Participant to ensure the completeness of the form and validity of the signature of the lender and the Intermediary before the requests on these forms are executed.

***Original Rule 12.17 has been deleted w.e.f. May 10, 2008. Prior to deletion, Original Rule 12.17 which was inserted w.e.f. November 12, 1998 read as follows:**

12.17. RECALL OF SECURITIES BY THE LENDER FROM THE INTERMEDIARY

12.17.1. The Participant of the lender shall execute the instructions for recall of securities by the lender from the Intermediary on receipt of securities lending form for lender/ borrower as laid down in Annexure X from the lender.
12.17.2. After receiving intimation from the Depository for recall of securities, the Participant of the Intermediary shall inform the Intermediary accordingly.
12.17.3. The Participant of the Intermediary shall execute the instructions for acceptance/ rejection of recall of securities on receipt of securities lending form for Intermediary as laid down in Annexure XX from the Intermediary.
12.17.4. On receipt of intimation for acceptance of recall of securities from the Participant of the Intermediary, the Depository may move the securities from the Intermediary's account to the lender's account and inform the Participant of the lender.
12.17.5. After receiving the intimation for acceptance/rejection of recall of securities from the Depository, the Participant of the lender shall inform the lender accordingly.
12.17.6. If the lender recalls the securities from the Intermediary outside the securities lending module of the DPM system, then on receipt of information thereof from the Participants of the lender and the Intermediary, the Depository may amend its records accordingly.
12.17.7. The aforementioned forms submitted by the lender and the Intermediary shall be checked by the Participant to ensure the completeness of the form and validity of the signature of the lender and the Intermediary before the requests on these forms are executed.

12.12.2. All Participants must ensure that:

i) changes such as bank details, change of address, etc. in the beneficial owner accounts are updated well in advance of the interest payment and/or redemption payment due date;

ii) They remain connected till the EOD of the interest payment due date and/or redemption payment due date.

12.12.3. The Depository shall distribute the interest to the Clients who have balances in Government Securities, for which interest payment is due, at the EOD of the interest payment due date, after the same has been made available to the Depository by RBI.

12.12.4. The Depository shall pay the redemption amount to the Clients who have balances in Government Securities, due for redemption, at the EOD of the redemption due date, after the redemption amount have been made available to the Depository by RBI.

12.12.5. The amount mentioned at 12.12.3 and 12.12.4 shall be paid by the Depository to the Clients directly or to the bank account of the Client as per the details given in the Account opening form.

12.13. [137] INTER DEPOSITORY TRANSFER OF SECURITIES

12.13.1. Instruction in respect of inter-depository transfers shall be executed by the Participants on receipt of a duly filled in inter-depository transfer instruction forms from Clients, Clearing Members, Trading Members and Portfolio Managers for delivery and receipt of securities. The specimen of these forms have been laid out in Form 15 and Form 17 respectively. However, for receiving credits to its account, a Client, Clearing Member, Trading Members and Portfolio Managers may give standing instructions to its Participant.

12.13.2. The Participant should check for the completeness of the forms and validity of the signature of the Client, Clearing Member, Trading Member and Portfolio Manager before the instructions are executed.

Notes:

[137] **Amended w.e.f May 16, 2022. Prior to this amendment, Rule 12.13 read as follows:**

12.13. INTER DEPOSITORY TRANSFER OF SECURITIES

12.13.1. Instruction in respect of inter-depository transfers shall be executed by the Participants on receipt of a duly filled in inter-depository transfer instruction forms from Clients and Clearing Members for delivery and receipt of securities. The specimen of these forms have been laid out in Form 15 and Form 17 respectively. However, for receiving credits to its account, a Client and Clearing Member may give standing instructions to its Participant.

12.13.2. The Participant should check for the completeness of the forms and validity of the signature of the Client and Clearing Member before the instructions are executed.

Original Rule 12.20 which was inserted w.e.f. August 17, 1999 has been renumbered as 12.13 w.e.f. May 10, 2008.

***Original Rule 12.21 which was inserted w.e.f. April 27, 2002 has been renumbered as 12.14 w.e.f. May 10, 2008 & deleted w.e.f. September 1, 2009. Prior to deletion Rule 12.14 read as follows:**

12.14. DEFERRED DELIVERY ORDER

12.14.1. The Participant, on receipt of the Deferred Delivery Order (hereinafter referred to as DDO) initiation form as laid down in Annexure LA, from the Client who intends to transfer securities, may initiate the DDO instruction.

12.14.2. On receipt of the intimation for initiation of the DDO instruction from the Participant, the Depository may block the securities lying in the delivering Client's account in favour of the receiving Client and inform the Participant of the receiving Client accordingly.

12.14.3. The Participant of the delivering Client, on receipt of the DDO confirmation form as laid down in Annexure LA, from the delivering Client, may confirm the DDO instruction.

12.14.4. On receipt of a duly filled in securities transfer instruction form for receipt, as laid down in Annexure M, from the receiving Client, the Participant of the receiving Client may execute the instruction for receipt of securities. Alternatively, a Client may give standing instructions to its Participant to credit its account.

12.14.5. On receipt of confirmation of the DDO instruction from the delivering Client and securities transfer instruction for receipt from the receiving Client through their respective Participants, the Depository may effect transfer of securities.

12.14.6. The Participants should check for the completeness of the forms and the validity of the signature of the Clients before executing the instructions.

12.14. [138] RECTIFICATION OF ERRONEOUS TRANSFERS

12.14.1. The Participant / Clearing Corporation / Clearing House from where the erroneous transfer emanated, may request the Depository in the form specified in FORM 29, to initiate such preventive measures including restraining the receiving Client from transferring and/or creating any interest / rights / encumbrance in favour of any third person(s) with respect to the securities transferred erroneously.

12.14.2. The Participant / Clearing Corporation / Clearing House making such a request shall furnish an indemnity to the Depository in the form specified in FORM 29.

12.14.3. The Depository reserves the right to advise the Participant of the receiving Client to initiate preventive measures for a period of seven business days or such number of days as may be decided by the Depository on a case by case basis, by restraining the receiving Client from transferring and/or creating any interest / rights / encumbrance in favour of any third person(s) with respect to the securities transferred erroneously.

12.14.4. The Participant/ Clearing Corporation / Clearing House shall comply with such procedures as may be prescribed by the Depository from time to time, for rectification of such erroneous transfers.

12.14.5. Upon the Participant/Clearing Corporation/ Clearing House complying with the procedure as per Rule 12.14.4, the Depository may advise the Participant of the receiving Client to initiate reversal of securities transferred erroneously.

Provided however that if the Participant / Clearing Corporation / Clearing House fails to comply with Rule 12.14.4 within the period as specified under Rule 12.14.3, the Depository may advise the Participant of the receiving Client to revoke the restraining instructions as given under 12.14.3.

12.14.6. The Depository may impose a penalty on the Participant / Clearing Corporation Clearing House for furnishing any incorrect information under Rules 12.14.1 and 12.14.4.

12.15 [139] HOLD ON SECURITIES FOR NON-DISPOSAL UNDERTAKING OR NON-DISPOSAL AGREEMENT

12.15.1. When a client intends to create a hold on his securities for non-disposal undertaking or non-disposal agreement in favour of another party, the client and the other party must have an account with the depository to create hold on securities. However, the client and the other party may have accounts with two different Participants.

12.15.2. The Participant of the Client shall request creation of hold on the securities of Client in favor of other party on receipt of hold creation form as laid out in FORM 39 jointly from the Client and the other party specifying the cooling period for release of hold.

Explanation:

(1) The cooling period for release of hold must be specified by the client and the other party, which must be in number of clear business days, which may either be two, three or four clear business days.

(2) Clear business days shall mean all days other than Saturdays, Sundays and trading holidays for cash equities.

12.15.3. The Participant of other party shall request confirmation of creation of hold on receipt of form as laid out in FORM 39.

12.15.4. On receipt of the request and confirmation for creation of hold from the Client and other party respectively through their Participants, the Depository may create the hold on the securities.

12.15.5. The Participant of the Client shall request release of hold on receipt of the hold release form as laid out in FORM 39 jointly from the Client and other party for specified securities.

12.15.6. For hold release request received from the Client and other party, the Participant of the other party shall request confirmation of hold release on receipt of the hold release confirmation form as laid out in FORM 39, from the other party.

12.15.7. On receipt the request and confirmation of hold release from the Client and other party respectively through their Participants, the Depository may release the hold for specified securities on the next business day of the expiry of cooling period specified.

12.15.8. The aforementioned forms submitted by the Client and other party shall be checked by the Participant to ensure the completeness of the form and validity of the signature of the Client as well as other party before the requests on these forms are executed.

Notes:

[138]Inserted w.e.f February 8, 2018.

[139]Original Rule 12.22 which was inserted w.e.f. September 2, 2002 has been renumbered as 12.15 w.e.f. May 10, 2008 & Rule 12.15 has been renumbered as Rule 12.14 w.e.f. Sept. 1, 2009.

12.16 [140A]MARGIN PLEDGE

12.16.1 For the purpose of this Rule for margin pledge, the Client, Trading Member or the Clearing Member shall be the pledger acting in such capacity and the Trading Member, Clearing Member or the Clearing Corporation shall be the pledgee acting in such capacity.

12.16.2 The Participant of the pledger shall request initiation of margin pledge or re-pledge on receipt of the margin pledge form as laid out in Form 43 from the pledgor.

Provided that in case margin pledge is initiated by the Client for a specified segment, the re-pledge by the Trading Member or the Clearing Member for such securities shall be done for the same segment.

Provided further that in case the margin pledge is initiated by the Client for all segments, the re-pledge by the Trading Member or the Clearing Member for such securities shall be done for any segment.

12.16.3 The Participant of the pledgee shall request confirmation of initiation of margin pledge or re-pledge on receipt of the margin pledge form as laid out in Form 43 from the pledgee. Alternatively, pledgee may give standing instructions to its Participant to confirm the margin pledge.

12.16.4 On receipt of the request and confirmation for initiation of margin pledge or re-pledge from the pledgor and pledgee respectively through their Participants and acceptance of margin pledge by the client by way of One Time Password confirmation on registered mobile number or registered email ID of the client or other verifiable mechanism, the Depository may create the margin pledge.

Provided that in case the client has a joint account, any one holder may accept the margin pledge on behalf of the client

2.16.5 The Participant of the client shall request release of margin pledge on receipt of margin pledge form as laid out in Form 43 from the client. On receipt of request from the Participant for release of margin pledge, the Depository may intimate the Participant of the pledgee about the request for release.

12.16.6 The Participant of the pledgee shall release the margin pledge on receipt of margin pledge form as laid out in Form 43 from the pledgee. On receipt of request from the Participant of pledgee for release of margin pledge, the Depository may release the pledge vis-à-vis the concerned pledgee.

12.16.7 The Participant of the pledgee shall request Invocation and early pay-in / Invocation cum redemption / invocation of margin pledge or re-pledge on receipt of the margin pledge form for invocation as laid out in Form 43 from the pledgee.

12.16.8 The Depository, on receipt of a request under Rule 12.16.10, shall invoke the pledge or re-pledge and amend its record accordingly to register the pledgee as a beneficial owner of the securities and shall thereafter, send intimation of the same to the Participants of the pledgor and the pledgee.

12.16.9 The aforementioned forms submitted by the pledgor and pledgee shall be checked by the Participant to ensure the completeness of the form and validity of the signature of the pledgor or pledgee before the requests on these forms are executed.

12.16.10 The Trading Member or the Clearing Member may re-pledge the securities either for the full quantity for which the margin pledge was initiated or for partial quantity and the margin pledge may be released or invoked either for full quantity or for partial quantity.

12.16.11 The Depository may without requiring any specific instructions from the Client, transfer securities from the Client's account to the Trading Member / Clearing Member account towards pay-in obligations arising from Client delivery obligation or for redemption, in cases of release, invocation and early pay-in, or invocation of redemption requests initiated by the pledgee, as referred in Rules 12.16.6 and 12.16.7 above.

12.17 [141] CONVERSION OF PHYSICAL GOLD INTO EGR

12.17.1 A depositor shall make a request, to create EGR, through the Depository, by depositing physical gold with the Vault Manager. Based on the request of Depositor, the Vault Manager may, after satisfying the required criteria, as may be prescribed, accept physical gold and create EGR by recording relevant information in the common interface provided by the depository.

12.17.2 The EGR created shall be reflected in the demat account of the Client maintained with the Depository.

12.17.3 Every Client shall submit request to the Participant, or through other mode as may be prescribed, to convert physical gold into EGR in Deposit Request Form (DRF). The specimen of the DRF is given in Form 45.

12.17.4 The Depository will forward such request/s to the Vault Manager.

12.17.5 The Vault Manager may accept physical gold on satisfying himself that physical gold to be converted into EGR meets the criteria as prescribed by SEBI in its circulars, directions, and regulations or any other authority.

12.17.6 After conversion of physical gold into EGR, as per prescribed procedure, demat account of respective client will get credited with EGR.

12.18 [141] CONVERSION OF EGR INTO PHYSICAL GOLD

12.18.1 A Client shall submit the request to the Participant, or through other mode as may be prescribed, to convert EGR into physical gold in Withdrawal Request Form (WRF). The specimen of the WRF is given in Form 46.

12.18.2 The Depository will forward such request/s to the Vault Manager.

12.18.3 After conversion of EGR into physical gold, as per prescribed procedure, the demat account of respective Client will be debited with the quantity of EGRs converted into physical gold.

12.18.4 The Vault Manager shall deliver the physical gold to the Client subject to and in accordance with the procedure prescribed by SEBI from time to time.

12.19 [142A] AUTO PLEDGE FOR UNPAID SECURITIES OF CLIENT WITH TRADING MEMBER/CLEARING MEMBER

12.19.1 The Participant of the Trading Member/Clearing Member shall request the creation of an auto pledge in respect of unpaid securities alongwith instructions for pay-out of securities under Rule 13.8.4 on receipt of Form 22 from the Trading Member/Clearing Member.

12.19.2 On receipt of the request for the creation of an auto pledge from the Trading Member/Clearing Member through their Participants, the Depository may without any specific instructions from the Client, create the pledge.

12.19.3 The Participant of the Trading Member/Clearing Member shall request for release/invocation of pledge for full or partial quantity on receipt of 'Release of Pledge or Invocation / Release of pledge Cum Transfer Form' as laid out in Form 44 from the Trading Member/Clearing Member. Upon execution of instructions by the Participant, the pledge may be released or invoked as the case may be, and securities will be transferred, either in full or partial quantity as per the request of the Trading Member/Clearing Member.

Provided however that for the auto pledge release / release cum transfer (early pay-in) request received from the Trading Member/Clearing Member, no separate confirmation or instructions for release of auto pledge is required from the Client.

Provided further that for Invocation Cum Transfer request received from the Trading Member/Clearing Member, the Depository may transfer the securities from client account to Trading Member / Clearing Member Account for pay-in against Client delivery obligation, without any specific instructions from the Client.

12.19.4 The auto pledge which is not released/invoked within the specified period after the pay-out, the pledge on such securities shall be auto released and shall become available to the client's demat account, as free balance.

12.19.5 The aforementioned forms submitted by the Trading Member/Clearing Member shall be checked by the Participant to ensure completeness of the form and validity of the signature of the Trading Member/ Clearing Member before the requests on these forms are executed.

12.20 [143] PAY-OUT BY CLEARING CORPORATION

12.20.1 Based on the instructions received from the Clearing Corporation, the Depository shall credit the securities in the client's account(s).

12.20.2 In case of unpaid securities, upon receipt of instructions from the Clearing Corporation to auto-pledge such securities in the client's account(s) in favour of the Trading Member's / Clearing Member's "Client Unpaid Securities Pledgee Account (CUSPA)", the Depository shall do so without any specific instructions from the client.

12.21 [144] TRANSACTIONS IN UNITS OF ALTERNATIVE INVESTMENT FUNDS (AIF) UNDER "RESTRICTED TRANSFERABILITY"

12.21.1 An AIF intending to restrict off-market transfers and /or creation of pledge/margin pledge and/or hold under Non-Disposal Undertakings/Agreement (NDU) in the units of AIF, it shall do so by submitting a request to the Depository.

12.21.2 The Depository shall restrict the transferability in the units of AIF in respect of transactions as mentioned under the Rule 12.21.1 on receipt of request from an AIF.

12.21.3 The Depository shall remove the restriction of transferability in units of AIF, which is restricted under the Rule 12.21.2, on receipt of request from an AIF.

12.21.4 The request for transfer of units of AIF through off-market transfers and/or creation of pledge / margin pledge and/or hold under Non-Disposal Undertakings/Agreement (NDU) in units of AIF which is under "Restricted Transferability" shall be processed only after the approval of AIF/manager of the AIF

Notes:

[140A] **Inserted w.e.f. April 10, 2026**
Inserted w.e.f August 01, 2020.12.16.10 w.e.f August 17, 2020.

[141] **Inserted w.e.f August 10, 2023.**

[142A] **Inserted w.e.f. April 10, 2026**

Inserted w.e.f August 30, 2023.

[143] **Inserted w.e.f December 27, 2023.**

[144] **Inserted w.e.f May 02, 2024.**

12.22 [144A] TRANSACTIONS IN UNLISTED SECURITIES UNDER "RESTRICTED TRANSFERABILITY"

12.22.1 An Issuer (which is a private limited company) intends to restrict transfer and /or creation of pledge/margin pledge, and/or hypothecation and/or hold under encumbrance in unlisted securities, then it may do so by submitting a request to the Depository in the prescribed form.

12.22.2 Upon receipt of the request from an Issuer as per Rule 12.22.1, the Depository shall verify the request and if found in order, it will restrict the transferability or remove the restriction of the transferability in the unlisted securities.

12.22.3 The Issuer shall be responsible and liable for any action from any third party(ies) and shall indemnify the Depository in relation to the processing of request of Issuer under Rules 12.22.1 to 12.22.2 above.

12.23 [144B] FREEZING AND UNFREEZING OF UNLISTED SECURITIES BY ISSUER REQUEST

12.23.1 To meet certain statutory obligations, an Issuer (which is a private limited company) may freeze or unfreeze its unlisted securities, by submitting a written request to the Depository in the form and manner prescribed by the Depository.

12.23.2 Upon receipt of the request from an Issuer, the Depository shall verify the request and if found to be in order, it will freeze or unfreeze the unlisted securities of the Issuer.

12.23.3 The Issuer shall be responsible and liable for any action from any third party(ies) and shall indemnify the Depository in relation to the processing of request of Issuer under Rules 12.23.1 to 12.23.2 above.

13. [145] CONDUCT OF BUSINESS WITH THE CLEARING CORPORATION AND CLEARING MEMBERS, TRADING MEMBERS AND PORTFOLIO MANAGERS

13.1. [146] ADMISSION OF A CLEARING CORPORATION, A STOCK EXCHANGE OR A CLEARING HOUSE OF A STOCK EXCHANGE

13.1.1. [147] A Clearing Corporation or a Clearing House of a Stock Exchange may be admitted as a User on the Depository on entering into an agreement as laid down in Annexure E. However, in case of a Clearing House of a Stock Exchange, if such Clearing House is not a legal counter-party to the trades on the Exchange and the trade/settlement guarantee fund is held and managed by the Exchange, then the Clearing House may be admitted as a User on the Depository on entering into an agreement as laid down in Annexure F and if the Members/Dealers of the Exchange are not the Clearing Members of the Clearing House, the agreement as laid down in Annexure G will have to be entered.

Notes:

[144A]Inserted w.e.f. August 11, 2025

[144B]Inserted w.e.f. August 11, 2025

[145]Amended w.e.f. May 16, 2022. Prior to this amendment the chapter 13 heading read as under:

13. CONDUCT OF BUSINESS WITH THE CLEARING CORPORATION AND CLEARING MEMBERS

Prior to this amendment the entire chapter 13 read as under which was amended on December 5, 1997:

13. CONDUCT OF BUSINESS WITH THE CLEARING CORPORATION AND CLEARING MEMBERS

13.1. A Clearing Corporation may be admitted as a User on the Depository on entering into an agreement, as per Annexure R. The provisions of this agreement shall govern the rights and obligations of the Depository and the Clearing Corporation, in respect of transactions entered into in pursuance of such agreement.

13.2. Transactions in securities in dematerialised form which are cleared and settled through a Clearing Corporation, admitted as a User, will be given effect to in terms of the agreement with such a Clearing Corporation.

13.3. A Clearing Member may deal in the Depository system as a Clearing Member only through a special account it has opened with a Participant. A Clearing Member account shall consist of :-

i) a Pool account;

ii) a Delivery account; and

iii) a Receipt-in account.

13.4. A CM account may be opened with the Participant only after the Clearing Member has registered with the Depository and has been allocated a BP Id by the Depository.

13.5. A Clearing Member may open only one-CM account.

13.6. In order to meet its obligations, to the Clearing Corporation for settlement of transactions in securities admitted to the Depository, the Clearing Member may authorise its Participant to move the balances from its Pool account to its Delivery account on or before the pay-in date declared by the Clearing Corporation. The authorisation to move securities to the Delivery account will constitute an authorisation to deliver the securities to the Clearing Corporation. A specimen of this authorisation form is given in Annexure S. The opening of the CM account shall constitute a standing instruction to receive credits from the Clearing Corporation.

13.7. The Participant shall ensure that the form is complete and the signature of the claimant is valid.

13.8. The Participant shall transfer securities from the Pool account of a Clearing Member to the account of its Clients based on due authorisation from the Clearing Member. A specimen of this authorisation form is given in Annexure T.

13.9. The Participant shall ensure that the form is complete and the signature of the claimant is valid.
13.10. No Clearing Member may transfer the balances from its Pool account to the Pool account of another Clearing Member.

[146]**Amended w.e.f. April 8, 1998. Prior to this amendment, the Rule 13.1 read as follows:**
13.1. ADMISSION OF A CLEARING CORPORATION OR A CLEARING HOUSE OF A STOCK EXCHANGE
13.1.1. A Clearing Corporation or a Clearing House of a stock exchange may be admitted as a User on the Depository on entering into an agreement as laid down in Annexure R. However, in case of a Clearing House of a stock exchange, if such Clearing House is not a legal counter-party to the trades on the Exchange and the trade/settlement guarantee fund is held and managed by the Exchange, then the Clearing House may be admitted as a User on the Depository on entering into an agreement as laid down in Annexure RR. The provisions of these agreements shall govern the rights and obligations of the Depository, the Clearing Corporation or the Clearing House of a stock exchange and the Exchange, in respect of transactions entered into in pursuance of such agreements. A Clearing Corporation or a Clearing House of a stock exchange is hereinafter referred to as Clearing Corporation.

[147]**Amended on November 20, 1998. Prior to this amendment, Rule 13.1.1 read as follows:**
13.1.1. A Clearing Corporation or a Clearing House of a stock exchange may be admitted as a User on the Depository on entering into an agreement as laid down in Annexure R. However, in case of a Clearing House of a stock exchange, if such Clearing House is not a legal counter-party to the trades on the Exchange and the trade/settlement guarantee fund is held and managed by the Exchange, then the Clearing House may be admitted as a User on the Depository on entering into an agreement as laid down in Annexure RR.

13.1.2. A Stock Exchange may be admitted as a User on the Depository, if it conducts the activity of clearing and settlement of trades and if it is not a legal counter-party to the trades thereon and holds and manages the trade/settlement guarantee fund, on entering into an agreement as laid down in Annexure H.

13.1.3. The provisions of these agreements shall govern the rights and obligations of the Depository, the Clearing Corporation or the Clearing House of a stock exchange and the Exchange, in respect of transactions entered into in pursuance of such agreements. A Clearing Corporation or a Clearing House (either as a separate entity or in-house) of a stock exchange is hereinafter referred to as Clearing Corporation.

13.2. CLEARING CORPORATION ACCOUNT

13.2.1. The Depository shall allot a unique identification number to the Clearing Corporation admitted as a User on the Depository.

13.2.2. [148] The Depository shall then open the CC Settlement Account for the use of the Clearing Corporation.

13.2.3. [148] The Clearing Corporation may open one special account known as CC Account with itself. The CC Account shall consist of:-

i) a Pool account
ii) a Delivery account

13.2.4. The CC account will have all the characteristics of CM account. However, the movement of securities from the Pool account of the Clearing Corporation to the Pool accounts of the Clearing Members shall be permitted.

Notes:

[148] **Amended w.e.f. December 18, 2010. Prior to this amendment, Rule 13.2.2 and 13.2.3. read as follows:**
13.2.2. The Depository shall then open the following accounts for the use of the Clearing Corporation:
i) CC Transit Account
ii) CC Settlement Account
13.2.3. The Clearing Corporation may open one special account known as CC Account with itself. The CC Account shall consist of :-
i) a Pool account
ii) a Delivery account
iii) a Receipt-in account

13.3. [149] CLEARING MEMBER, TRADING MEMBER, PORTFOLIO MANAGER ACCOUNT

13.3.1. A Clearing Member, Trading Member or Portfolio Manager may deal in the Depository system as a Clearing Member, Trading Member or Portfolio Manager only through a special account it has opened with a Participant. A Clearing Member, Trading Member or Portfolio Manager account shall consist of a Pool account. In case of Clearing Member, the special account would also consist of a Delivery account

13.3.2. A Clearing Member, Trading Member, Portfolio Manager account may be opened with the Participant only after the Clearing Member, Trading Member, and Portfolio Manager has registered with the Depository and has been allocated an identification number by the Depository (hereinafter referred to as the CM-BP Id in case of Clearing Member and BP-ID in case of Portfolio Managers and Trading Member).

13.3.3. A Clearing Member may open only one CM Account. However, a Clearing Member may open additional CM Account(s) with the Participant for the purpose of Futures & Options (F&O) and / or Securities Lending and Borrowing Mechanism (SLBM) transactions and the Clearing Corporation shall allot additional CC-CM-IDs to the Clearing Member for this purpose.

13.3.4. The opening of the CM account shall constitute a standing instruction to receive credits from the Clearing Corporation upon pay-out.

Notes:

[149] **Amended w.e.f. May 16, 2012. Prior to this amendment, Rule 13.3 read as follows:**
13.3 CLEARING MEMBER ACCOUNT
13.3.1. A Clearing Member may deal in the Depository system as a Clearing Member only through a special account it has opened with a Participant. A Clearing Member account shall consist of:
i) a Pool account
ii) a Delivery account
13.3.2. A CM account may be opened with the Participant only after the Clearing Member has registered with the Depository and has been allocated an identification number by the Depository (hereinafter referred to as the CM-BP Id).
13.3.3. A Clearing Member may open only one CM Account. However, a Clearing Member may open additional CM Account(s) with the Participant for the purpose of Futures & Options (F&O) and / or Securities Lending and Borrowing Mechanism (SLBM) transactions and the Clearing Corporation shall allot additional CC-CM-IDs to the Clearing Member for this purpose.
13.3.4. The opening of the CM account shall constitute a standing instruction to receive credits from the Clearing Corporation upon pay-out.

Amended w.e.f. December 18, 2010. Prior to this amendment, Rule 13.3.1 read as follows:
13.3.1. A Clearing Member may deal in the Depository system as a Clearing Member only through a special account it has opened with a Participant. A Clearing Member account shall consist of :
i) a Pool account
ii) a Delivery account
iii) a Receipt-in account

Amended w.e.f. July 4, 2007. Prior to this amendment, Rule 13.3.3 was amended on February 21, 2002, which read as follows:

13.3.3. A Clearing Member may open only one-CM account. However, a Clearing Member may open one additional CM account with the Clearing Corporation of which it is a Clearing Member for the purpose of VyajBadla and/or Automatic Lending and Borrowing Mechanism (ALBM) and/or Futures & Options (F&O) transactions and the Clearing Corporation shall allot additional CC-CM-Ids to the Clearing Member for this purpose

Prior to this amendment, Rule 13.3.3 as amended w.e.f October 14, 2000 read as follows:
13.3.3. A Clearing Member may open only one-CM account. However, a Clearing Member may open one additional CM account with the Clearing Corporation of which it is a Clearing Member for the purpose of VyajBadla and/or Automatic Lending and Borrowing Mechanism (ALBM) transactions and the Clearing Corporation shall allot an additional CC-CM-Id to the Clearing Members for this purpose.

Prior to this amendment, Rule 13.3.3 read as follows:
13.3.3. A clearing member may open only one CM account. However a clearing member may open one additional CM account with the clearing corporation of which it is a clearing member for the purpose of VyajBadla transactions and the clearing corporation shall allot an additional CC-CM-id to the clearing member for this purpose.

Prior to this amendment, Rule 13.3.3., amended w.e.f. April 8, 1998 read as follows: 13.3.3. A clearing member may open only one CM account.

Rule 13.3.4 of the Business Rules has been deleted w.e.f. Dec. 2, 2000. Rule 13.3.5 of Business Rules has been renumbered as 13.3.4. Prior to deletion, Rule 13.3.4 read as follows:

No Clearing Member shall move securities from its Pool account to the Pool account of another Clearing Member

13.4. CLEARING MEMBER DETAILS

13.4.1. The Clearing Corporation shall provide to the Depository a list of Clearing Members who are eligible to settle the trades through the Depository giving details such as the unique identification number allotted by it to the Clearing Member for the purpose of settling trades on the Depository (hereinafter referred to as CC-CM-Id) and the name of the Clearing Member.

13.4.2. The Depository shall provide to the Clearing Corporation a list of Clearing Members who are registered with the Depository giving details like name, CC-CM- Id and CM-BP-Id.

13.4.3. The Clearing Corporation shall immediately inform the Depository of any addition, deletion or modification to the list of Clearing Members so provided by the Clearing Corporation.

13.5. INFORMATION REGARDING SECURITIES AVAILABLE FOR DEMATERIALISATION AND SETTLEMENT

13.5.1. The Depository shall inform the Clearing Corporation after a security is admitted for dematerialisation on the Depository. The Depository shall provide to the Clearing Corporation details of the security viz; ISIN, security description and name of issuing company admitted for dematerialisation on the Depository.

13.5.2. The Depository shall immediately inform the Clearing Corporation of any addition, deletion or modification to the securities admitted for dematerialisation on the Depository.

13.5.3. The Clearing Corporation shall inform the Depository about the securities admitted for book-entry settlement before commencement of trading. The Clearing Corporation shall provide to the Depository details of the security viz; ISIN, date of admission for trading, name of issuing company and description of security admitted for book-entry settlement.

13.5.4. The Clearing Corporation shall inform the Depository regarding the book closure period/record date, ex-dates, the purpose of corporate action, the no-delivery period and the first settlement after no-delivery period as declared by it for each market type in respect of each security available for trading in book-entry segment and settled by the Clearing Corporation, at least five working days prior to the commencement of the no-delivery period.

13.6. SETTLEMENT SCHEDULE

13.6.1. [150] The Clearing Corporation shall provide to the Depository the settlement schedule giving the following details in respect of each settlement, at least two working days prior to the commencement of trading in the relevant settlement:-

i) Market Type
ii) Settlement Number

iii) Date of commencement of trading
iv) Last date of trading
v) Date and time of pay-in of securities to the Clearing Corporation
vi) Date and time of pay-out of securities by the Clearing Corporation

Notes:

[150] **Amended w.e.f. December 18, 2010. Prior to this amendment, Rule 13.6.1 read as follows :**
13.6.1. The Clearing Corporation shall provide to the Depository on a quarterly basis the settlement schedule relating to the book-entry segment giving the following details in respect of each settlement, at least five working days prior to the commencement of trading in the relevant quarter :-
i) Market Type
ii) Settlement Number
iii) Date of commencement of trading
iv) Last date of trading
v) Date and time of pay-in of securities to the Clearing Corporation
vi) Date and time of pay-out of securities by the Clearing Corporation

13.6.2. The Clearing Corporation shall inform the Depository well in advance of any proposed addition, deletion, modification to the settlement schedule and shall add, delete or modify the information only with prior intimation to the Depository.

13.6.3. [151] The settlement schedule provided by the Clearing Corporation with such additions, deletions and modifications as may have been made from time to time, will constitute an authorisation to the Depository to credit the securities to the CC settlement account for the relevant settlement by debiting the Delivery accounts of the Clearing Member

13.6.4. The Depository shall inform the Participants and the Clearing Corporation the date and time (hereinafter referred to as NSDL Deadline) before which the Participant can execute the instructions to move securities from the Client's account to the Pool account of the Clearing Member and can execute delivery-out instructions to move securities from the Pool account of the Clearing Member to the Delivery account of the Clearing Member.

13.7. PAY-IN OF SECURITIES

13.7.1. The Clearing Member may give receipt instructions to its Participant for crediting its Pool account in the form laid down in Form 14. Alternatively, a Clearing Member may give standing instructions to its Participant to credit its Pool account.

13.7.2. The Participant shall ensure that the instruction form is complete and the signature of the Clearing Member is valid.

13.7.3. The Participant shall then execute the instructions of the Clearing Member to credit the Pool account of the Clearing Member.

13.7.4. The Clearing Member may give delivery-out instructions to its Participant to move securities from its Pool account to its Delivery account in the form laid down in Form 18.

13.7.5. [152] The Clearing Corporation may give delivery-out instruction to the Depository on behalf of the Clearing Member(s) after obtaining authority from the Clearing Member(s).

13.7.6. [153] Nothwithstanding the provisions of Rule 13.7.4, the Clearing Member may instruct the Participant to cancel the delivery-out instruction given by the Clearing Corporation on its behalf and may also submit a delivery-out instruction in the form specified under Rule 13.7.4 to the Participant for its execution.

13.7.7. The Clearing Member may give a delivery-out instruction to the Participant to move securities from its Pool account to its Delivery account on irreversible basis in the format prescribed at Form 18. Such instructions once effected shall not be modified or cancelled by the Clearing Member.

13.7.8. The Participant shall ensure that the instruction form is complete and the signature of the clearing member is valid.

13.7.9. The Participant shall execute the delivery-out instruction to move securities from the Pool account of the Clearing Member to the Delivery account of the Clearing Member.

Notes:

[151]**Amended w.e.f. December 18, 2010. Prior to this amendment, Rule 13.6.3 read as follows :**
The settlement schedule provided by the Clearing Corporation with such additions, deletions and modifications as may have been made from time to time, will constitute an authorisation to the Depository to credit the securities to the CC transit and CC settlement accounts for the relevant settlement by debiting the Delivery accounts of the Clearing Members after the relevant pay-in time.

[152]**Inserted w.e.f July 10, 2000. The original Rules 13.7.5 to 13.7.13 have been renumbered as 13.7.7 to 13.7.15.**

[153]**Inserted w.e.f July 10, 2000. The original Rules 13.7.5 to 13.7.13 have been renumbered as 13.7.7 to 13.7.15.**

13.7.10. [154] The instructions to move securities from the Clients' account to the Pool account of the Clearing Member, from the Pool account of the Clearing Member to the Pool account of another Clearing Member, inter-settlement instructions and delivery-out instructions to move securities from the Pool account of the Clearing Member to the Delivery account of the Clearing Member shall have effect only before the NSDL Deadline for the relevant settlement.

13.7.11. [155] The delivery-out instructions given by the Clearing Member shall constitute an authorisation to the Depository to debit the Delivery account of the Clearing Member by crediting the CC settlement account for the relevant settlement.

13.7.12. [156] The Depository shall on the pay-in day move the securities from the Delivery accounts of the Clearing Members to the CC settlement account for the relevant settlement.

13.7.13. [157] The Depository shall provide the information to the Clearing Corporation about the credits to the CC settlement account giving CC-CM-Id, ISIN and quantity for the relevant settlement.

Notes:

[154]**Amended w.e.f December 2, 2000. Prior to this amendment, Rule 13.7.10 as amended w.e.f September 2, 1998 read as follows:**
13.7.10. The instructions to move securities from the Clients' account to the Pool account of the Clearing Member and the delivery-out instructions to move securities from the Pool account of the Clearing Member to the Delivery account of the Clearing Member shall have effect only before the NSDL Deadline for the relevant settlement.

Prior to this amendment, Rule 13.7.8 read as follows:
The instructions to move securities from the Clients' account to the Pool account of the Clearing Member and the delivery-out instructions to move securities from the Pool account of the Clearing Member to the Delivery account of the Clearing Member shall have effect only on or after the first day of trading and before the NSDL Deadline for the relevant settlement.

[155]**Amended w.e.f December 18, 2010. Prior to this amendment, Rule 13.7.11 read as follows:**
13.7.11. The delivery-out instructions given by the Clearing Member shall constitute an authorisation to the Depository to debit the Delivery account of the Clearing Member by crediting the CC transit account for the relevant settlement.

[156]**Amended w.e.f December 18, 2010. Prior to this amendment, Rule 13.7.12 read as**

13.7.12. The Depository shall, after the pay-in time, move the securities from the Delivery accounts of the Clearing Members to the CC transit account for the relevant settlement.

[157]**Amended w.e.f December 18, 2010. Prior to this amendment, Rule 13.7.13 read as follows:**
13.7.13. The Depository shall provide the information to the Clearing Corporation about the credits to the CC transit account giving CC-CM-Id, ISIN and quantity for the relevant settlement.

***Rule 13.7.14 has been deleted w.e.f December 18, 2010. Prior to deletion, Rule 13.7.14read as follows :**
13.7.14. The Clearing Corporation shall compare the CC-CM Id and the ISIN with its records and will give instructions to the Depository to move the securities from the CC transit account to the CC settlement account.

***Rule 13.7.15 has been deleted w.e.f December 18, 2010. Prior to deletion, Rule 13.7.15read as follows :**
13.7.15. The Depository shall on receipt of such instructions, move the securities from the CC transit account to the CC settlement account for the relevant settlement.

13.8. PAY-OUT OF SECURITIES

13.8.1. After verification of payment received for the relevant settlement, the Clearing Corporation shall give instructions to the Depository on the pay-out time to debit its CC settlement account and credit the CM accounts giving the CC-CM-Id, ISIN and the quantity for the relevant settlement.

13.8.2. The Clearing Corporation shall not give instructions for crediting the CC account and CM accounts with securities either less than or in excess of the securities lying in the CC settlement account for the relevant settlement.

13.8.3. [158] The Depository shall, on receipt of the instructions from the Clearing Corporation, debit the CC settlement account and credit the Pool accounts of the Clearing Members.

13.8.4. The Clearing Member may give instructions to its Participant to debit its Pool account and credit the Clients' accounts in the form laid down in Form 22.

13.8.5. The Participant shall ensure that the instruction form is complete and the signature of the Clearing Member is valid.

13.8.6. The Participant shall execute the instructions of the Clearing Member to debit its Pool account and credit the Clients' accounts.

13.9. [159] INTER-SETTLEMENT INSTRUCTIONS

13.9.1. The Clearing Member may for the purpose of moving securities within its Pool Account submit an inter-settlement instruction form to the Participant as laid down in Form 19.

13.9.2. The Participant shall ensure that the instruction form is complete and the signature of the Clearing Member is valid.

13.9.3. The Participant shall execute the instructions of the Clearing Member to move securities within its Pool account.

13.10. [160] CM POOL TO CM POOL INSTRUCTIONS

13.10.1. The Clearing Member may give instructions to its Participant to debit its Pool account and credit the Pool account of another Clearing Member in the form laid down in Form 20.

13.10.2. The Clearing Member may give receipt instructions to its Participant for crediting its Pool account from Pool account of another Clearing Member in the form laid down in Form 21. Alternatively, a Clearing Member may give standing instructions to its Participant to credit its Pool account.

13.10.3. The Participant shall ensure that the instruction form is complete and the signature of the Clearing Member is valid.

13.10.4. The Participant shall execute the instructions of the Clearing Member to debit / credit the Pool account of the Clearing Member.

Notes:

[158]**Amended w.e.f. December 18, 2010. Prior to this amendment, Rule 13.8.3 read as follows :**

13.8.3. The Depository shall, on receipt of the instructions from the Clearing Corporation, debit the CC settlement account and credit the Receipt-in accounts of the Clearing Members and immediately thereafter move securities from the Receipt-in accounts to the Pool accounts of the Clearing Members.

[159]**Inserted w.e.f. February 4, 1999.**

[160]**Inserted w.e.f. December 2, 2000.**

14. MANNER OF ADVICE, STATEMENTS AND REPORTS FROM THE DEPOSITORY

14.1. PARTICIPANTS

14.1.1. The Depository may send advises, circulars or statements directly to the Participants relating to operational issues, on an adhoc basis.

14.2. ISSUER OR ITS REGISTRAR AND TRANSFER AGENTS

14.2.1. The Depository shall electronically send all dematerialisation requests, rematerialisation requests and balance held with the Depository to the Issuer or its Registrar and Transfer Agent, on a daily basis.

14.2.2. The Issuer or its Registrar and Transfer Agent shall confirm the pending dematerialisation and rematerialisation requests to the Depository, on a daily basis.

14.2.3. [161] The Depository shall electronically provide the Clients, Clearing Members, Trading Members, Portfolio Managers and Clearing Corporations details to Issuer or its Registrar and Transfer Agent on a fortnightly basis.

14.2.4. [162] The Depository shall electronically provide the Clients, Clearing Members, Trading Members, Portfolio Managers and Clearing Corporations details as on the record date fixed for this purpose to the Issuer or its Registrar and Transfer Agent for corporate action purpose within 15 days from the date of making such request.

14.2.5. [163] The Rules 14.2.1 to 14.2.4 shall not be applicable if the Issuer is a State Government or the Central Government.

Notes:

[161] **Amended w.e.f. May 16, 2022. Prior to this amendment, Rule 14.2.3 was amended on May 10, 2008, which read as follows:**
14.2.3. The Depository shall electronically provide the Clients/Clearing Members/ Clearing Corporations details to Issuer or its Registrar and Transfer Agent on a fortnightly basis
Prior to this amendment, Rule 14.2.3 was amended on May 7, 2001, which read as follows:
14.2.3. The Depository shall electronically provide the Clients/Clearing Members/ Clearing Corporations/ Intermediaries details to Issuer or its Registrar and Transfer Agent on a fortnightly basis.
Prior to this amendment, Rule 14.2.3 read as follows:
14.2.3. The Depository shall electronically provide the Client details to Issuer or its Registrar and Transfer Agent on a fortnightly basis.

[162] **Amended w.e.f. May 16, 2022. Prior to this amendment, Rule 14.2.4 was amended on May 10, 2008, which read as follows:**
14.2.4. The Depository shall electronically provide the Clients/Clearing Members/ Clearing Corporations details as on the record date fixed for this purpose to the Issuer or its Registrar and Transfer Agent for corporate action purpose within 15 days from the date of making such request.
Prior to this amendment, Rule 14.2.4 was amended on May 7, 2001, which read as follows:
14.2.4. The Depository shall electronically provide the Clients/Clearing Members/ Clearing Corporations/ Intermediaries details as on the record date fixed for this purpose to the Issuer or its Registrar and Transfer Agent for corporate action purpose within 15 days from the date of making such request.
Prior to this amendment, Rule 14.2.4 read as follows:
14.2.4. The Depository shall electronically provide the Client details as on the record date fixed for this purpose to the Issuer or its Registrar and Transfer Agent for corporate action purpose within 15 days from the date of making such request.

[163] **Inserted w.e.f. November 12, 1998.**

14.3. [164] CLIENTS

14.3.1 [165A] A Participant shall furnish a statement of account including transaction statement and holdings statement to every Client, giving details of security-wise transactions and balances. Such statement shall be furnished to the Clients through email at monthly intervals if there is any transaction in the account. A specimen of such statement is given in Annexure J. In case where there is no transaction in the account, holdings statement shall be sent to the Client by email on half yearly basis.

Provided that if the balance in the account has become Nil during the year, Participant shall send an email statement of holdings, annually to such Client and shall resume sending the transaction statement as and when there is a transaction in the account.

14.3.2 [166A] A Participant shall provide statement of account including transaction statement and holdings statement to the Client in electronic form, if Client is desirous of receiving such statements in physical form, Participant shall provide the same.

Provided that if a Participant does not have the facility of providing such statements in the electronic mode, Participant shall forward such statement in physical form.

Amended w.e.f. April 4, 2014. Prior to this amendment, Rule 14.3.1 read as follows:
14.3.1. The Participant shall furnish a statement of accounts including transaction statement and holdings statement to every Client, who has opened an account with it, giving the details of the security-wise transactions and balances, in the accounts of the Clients. Such a statement shall be furnished to the Clients at monthly intervals and to the Clients opting for Basic Services Demat Account at quarterly intervals unless the Client and the Participant have agreed for provision of such statements at shorter intervals. However, if there is no transaction in the account, then the Participant shall provide such statement to the Client on an annual basis. A specimen of such statement is given in Annexure V.

Provided however, if there is that in respect of accounts with no transaction in the account, or if the balance has become and Nil balance, during the year, the Participant shall send one such statement shall be sent to the Client in physical form statement of holding on an annually basis to such Clients and shall resume sending the transaction statement as and when there is a transaction in the account.

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14.3. C

14.3.1. **Prior to this amendment, Rule 14.3.1 read as follows:**
accoun 14.3.1. The Participant shall furnish a transaction statement including statement of accounts, if any, to every Client, who has opened an have a account with it, giving the details of the security-wise balances in the accounts of the Clients. Such a statement shall be furnished to the Annexu Clients at fortnightly intervals unless the Client and the Participant have agreed for provision of such statements at shorter intervals.
14.3.2. However, if there is no transaction in the account, then the Participant shall provide such statement to the Client at least once a quarter.
those C A specimen of the transaction statement is given in Annexure V.

Prior to this amendment, Rule 14.3.1 read as follows:
14.3.1. The Participant shall furnish a transaction statement including statement of accounts, if any, to every Client, who has opened an account with it, giving the details of the security-wise balances in the accounts of the Clients. Such a statement shall be furnished to the Clients at monthly intervals unless the Client and the Participant have agreed for provision of such statements at shorter intervals. However, if there is no transaction in the account, then the Participant shall provide such statement to the Client at least once a quarter. A specimen of the transaction statement is given in Annexure V.

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[166A] **Amended w.e.f. February 03, 2026. Prior to this amendment, Rule 14.3.1 read as follows:**

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[166]14.3.2 The Participant may provide statement of accounts including transaction statement and holdings statement to the Clients in electronic form, if opted by the Client. However, if Client is desirous of receiving such statements in physical form, Participant shall be duty bound to provide the same.
Provided that if a Participant does not have the facility of providing the such statements in the electronic mode, then the Participant shall be obliged to forward such statement in physical form.

14.3.3 [167AA] For providing statement of account including transaction statement and holdings statement in electronic form, the Participant must ensure that:

i. Such statement must be digitally signed in accordance with Information Technology Act, 2000.
ii. Such statement is provided to the Client in physical form if the Participant is not able to provide such statement to its Client by email or on website due to any reason (including bounced emails).
iii. Such statement should be password protected if the Participant is providing the same through email.
iv. If the Participant is providing such statement through website:
    a) Implement Secure Socket Layer (SSL) security for Internet facility featuring site authentication, encrypted communication and appropriate Client authentication in order to restrict the access of such statement only to the Client.
    b) Such statement should be made available on the website for a period of at least 12 months.
v. The periodic Statement of Holding or Statement of Account or consolidated account statement shall indicate either the name of the nominee or the nomination registration status (Yes/No), in accordance with the option exercised by the client in the nomination form prescribed by SEBI.

14.3.4 [168A] Participant or Client may terminate such arrangement by giving 10 days prior notice.

14.3.5. [168B]The Depository may directly send to Client chosen at random, the details of security-wise holdings in the account of that Client, to facilitate cross checking with the transaction statement including statement of account, if any, furnished by the Participant.

14.3.6 [169A] The Depository may directly send statement of account including transaction statement / Consolidated Account Statement and holdings statement to Client in which case Participants are not required to send such statement of account as per Rule 14.3.1, 14.3.2, 14.3.3 and Rights and Obligations Document as specified at Annexure K.

Provided that whenever a Client requests for such a statement, Participant shall provide the same.

Notes:

[167AA] **Inserted w.e.f. April 16, 2026**
Amended w.e.f. February 03, 2026. Prior to this amendment, Rule 14.3.3 read as follows

[167] 14.3.3.For providing statement of accounts including transaction statement and holdings statement in electronic form, the Participant must ensure that:

i. Such statement must be digitally signed in accordance with Information Technology Act, 2000.
ii. Such statement is provided to the Client in physical form if the Participant is not able to provide such statement to its Clients by email or on website due to any reason (including bounced emails).
iii. Such statement should be password protected if the Participant is providing the same through email.
iv. If the Participant is providing such statement through website:
    a) Implement Secure Socket Layer (SSL) security for Internet facility featuring site authentication, encrypted communication and appropriate Client authentication so as restrict the access of such statement only to the Client.
    b) Such statement should be made available on the website for a period of at least 12 months.

[168A] **Inserted w.e.f. April 4, 2014.**

Amended w.e.f. February 03, 2026. Prior to this amendment, Rule 14.3.4 read as follows
[168]14.3.4 Participant or Client can terminate such arrangement by giving 10 days prior notice.

[168B] 14.3.5. The Depository may directly send to Clients chosen at random, the details of security-wise holdings in the accounts of those Clients, to facilitate cross checking with the transaction statement including statement of accounts, if any, furnished by the Participant.

Inserted w.e.f. April 4, 2014.

[169 A] **Amended w.e.f. February 03, 2026. Prior to this amendment, Rule 14.3.4 read as follows**

[169]14.3.6 169 The Depository may directly send statement of account including transaction statement and holdings statement to Clients and in such cases Participants are not required to send such statement of account as per Rule 14.3.1, 14.3.2, 14.3.3 and Rights and Obligations Document as specified at Annexure K.
Provided that whenever the Client requests for such a statement, the Participant shall be duty bound to provide the same.

Inserted w.e.f. Nov 12, 2014.

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15. RECONCILIATION OF RECORDS

15.1. RECONCILIATION BETWEEN THE PARTICIPANT AND THE DEPOSITORY

15.1.1. [170] The Participant shall effect internal reconciliation of its accounts on a daily basis through the DPM (DP) or the DPM (CC) as the case may be.

15.1.2. [171] The Participant shall reconcile the total of balances held in different accounts in the DPM (DP) or the DPM (CC), as the case may be, with its balance held in the DM on a daily basis.

15.1.3. The Participant shall, at the end of each day, electronically provide to the Depository the details of the changes made in the accounts of the Client from the last EOD processing.

15.1.4. [172] The Participant shall electronically provide to the Depository, the entire Clients, Clearing Members, Trading Members, Portfolio Managers and Clearing Corporations details on receiving such a request from the Depository for corporate actions or for any other purpose, as may be specified by the Depository.

15.2. RECONCILIATION BETWEEN THE DEPOSITORY AND THE ISSUERS OR ITS REGISTRAR AND TRANSFER AGENTS

15.2.1. The Depository shall electronically provide the total security balances held in its system as free balance, pending dematerialisation balance and pending rematerialisation balance to the Issuer or its Registrar and Transfer Agent, on a daily basis, for reconciliation purposes.

15.2.2. [173] The Issuer or its Registrar and Transfer Agent shall reconcile the balances electronically provided by the Depository, as mentioned above, with its records. Provided however that, in case of Government Securities, the Depository shall reconcile its records with the statement provided by RBI.

15.2.3. [174] The Depository shall electronically provide the entire Clients, Clearing Members, Trading Members, Portfolio Managers and Clearing Corporations details to the Issuer or its Registrar and Transfer Agent, on receiving such a request from the Issuer or its Registrar and Transfer Agent for corporate actions or for facilitating internal reconciliation of records. Where the Clients, Clearing Members, Trading Members, Portfolio Managers and Clearing Corporations account details are required on a particular date, the same shall be provided within fifteen days of such date or fifteen days from the date of making such request whichever is later.

15.3. [175]RECONCILIATION BETWEEN THE DEPOSITORY AND VAULT MANAGER

15.3.1 The Vault Manager shall electronically reconcile the total physical gold held in the recognized vault with the Electronic Gold Receipts balances held in the Depository system on daily basis, in the format and manner as may be prescribed by the Depository from time to time.

15.3.2 In case of failure of the reconciliation as per due procedure as may be prescribed, the Depository may initiate necessary action against the Vault Manager or recognised vault, as the case may be, till the process of reconciliation has been completed.

15.3.3 In case of discrepancy with reconciliation of physical gold and electronic record of EGR, a vault manager or recognised vault shall resolve such discrepancy before start of next trading day. In case of any delay in resolution, then the vault manager shall not accept fresh deposit of gold into or withdrawals from the concerned recognised vault.

15.3.4 In case of disallowance of deposit of gold or withdrawal of gold from a particular recognized vault, by the other depository, the Vault Manager shall not accept deposit of gold or withdrawal of gold for the Depository also.

15.3.5 The Depository shall provide such information, as may be prescribed by SEBI, to stock exchange, clearing corporation and other depository in relation to EGRs

Notes:

[170] **Amended w.e.f January 20, 1998. Prior to this amendment, Rule 15.1.1 read as follows:**
15.1.1. The Participant shall effect internal reconciliation of its accounts on a daily basis through the DPM (DP).

[171] **Amended w.e.f January 20, 1998. Prior to this amendment, Rule 15.1.2 read as follows:**
15.1.2. The Participant shall reconcile the total of balances held in different accounts in the DPM (DP) with its balance held in the DM on a daily basis.

[172] **Amended w.e.f. May 16, 2022. Prior to this amendment, Rule 15.1.4 was amended on May 10, 2008, which read as follows:**
15.1.4. The Participant shall electronically provide to the Depository, the entire Clients/ Clearing Members/Clearing Corporations details on receiving such a request from the Depository for corporate actions or for any other purpose, as may be specified by the Depository**.**
Prior to this amendment, Rule 15.1.4 was amended on May 7, 2001, which read as follows:
15.1.4. The Participant shall electronically provide to the Depository, the entire Clients/ Clearing Members/ Clearing Corporations/ Intermediaries details on receiving such a request from the Depository for corporate actions or for any other purpose, as may be specified by the Depository.
Prior to this amendment, Rule 15.1.4 read as follows:
15.1.4. The Participant shall electronically provide to the Depository, the entire Client details on receiving such a request from the Depository for corporate actions or for any other purpose, as may be specified by the Depository.

[173] **Amended w.e.f November 12, 1998. Prior to this amendment, Rule 15.2.2 read as follows:**
The Issuer or its Registrar and Transfer Agent shall reconcile the balances electronically provided by the Depository, as mentioned above, with its records.

[174] **Amended w.e.f. May 16, 2022. Prior to this amendment, Rule 15.2.3 was amended on May 10, 2008, which read as follows:**
15.2.3. The Depository shall electronically provide the entire Clients/Clearing Members/ Clearing Corporations details to the Issuer or its Registrar and Transfer Agent, on receiving such a request from the Issuer or its Registrar and Transfer Agent for corporate actions or for facilitating internal reconciliation of records. Where the Clients/ Clearing Members/Clearing Corporations account details are required on a particular date, the same shall be provided within fifteen days of such date or fifteen days from the date of making such request whichever is later.
Prior to this amendment, Rule 15.2.3 was amended on May 7, 2001, which read as follows:

15.2.3. The Depository shall electronically provide the entire Clients/Clearing Members/ Clearing Corporations/ Intermediaries details to the Issuer or its Registrar and Transfer Agent, on receiving such a request from the Issuer or its Registrar and Transfer Agent for corporate actions or for facilitating internal reconciliation of records. Where the Clients/Clearing Members/Clearing Corporations/Intermediaries account details are required on a particular date, the same shall be provided within fifteen days of such date or fifteen days from the date of making such request whichever is later.

Prior to this amendment, Rule 15.2.3 read as follows:

The Depository shall electronically provide the entire Client details to the Issuer or its Registrar and Transfer Agent, on receiving such a request from the Issuer or its Registrar and Transfer Agent for corporate actions or for facilitating internal reconciliation of records. Where the Client account details are required on a particular date, the same shall be provided within fifteen days of such date or fifteen days from the date of making such request whichever is later.

[175] **Inserted w.e.f. August 10, 2023.**

16. RECORDS

16.1. RECORDS TO BE MAINTAINED BY THE PARTICIPANTS

16.1.1. [176] Every Participant of the Depository shall maintain the following records relating to its business for a period of eight years:-

i) Delivery/Receipt Instructions given by its Clients.

ii) Forms submitted by the Clients to the Participant for: -
   a) Opening of accounts with the Participant;
   b) Closing of accounts with the Participant;
   c) Freezing of accounts with the Participant;
   d) [177] Unfreezing of accounts with the Participant.

iii) Copies of correspondence from the Clients on the basis of which Clients details were updated in the DPM;

iv) Record of all actions taken on the exception reports, generated by the system;

v) A register showing details of grievances received from the Clients and their present status. The following details may be specified in this regard :-
   a) name of the Client;
   b) reference number of the Client;
   c) date;
   d) particulars of complaints;
   e) actions taken by the Participant;

vi) if the matter is referred to arbitration, then the particulars including the present status thereof.

vii) instructions received from the Clearing Member to transfer balances from the Pool account to the Delivery account of the Clearing Member in order to enable it to meet its obligations to the Clearing Corporation;

viii) [178] instructions from the Clearing Member, Trading Member, or Portfolio Manager authorising the transfer of securities from the pool account of the Clearing Member. Trading Member or Portfolio Manager to the accounts of its Clients

ix) The forms received in respect of pledge of securities;

x) The forms received in respect of transmission of securities

xi) [179]The forms received in respect of securities lending.

xii) [180] Record of serial numbers of the instruction forms for debit or pledge or margin pledge or hold of securities in a Client account, issued to its Clients.

xiii) [181] The Participant shall ensure that records of nomination are maintained properly and preserved for record purposes. These records shall form part of the records of the Participant.

xiv) [182] The forms received in respect of hold of securities;

xv) [183] The forms received in respect of margin pledge of securities.

Notes:

[176] **Amended w.e.f. May 10, 2022. Prior to this amendment, Rule 16.1.1 read as follows:**
16.1.1. Every Participant of the Depository shall maintain the following records relating to its business for a period of five years

[177] **Amended w.e.f. December 27, 2001. Prior to this amendment, Rule 16.1.1 (ii) (d) read as follows:**
169 16.1.1. (ii) (d) Defreezing of accounts with the Participant.

[178] **Amended w.e.f. May 16, 2022. Prior to this amendment, Rule 16.1.1 (viii) read as follows:**
(viii) instructions from the clearing member authorising the transfer of securities from the pool account of the clearing member to the accounts of its clients.

[179] **Inserted w.e.f November 12, 1998.**

[180] **Amended w.e.f. August 01, 2020. Prior to this amendment, Rule 16.1.1 (xii) inserted w.e.f February 4, 1999 read as follows:** Record of serial numbers of the instruction forms for debit or pledge of securities in a Client account, issued to its Clients.

[181] **Inserted w.e.f. May 13, 2014.**

[182] **Inserted w.e.f. Febuary 8, 2018.**

[183] **Inserted w.e.f. August 01, 2020.**

16.1.2. [184] The following records pertaining to dematerialisation and rematerialisation of securities shall be kept by the Participants until the process of dematerialisation or rematerialisation is completed:-

i) Dematerialisation request form (DRF and DRF-GS) filled by the Client;
ii) Certificate details of securities sent for dematerialisation;
iii) Proof of deliveries of DRF and securities to the Issuer or its Registrar and Transfer Agent and proof of delivery of DRF-GS and Government Securities to the Depository;
iv) Objection memo and certificate details of the rejected securities against the DRN;
v) Rematerialisation Request Form (RRF and RRF-GS) submitted by the Client
vi) [185] Proof of delivery of RRF to the Issuer or its Registrar & Transfer Agent and proof of delivery of RRF-GS to the Depository.

16.1.3. The Participant shall intimate to the Depository, the place where the above records are kept and available for audit/inspection.

16.1.4. The above requirements relating to maintenance of records shall apply not only to the records of the Participant's principal office but also any branch office and to any nominee company owned or controlled by the Participant for the purpose of conducting the business of the Participant relating to the operations of the Depository.

16.2. RECORDS TO BE MAINTAINED BY THE ISSUER OR ITS REGISTRAR AND TRANSFER AGENTS

16.2.1. [186A] Every Issuer or its Registrar and Transfer Agent who is a User of the Depository shall maintain the following records relating to its business for a period of eight years:-

i) DRF / DCRF filled by the Client;
ii) Certificate details of securities received for dematerialisation;
iii) Objection memo and certificate details of the rejected securities against the DRN;
iv) RRF submitted by the Client;
v) Proof of delivery of share certificates which have been sent to the Client after rematerialisation;
vi) A register showing details of grievances received from Clients and their present status. The following details may be specified in this regard :-
    a) name of the Client;
    b) reference number of the Client;
    c) date;
    d) particulars of complaints;
    e) actions taken by the Participant;
    f) if the matter is referred to arbitration, the particulars and present status thereof;
vii) Record of all actions taken on the exception reports, generated by the system.

Notes:

[184] **Amended w.e.f November 12, 1998. Prior to this amendment, Rule 16.1.2 read as follows:**
16.1.2. The following records pertaining to dematerialisation and rematerialisation of securities shall be kept by the Participants until the process of dematerialisation or rematerialisation is completed:
i) Dematerialisation request form (DRF) filled by the Client;
ii) Certificate details of securities sent for dematerialisation;
iii) Proof of deliveries of DRF and securities to the Issuer or its Registrar and Transfer Agent;
iv) Objection memo and certificate details of the rejected securities against the DRN;
v) Rematerialisation request form submitted by the Client;
vi) Proof of delivery of RRF sent to the Issuer or its Registrar and Transfer Agent.

[185] **Amended w.e.f. February 24, 1999. Prior to this amendment, Rule 16.1.2 (vi) read as follows:**16.1.2. vi) Proof of delivery of RRF and securities to the Issuer or its Registrar & Transfer Agent and proof of delivery of RRF-GS and Government Securities to the Depository.

[186A] **Inserted w.e.f. April 24, 2026**
Amended w.e.f May 10, 2022. Prior to this amendment, Rule 16.1.2 read as follows:16.1.2. Every Issuer or its Registrar and Transfer Agent who is a User of the Depository shall maintain the following records relating to its business for a period of five years

16.3. [187] RECORDS TO BE MAINTAINED BY DEPOSITORY WITH RESPECT TO GOVERNMENT SECURITIES

16.3.1. [188] The Depository shall maintain the following records with respect to the Government Securities for a period of eight years:-

i) DRF-GS filled by the Client;
ii) Certificate details of securities received for dematerialisation;
iii) Objection memo and certificate details of the rejected securities against the DRN;
iv) RRF-GS submitted by the Client;
v) [189] Proof of delivery of Government Securities which have been sent to the Client after rematerialisation;
vi) A register showing details of grievances received from Clients and their present status.

16.4. MANNER OF KEEPING RECORDS

16.4.1. [190] The records specified in Rules 16.1 and 16.2 above may be maintained either in physical or in electronic form. Where the records are kept by the Participant or the Issuer or its Registrar & Transfer Agent in electronic form, it shall do so with the prior approval of the Depository and shall ensure that the integrity of the data processing systems is maintained at all times and take all precautions necessary to ensure that the records are not lost, destroyed or tampered with and ensure that sufficient backup of records is available at all times at a different place. However, the prior approval of the Depository is not required if the Participant has been permitted to receive instructions from the Client in an electronic form in the manner specified in the first proviso to Rule 4.5.1.

Notes:

[187] **Inserted w.e.f November 12, 1998. The original Rule 16.3 renumbered as Rule 16.4.**

[188] **Amended w.e.f May 10, 2022. Prior to this amendment, Rule 16.1.2 read as follows**:
16.3.1. Every Issuer or its Registrar and Transfer Agent who is a User of the Depository shall maintain the following records relating to its business for a period of five years

[189] **Amended w.e.f. February 24, 1999. Prior to this amendment, Rule 16.3.1 (v) read as follows:**
16.3.1. v) Proof of delivery of share certificates which have been sent to the Client after rematerialisation;

[190] **Amended w.e.f. May 7, 2001. Prior to this amendment, Rule 16.4.1 read as follows:**
16.4.1. The records specified in Rules 16.1 and 16.2 above may be maintained either in physical or electronic form. Where the records are kept by the Participant or the Issuer or its Registrar and Transfer Agent in electronic form, it shall do so with the prior approval of the Depository and shall ensure that the integrity of the automatic data processing systems is maintained at all times and take all precautions necessary to ensure that the records are not lost, destroyed and tampered with and ensure that sufficient backup of records is available at all times at a different place.

17. [191] INVESTOR PROTECTION RESERVE

Deleted w.e.f. January 17, 2019

Prior to deletion the provisions of Chapter 17 were as under

The Executive Committee may establish an "Investor Protection Reserve" (IPR). Contribution to the IPR will be the amounts that may be decided by the Board of NSDL from time to time. The amounts in the IPR shall be utilised to make good the claims, which may be submitted by the Clients who have suffered pecuniary losses arising from the negligence of the Depository or by the Participants while carrying out the instructions of the Client. The IPR may be operated and administered by a Committee (IPR Committee), which will have a maximum of five members to be appointed by the Board of NSDL from time to time.

17.1. SOURCES OF IPR

17.1.1. Contribution to the IPR will be the amounts that may be decided by the Board of NSDL from time to time.

17.2. NATURE OF CLAIMS

17.2.1. The IPR shall be utilised to compensate the following:

i) for any loss suffered by a Client arising from the negligence of the Participants and or the Depository while carrying out the instructions of the Client.

ii) for any losses the investor might incur, as a result of non performance by the Participant.

17.3. CLAIMS NOT TO BE ADMITTED

17.3.1. Claims of investors who have not availed the services of the Depository by opening an account with any of its Participants, shall not be admitted.

17.3.2. Claims which are above ₹ 1.50 lakh in value.

17.4. PROCEDURE FOR MAKING CLAIMS

17.4.1. Any Client who has suffered any loss arising from negligence and/or as a result of non performance by the Participant(s) while carrying out the instructions of the Client shall first approach the concerned Participant to make good the loss.

17.4.2. The claim(s) of the Clients shall be admitted under IPR only as a last recourse, when a Participant is no longer able to fulfill his financial obligation.

17.4.3. A claim for compensation shall be in writing, giving full details of all relevant facts of the case duly supported by copies of documents relevant thereto.

17.4.4. Any person wishing to make a claim shall also give an undertaking in writing in the prescribed format, to be bound by the decision of the IPR Committee, whose decision shall be final and binding.

17.4.5. In the event of multiple claims received from a Client(s) under Rule 17.4.2 above, the sequence of admission of claims shall be in chronological order in which they were received and subject to the extent specified under Rule 17.5.1.

17.4.6. Any Client whose claim has been admitted under Rule 17.4.2 above, the IPR Committee may require the person to produce and deliver any documents and statements of evidence as may be necessary to establish or support his claim. In the event of default on the part of such Client in this regard, the IPR Committee may at its discretion disallow or reject the claim either wholly or in part as they may deem fit.

17.4.7. The IPR Committee while disallowing (whether wholly or partly) a claim for compensation shall serve notice of such disallowance on the claimant.

17.4.8. The IPR Committee, if satisfied that the claim was based on the default actually committed, may allow the claim and act accordingly.

17.4.9. The IPR Committee shall have an absolute discretion as regards the mode and method of assessing the nature of the claim including its genuineness and shall likewise at its discretion accept, reject or partially grant or allow claims and make payment thereof subject to the limits herein mentioned, as it may deem fit and proper.

17.4.10. While the IPR Committee may settle the claims of the Clients out of the IPR, the Executive Committee may initiate necessary legal proceedings to recover the amount from the Participant and replenish the IPR.

17.5. QUANTUM OF COMPENSATION

17.5.1. The IPR may be utilised by the IPR Committee to compensate any loss suffered by any Client arising from negligence of the Participants and/or the Depository up to a limit of ₹ 1,50,000/- (Rupees One lakh fifty thousand only) and/or such other limit as may be determined by the IPR Committee from time to time.

17.5.2. The IPR Committee may from time to time either generally or in respect of a particular claim determine the limit. However, where the limit is raised in respect of a particular claim, the IPR Committee shall record in writing, its reasons thereof.

17.5.3. The amount of compensation payable in respect of any claim shall be reduced by the amount or value of any compensation or benefits received by the Client from any other source in respect of such claim.

17.5.4. In case the Client receives compensation from any other source and the IPR Committee also pays the compensation without the knowledge of the payment by any other source in respect of the same claim, the IPR Committee shall recover from such Client an amount equivalent to the compensation received by him from such other source provided that the amount so recovered shall not exceed the amount of compensation received by such Client from the IPR.

17.5.5. In the event that any Client has received compensation from the IPR in respect of a claim based on the negligence on the part of a Participant, the IPR Committee shall take all steps necessary to recover from such Participant the amount of compensation so paid together with interest thereon from the date of payment of compensation to the Client at such rate as the IPR Committee may decide from time to time.

17.5.6. Every decision by the IPR Committee in regard to any claim made by a Client shall be conclusive and binding.

17.6. CLAIM NOT TO AFFECT LEGAL PROCEEDINGS

17.6.1. The rejection or partial acceptance of any claim by the IPR Committee or grant of any compensation to a claimant shall not preclude or debar such claimant to pursue his claim for dues against the Participant in any court of law or otherwise howsoever or other legal action on other grounds or causes of action of whatsoever nature.
Provided however that, the net claim of any such claimant against the Participant shall stand reduced to the extent of the compensation received by him from the IPR. The IPR Committee shall have the right to be subrogated to the extent of compensation so paid by the Participant. In the event of the claimant receiving his full dues from any source other than the IPR, the claimant shall refund the amount of claim received by him from the IPR and in the event of the claimant not so refunding the money, the IPR Committee shall have the right to recover the same from the claimant.

17.7. ALTERATION OF PROCEDURE

17.7.1. The IPR Committee may, in their discretion alter, modify or repeal the procedure as they may consider necessary.

Notes:

[191] **Amended w.e.f. March 3, 2003. Prior to this amendment, Rule 17 inserted w.e.f. July 22, 1997 read as follows:**

17. INVESTOR PROTECTION FUND

The Executive Committee shall set up a Fund to be known as "The National Securities Depository Limited Investor Protection Fund". Contributions to the Fund shall be the amount or amounts that may be specified by the Executive Committee from time to time. The Trust funds shall be utilised to make good the claims which may be submitted by the Clients who have suffered pecuniary losses arising from the negligence of the Depository or by the Participants while carrying out the instructions of the Client.

17.1. SOURCES OF FUND

17.1.1. Contribution to the "National Securities Depository Limited Investors Protection Fund" shall be out of the following:

i) 1% of the fees (Custody fees, transaction related fees, and rematerialisation fees) collected from the Participants.
ii) Fines, penalties and any extra fees charged from Issuers and Participants for any extra service provided.
iii) 10% of the interest earned on the Security Deposit of ₹10 lac, collected from the Participants.
iv) 5% of the Annual Fees received from the Participants.
v) Any other sums as may be prescribed by the Trustees from time to time.
vi) Any other contribution that may be received by the Trustees from any other person and any income accruing on the Trust Property.

17.2. NATURE OF CLAIMS

17.2.1. The Trust Funds shall be utilised by the Trustees to compensate the following:

i) for any loss suffered by any Client arising from the negligence of the Participants and/or the Depository while carrying out the instructions of the Client.
ii) for any losses the investor might incur, as a result of non performance by the Participant.

17.3. CLAIMS NOT TO BE ADMITTED

17.3.1. Claims of investors who have not availed the services of the Depository by opening an account with any of its Participants, shall not be admitted by the Trustees.

17.3.2. Claims which are above ₹1.50 lac in value.

17.4. PROCEDURE FOR MAKING CLAIMS

17.4.1. Any Client who has suffered any loss arising from negligence and/or as a result of non performance by the Participant(s) while carrying out the instructions of the Client shall first approach the concerned Participant to make good the loss.

17.4.2. The Depository shall admit the claim(s) only as a last recourse, when a Participant is no longer able to fulfill his financial obligation.

17.4.3. A claim for compensation shall be made in writing to the Trust giving full details of all relevant facts of the case, duly supported by copies of documents relevant thereto.

17.4.4. Any person wishing to make a claim shall also give an undertaking in writing in the prescribed format, to be bound by the decision of the Trustees which decision shall be final and binding.

17.4.5. In the event of multiple claims received from a Client(s) under Rule 17.4.2 above, the sequence of admission of claims shall be in chronological order in which they have been received and subject to the extent specified under Rule 17.5.1.

17.4.6. Any Client whose claim has been admitted under Rule 17.4.2 above, the Trustees may require the person to produce and deliver any documents and statements of evidence as may be necessary to establish or support his claim. In the event of default on the part of such Client in this regard, the Trustees may at their discretion disallow or reject the claim either wholly or in part as they may deem fit.

17.4.7. The Trustees while disallowing (whether wholly or partly) a claim for compensation shall serve notice of such disallowance on the claimant.

17.4.8. The Trustees, if satisfied that the default on which the claim is founded was actually committed, may allow the claim and act accordingly.

17.4.9. The Trustees shall have an absolute discretion as regards the mode and method of assessing the nature of the claim including its genuineness and shall likewise at their discretion accept, reject or partially grant or allow claims and make payment thereof subject to the limits herein mentioned, as they may deem fit and proper.

17.4.10. While the Trust will settle the claims of the Clients out of the Trust Funds, the Trustees may initiate necessary legal proceedings to recover the amount from the Participant and replenish the Fund.

Notes :

17.5. QUANTUM OF COMPENSATION

17.5.1. The Trust Funds shall be utilised by the Trustees to compensate for any loss suffered by any Client arising from negligence of the Participants and/or the Depository up to a limit of ₹ 1,50,000/- (Rupees One lac fifty thousand only) and/or such other limit as may be determined by the Board of Trustees from time to time.

17.5.2. The Trustees may from time to time either generally or in respect of a particular claim determine the limit. However, where the limit is raised in respect of a particular claim, the Board of Trustees shall record in writing, its reasons there for.

17.5.3. The amount of compensation payable in respect of any claim shall be reduced by the amount or value of any compensation or benefits received by the Client from any other source in respect of such claim.

17.5.4. In case the Client receives compensation from any other source and the Trust also pays the compensation without the knowledge of the payment by the other source in respect of the same claim, the Trustees shall recover from such Client an amount equivalent to the compensation received by him from such other source provided that the amount so recovered shall not exceed the amount of compensation received by such Client from the Trust.

17.5.5. In the event that any Client has received compensation from the Trust in respect of a claim founded on the negligence on the part of a Participant, the Trustees shall take all steps necessary to recover from such Participant the amount of compensation so paid together with interest thereon from the date of payment of compensation to the Client at such rate as the Trustees may decide from time to time.

17.5.6. Every decision by the Trustees in regard to any claim made by a Client shall be conclusive and binding.

17.6. CLAIM NOT TO AFFECT LEGAL PROCEEDINGS

17.6.1. The rejection or partial acceptance of any claim by the Trustees or grant of any compensation to a claimant shall not preclude or debar such claimant to pursue his claim for dues against the Participant in any court of law or otherwise howsoever or other legal action on other grounds or causes of action of whatsoever nature.

Provided, however, that the net claim of any such claimant against the Participant shall stand reduced to the extent of the compensation received by him from the Fund. The Trust shall have the right to be subrogated to the extent of compensation so paid by the Participant. In the event of the claimant receiving his full dues from any source other than the Trust, the claimant shall refund the amount of claim received by him from the Trust and in the event of the claimant not so refunding the money, the Trust shall have the right to recover the same from the claimant.

17.7. ALTERATION OF PROCEDURE

17.7.1. The Trustees may, in their discretion alter, modify or repeal the procedure as they may consider necessary.

17.7.2. If there is any repugnance between this procedure and NSDL Business Rules, Bye laws and SEBI Regulations, then NSDL Business Rules, Bye laws and SEBI Regulations will prevail.

18. PENALTIES

18.1

18.1.1 [192] The Depository may impose a penalty on the Participant to the extent indicated for non-compliance as described below:

Sr. No.	Nature of Non-compliance	Penal Action in ₹/ Action
I	**Operational deviations**	
1.	Account opened without obtaining adequate proof of identity or any other document - as prescribed under guidelines of NSDL/SEBI/PMLA/Account opened without Obtaining adequate proof of address as prescribed under guidelines of NSDL/SEBI/PMLA or adequate proof of address not collected for change of address as prescribed under guidelines of NSDL/SEBI/PMLA. Record of in-person verification not maintained as prescribed under guidelines of NSDL/ SEBI/PMLA.	₹5000 per account. If such deviation is observed in two consecutive inspections, penalty would be ₹ 10000 per account. If such deviation is observed in three consecutive inspections,- matter would be referred to Member Committee. Depository to refer the matter to Member Committee if total penalty imposed in one inspection under this head exceeds ₹100000.
2.	Supplementary Agreement Executed or undertaking / letter obtained or any modification made in any document which has clauses contradictory to SEBI/ Depository prescribed guidelines Power of attorney executed in favour Participant in contradiction to SEBI/ Depository prescribed guidelines.	₹2000 per occasion.
3.	[193]Accounts opened in the name of Partnership firms / proprietory concern / such other entities not entitled to hold securities in its name as prescribed under guide lines of NSDL/SEBI/PMLA.	₹2000 per account.
4.	Nomination not done as per prescribed procedure.	₹ 500 per account.
5.	Any type of transaction not executed as per the procedure prescribed by Depository such as change in bank details, change in signature, transmission, account closure, freeze/unfreeze, pledge, remat etc as prescribed under guidelines of NSDL/ SEBI/PMLA.	₹1000 per account.
6.	Data entry errors / omission which may cause inconvenience and/or loss to the client/ system / Depository.	₹100 per account.
7.	Correct PAN details are not obtained from the clients and the account is not frozen for debit as prescribed under guidelines of NSDL/SEBI/PMLA	₹1000 per account.
8.	[194]Incorrect entry of PAN details in DPM system as prescribed under guidelines of NSDL/SEBI/PMLA.	₹500 per account.
9.	Invalid/ Factually incorrect / meaningless data entered in demographic details.	₹1000 per account.
10.	Delay in dispatch of demat requests beyond seven working days after receipt of Demat Request Form and certificates from the client.	₹500 per account.
11.	Sending securities for dematerialisation to Register & Transfer Agents / Issuers without defacing and mutilating certificates.	₹200 per occasion.
12.	No/inadequate control over issuance and/or acceptance of instruction slips.	₹5000 per occasion. If such deviation is observed in two consecutive inspections, penalty would be ₹ 10000. If such deviation is observed in three consecutive inspections,

		matter would be referred to Member Committee.
13.	Client account debited without receiving proper authorization as prescribed under guidelines of NSDL/SEBI.	Penalty structure for Unauthorized transaction to be on the basis of 10% of value of the debit transaction executed with a maximum cap Rs.10,000 per account. Matter also to be referred to Member Committee. The penalty levied above will be in addition to restoration of securities in case of BOs' dispute.
14.	[195] Delivery Instruction Slip (DIS) not scanned and uploaded in system provided by NSDL.	a) If the deviation is observed in the first month - penalty of ₹200 per DIS to be imposed with a maximum cap of ₹20,000. b) If the deviation is observed in the second consecutive month, a penalty of ₹300 per DIS to be imposed with a maximum cap of ₹30,000. If total monetary penalty imposed under this head is more or equal to ₹ 1,00,000 during one financial year, matter would be referred to Member Committee.
15.	Instruction of the client not executed or erroneously entered by Participants.	₹500 per account.
16.	Fax indemnity not executed with the client for the instructions accepted on fax and/ or original instruction not collected within stipulated time from the date of receipt of the fax instruction.	₹1000 per account.
17.	Transaction statement not being sent to clients as per requirements or discrepancy observed in the transaction statement sent to clients.	₹4000 per occasion.
18.	Change in office address and / or investor relations officers/compliance intimated to Depository.	₹500 per occasion.
19.	Forms used are not in conformity with the prescribed format.	₹200 per occasion.
20.	Termination / Closure of franchisee / branch services contrary to Depository instructions.	₹1000 per occasion.
21	Speed-e facility made available/operated contradictory to Depository guidelines.	₹1000 per account.
22.	[196] Internal Audit Report / Concurrent Audit Report not submitted in the prescribed format within the stipulated time period.	₹ 2000 per occasion plus additional ₹1000 for any delay per fortnight. ₹ 4000 per occasion plus additional ₹2000 for any delay per fortnight if repeated delay found in consecutive period. If delay in submission is observed for three consecutive periods, matter would be referred to Member Committee.
23.	Internal audit report/ Concurrent audit report submitted without inclusion of management comments for deviations noted by auditors or not providing compliance duly certified by auditors on the observations made by the Depository.	₹2000 per occasion plus additional ₹ 1000 for any delay per fortnight till the submission of revised report.
24.	[197] Non- Submission of data for risk based supervision in Risk Assessment Template (RAT) within the prescribed time period.	

		[197A]1) In case of submission done within one week (i.e., 7 calendar days) after due date - Warning letter. 2) In case of submission beyond seven days of due date - ₹500/- per day from 8th calendar day till first 15th calendar days or submission of report, whichever is earlier. 3) ₹ 1,000/- per day from 16th calendar day till submission of report. 4) If the submission not done within 60 days, matter will be referred to Member Committee. Penalty/disciplinary action in case of second consecutive instance of violation: 1) In case of submission done within one week (i.e. 7 calendar days) after due date - ₹500/- per day till the date of submission or one week, whichever is earlier. 2) In case of submission beyond seven days of due date ₹ 750 per day from the 8th day till first 15th calendar days or submission of report, whichever is earlier. 3) ₹1500 per day from 16th calendar day till the submission of Report 4) Refer to the Member Committee if delay / non-submission after 60th Calendar days from due date. Penalty/disciplinary action in case of third consecutive instance of violation 1) If submission is within one week (i.e. 7 calendar days) after due date ₹. 750/- per day till 7th Calendar Day from Due date. 2) In case of submission beyond seven days ₹1000/- per day from the 8th day till first 15th Calendar Day or submission of report, whichever is earlier. 3) ₹2000/- per day till from 16th Calendar Day till submission of report. Additionally matter to be referred to Member Committee

25.	[197] Non-submission of net worth certificate based on the audited annual accounts by the Participants (as specified in the Bye- Laws) in the prescribed format for 31st March within prescribed time limit.	₹5000 per occasion plus additional ₹ 2000 for any delay per fortnight. ₹ 10,000 per occasion plus additional ₹4000 for any delay per fortnight if repeated delay found in consecutive period. If delay in submission is observed for three consecutive periods, matter would be referred to Member Committee.
26.	[197] Non-submission of annual financial statement within the prescribed time limit.	₹2000 per occasion plus additional ₹ 1000 for any delay per fortnight. ₹ 4000 per occasion plus additional ₹ 2000 for any delay per fortnight if repeated delay found in consecutive period. If delay in submission is observed for three consecutive periods, matter would be referred to Member Committee.
27.	Non filing of information sought by Depository either periodically or specifically through circulars / letters etc.	₹ 500 per occasion.
28.	Half yearly Compliance certificate not submitted within the stipulated time.	30 days have elapsed after stipulated time and the certificate is not submitted, Participant will be advised to stop opening fresh demat accounts. If the delay is beyond 60 days from the stipulated time, matter to be referred to Member Committee.
29.	[198] Client Grievances (except disputes/court cases) not redressed within 21 days.	₹ 500 per grievance plus additional ₹ 200 for any further delay per month. Delay beyond six months will be reported to the Member Committee.
30.	[197] Non-submission of monthly report of Client Complaints as required under Bye Law 6.3.6 (iii) to be submitted every month (latest by 10th of the following month).	₹ 1000 per month. ₹ 2000 per month if repeated delay found in consecutive month. If delay in submission is observed for three consecutive periods, matter would be referred to Member Committee.
31.	[197] Surveillance policy is not framed or not reviewed periodically.	Rs. 2,500/- per occasion. If repeated non-compliance found in consecutive period. Rs 5,000/- per occasion. If same deviation is observed for three consecutive periods, matter would be referred to Member Committee.
32.	[197] Depository Participant has not provided approved status of the alerts on a quarterly basis to Depository within 15 days from end of the quarter.	Rs.1,000/- per occasion Rs.1,000/- per occasion plus additional Rs.500/- for any delay per fortnight Rs.2,000/- per occasion plus additional Rs.1,000/- for any delay per fortnight if repeated delay found in consecutive period. If same deviation is observed for three consecutive periods, matter would be referred to Member Committee.
33.	[199] Data submitted in Internal Audit Report, Concurrent Audit report, Risk Assessment Template (RAT) for Risk based supervision, in Networth certificate, Annual Financial	₹ 1000 per occasion.

	Statements, Compliance Certificate and Investor Grievance Report is found to be false/ incorrect.	₹ 2000 per occasion, if same deviation is observed for consecutive period. If same deviation is observed for three consecutive periods, matter would be referred to Member Committee.
34.	Depository services are offered through service centres without approval of Depository.	₹5000 per occasion.
35.	(a) In-person verification carried out by any person other than as permitted by SEBI/ Depository. (b) Carrying out functions of verification of delivery instruction slips through franchisees. (c) Dispatch of periodic transaction statements by Participants through its service centre (branch as well as franchisees) other than one which is directly connected to the Depository or through its centralised processing unit under the supervision of its head office.	Matter to be referred to Member Committee.
36.	[198] Anti Money Laundering (AML) policy not framed as required under PMLA	₹5000 per occasion.
37.	Non appointment of Principal officer/Non intimation of change of Principal Officer details to FIU - IND.	₹5000 per occasion.
38.	Suspicious Transaction Register not being maintained as prescribed by NSDL.	₹5000 per occasion.
39.	System of maintaining documents pertaining to depository operations not satisfactory.	₹2000 per occasion.
40.	[200] Failure to co-operate with the Depository for conducting inspection by not submitting all the information/records sought within 45 days from the due date specified in the letter of intimation	Matter to be referred to Member Committee
41.	[194]Demat accounts not converted into BSDA, after assessing the eligibility at the end of the current billing cycle as per respective depository / SEBI guidelines.	₹500/- per account. ₹1000/- per account in case deviation observed in more than 50 demat accounts. If such deviation is observed in two consecutive inspections, penalty would be ₹1,000/- per account. ₹ 2000/- per account in case deviation observed in more than 50 demat accounts. If such deviation is observed in three consecutive inspections, matter would be referred to the Member Committee for further action, if any.
II	**System related deviations**	
41.	Using the DPM system for any other purpose or loading any other software or alteration of parameters / configuration/ software other than DPM application software/prescribed system software found loaded in the system.	₹10000 per occasion.
42.	Not upgrading the software and/or hardware within the prescribed time limit / not complying with pre-requisite or post-requisite of upgradation.	₹10000 per occasion plus actual cost of travel of Depository officials / and / or other person/s on behalf of Depository, if any, for this purpose.
43.	DPM configuration not as per Depository requirements.	₹10000 per occasion.
44.	DPM is connected to WAN without permission of relevant authorities.	₹10000 per occasion.

<table>
<tr><td>45.</td><td>Anti Virus Software not loaded/enabled/ upgraded on server and/or client machine(s).</td><td>₹1000 per occasion.</td></tr>
<tr><td>46.</td><td>'Variable access rights' scheme suggested by Depository not implemented / not implemented properly.</td><td>₹500 per occasion.</td></tr>
<tr><td>47.</td><td>Physical access to client machine and server is easily available to unauthorised persons.</td><td>₹200 per occasion</td></tr>
<tr><td>III</td><td colspan="2">Miscellaneous</td></tr>
<tr><td>48.</td><td>Compliance not reported by Participant within 60 days from the date of communication by depository with respect to deviations observed during the inspections.</td><td>Matter to be referred to Member Committee.</td></tr>
<tr><td>49.</td><td>[201] Non-compliance with respect to :</td><td>₹ 5,000 per occasion.</td></tr>
<tr><td></td><td>a. Publication of the Investor Grievance Redressal Mechanism-Escalation Matrix on website as per NSDL guidelines

b. Contact numbers mentioned in Escalation Matrix are same for more than one or for all escalated levels / not in use / not reachable during working hours / IVRS not allowing caller to reach the desired escalated level / not handled by escalated person.</td><td colspan="2">If such deviation is observed in two consecutive inspections, penalty would be ₹ 10,000 per occasion.

If such deviation is observed in three consecutive inspections, matter would be referred to Member Committee.</td></tr>
<tr><td>50.</td><td>[202]. (i) Failure by a participant offering various depository services online to provide an online account closure facility to clients.

(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</td><td colspan="2">₹25,000/-<table><tr><td>Within 60 days</td><td>Nil</td></tr><tr><td>61st - 75th day</td><td>₹ 1,500 per day until compliance</td></tr><tr><td>76th-120th day</td><td>₹22,500 + ₹2,500 per day until compliance</td></tr><tr><td>Beyond 120th day</td><td>₹1,35,000 + debarment from opening new accounts until compliance + Reference to Member Committee for Directions</td></tr></table></td></tr>
<tr><td>51.</td><td>[202]Non execution of online account closure request of clients with or without holdings on the online closure portal provided by Participants within the stipulated timelines.</td><td colspan="2">₹5,000/- per account

If such deviation is observed in two consecutive inspections, penalty would be ₹10,000/- per account

If such deviation is observed in three consecutive inspections, matter would be referred to Member Committee for review.</td></tr>
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52.	[203]Depository Participant has not submitted response for the surveillance alerts shared by depository within stipulated time.	₹ 500 per alert plus additional ₹ 1500 for any delay per fortnight. If total monetary penalty imposed under this head is more than or equal to ₹ 15,000/- during last consecutive six months, matter would be referred to Member Committee.
IV	[203]Penalties / Disciplinary Actions for Annual System Audit Report	
53.	[203]Non-submission of Annual system audit report within the stipulated time.	1. ₹ 1,500/- per day from the due date till first 7 calendar days or submission of report, whichever is earlier. In case of a repeated delay found in second consecutive year, ₹ 2250/- per day. 2. ₹ 2,500/- per day from 8th calendar day after the due date to 21st calendar day or submission of report, whichever is earlier. In case of a repeated delay found in second consecutive year, ₹ 3750 /- per day. 3. In case of non-submission of report by 21st calendar days, new demat accounts opening shall be restrained from 22nd day onwards till submission of report and action taken shall be shared with all MIIs for information. 4. If delay in submission is observed for three consecutive year, matter would be referred to Member Committee.
54.	[203]Non-submission of Action Taken Report as recommended by the auditor within the stipulated time	1. ₹ 1,500/- per day from the due date till first 7 calendar days or submission of report, whichever is earlier. In case of a repeated delay found in second consecutive year, ₹ 2250/- per day. 2. ₹ 2,500/- per day from 8th calendar day after the due date to 21st calendar day or submission of report, whichever is earlier. In case of a repeated delay found in second consecutive year, ₹ 3750 /- per day. 3. In case of non-submission of report by 21st calendar days, new demat accounts opening shall be restrained from 22nd day onwards till submission of report and action taken shall be shared with all MIIs for information. 4. If delay in submission is observed for three consecutive year, matter would be referred to Member Committee.

<table>
<tr><td>55.</td><td>[203]Non-closure of observations made in annual system audit report within prescribed timeline in the Action Taken Report (ATR).</td><td><table><tr><th>Risk categorization of observations</th><th>Penalty (per open Observations which has not been closed in the Action Taken Report (ATR) (₹) applicable to Depository Participants)</th></tr><tr><td>High Risk</td><td>₹ 15,000/-</td></tr><tr><td>Medium Risk</td><td>₹ 7,500/-</td></tr><tr><td>Low Risk</td><td>₹ 2,500/-</td></tr></table>
• In case observations are not closed by Participant within three weeks from the due date for submission of Action Taken Report (ATR), opening of new demat accounts of Participant shall be restrained and action taken shall be shared with all MIIs for information.</td></tr>
<tr><td>V</td><td colspan="2">[203]Penalties / Disciplinary Actions for Cyber Security Audit Report</td></tr>
<tr><td>56.</td><td>[203]Non-submission of Cyber Security Audit Report within stipulated timelines</td><td>1. ₹ 1,500/- per day from the due date till first 7 calendar days or submission of report, whichever is earlier. In case of a repeated delay found in second consecutive year, ₹ 2250/- per day.

2. ₹ 2,500/- per day from 8th calendar day after the due date to 21st calendar day or submission of report, whichever is earlier. In case of a repeated delay found in second consecutive year, ₹ 3750 /- per day.

3. In case of non-submission of report by 21st calendar days, new demat accounts opening shall be restrained from 22nd day onwards till submission of report and action taken shall be shared with all MIIs for information.

4. If delay in submission is observed for three consecutive year, matter would be referred to Member Committee.</td></tr>
<tr><td>57.</td><td>[203]Non-submission of Action Taken Report as recommended by the auditor within stipulated timelines</td><td>1. ₹ 1,500/- per day from the due date till first 7 calendar days or submission of report, whichever is earlier. In case of a repeated delay found in second consecutive year, ₹ 2250/- per day.

2. ₹ 2,500/- per day from 8th calendar day after the due date to 21st calendar day or submission of report, whichever is earlier. In case of a repeated delay found in second consecutive year, ₹ 3750 /- per day.

3. In case of non-submission of report by 21st calendar days, new demat accounts opening shall be restrained from 22nd day onwards till submission of report and action taken shall be shared with all MIIs for information.

4. If delay in submission is observed for three consecutive year, matter would be referred to Member Committee.</td></tr>
</table>

<table>
<tr><td>58.</td><td>[203]Non-closure of observations made in Cyber Security Audit Report within prescribed timeline in the Action Taken Report (ATR).</td><td>
<table>
<tr><td>Risk categorization of observations</td><td>Penalty (per open Observations which has not been closed in the Action Taken Report (ATR) (₹) applicable to Depository Participants)</td></tr>
<tr><td>High Risk</td><td>₹ 50,000/-</td></tr>
<tr><td>Medium Risk</td><td>₹ 25,000/-</td></tr>
<tr><td>Low Risk</td><td>₹ 5,000/-</td></tr>
</table>
In case observations are not closed by Participant within three weeks from the due date for submission of Action Taken Report (ATR), opening of new demat accounts of Participant shall be restrained and action taken shall be shared with all MIIs for information.
</td></tr>
<tr><td>VI</td><td colspan="2">[203]Penalties / Disciplinary Actions for Incident Reporting</td></tr>
<tr><td>59.</td><td>[203]Non - Submission of Quarterly Cyber Incident Reports within the prescribed time limit</td><td>1. ₹ 2,500/- per day from the due date till first 7 calendar days or submission of report, whichever is earlier. In case of a repeated delay found in second consecutive quarter, ₹ 3750/- per day.

2. ₹ 5,000/- per day from 8 th calendar day after the due date to 21st calendar day or submission of report, whichever is earlier. In case of a repeated delay found in second consecutive quarter, ₹ 7,500 /- per day.

3. In case of non-submission of report by 21st calendar days, new demat accounts opening of Participant shall be restrained from 22nd day onwards till submission of report and action taken shall be shared with all MIIs for information.

4. If delay in submission is observed for three consecutive quarters, matter would be referred to Member Committee.</td></tr>
<tr><td>VII</td><td colspan="2">[203]Penalties / Disciplinary Actions for Non-submission of VAPT report and/or compliance report on or before due date:</td></tr>
<tr><td>60.</td><td>[203] Failure / Delay

Submission of VAPT report</td><td>
<table>
<tr><td rowspan="2">Timeline for submission of Report</td><td colspan="2">Amount of Penalty (₹)</td></tr>
<tr><td>Penalty Structure for first time Violation</td><td>Penalty/disciplinary action in case of Repeat violation/contravention</td></tr>
<tr><td>Within 07 calendar Days of the Due Date</td><td>1500 per day until the submission of report</td><td>2250 per day until the submission of report</td></tr>
<tr><td>Between the 08th Calendar Day and 21st Calendar Day of the Due Date</td><td>10500 + 2500 per day beyond 07 days until the submission of the report</td><td>15750 + 3750 per day beyond 07 days until the submission of the report</td></tr>
<tr><td>After 21 Calendar Days of the due date</td><td>45500 + No New Client Registration until</td><td>68250 + No New Client Registration until the submission of the report +</td></tr>
</table>
</td></tr>
</table>

<table>
<tr><td></td><td></td><td><table>
<tr><td></td><td>the submission of the report + Sharing of Information with all other MIIs</td><td>Sharing of Information with all other MIIs

If delay in submission is observed for three consecutive years, matter would be referred to Member Committee</td></tr>
</table></td></tr>
<tr><td>61.</td><td>[203]Submission of compliance report</td><td><table>
<tr><td rowspan="2">Timeline for submission of Report</td><td colspan="2">Amount of Penalty (₹)</td></tr>
<tr><td>Penalty Structure for first time Violation</td><td>Penalty/disciplinary action in case of Repeat violation/contravention</td></tr>
<tr><td>Within 07 calendar Days of the Due Date</td><td>1500 per day until the submission of report</td><td>2250 per day until the submission of report</td></tr>
<tr><td>Between the 08th Calendar Day and 21st Calendar Day of the Due Date</td><td>10500 + 2500 per day beyond 07 days until the submission of the report</td><td>15750 + 3750 per day beyond 07 days until the submission of the report</td></tr>
<tr><td>After 21 Calendar Days of the due date</td><td>45500 + No New Client Registration until the submission of the report + Sharing of Information with all other MIIs</td><td>68250 + No New Client Registration until the submission of the report + Sharing of Information with all other MIIs

If delay in submission is observed for three consecutive years, matter would be referred to Member Committee</td></tr>
</table></td></tr>
<tr><td>62.</td><td>[203]Non-closure of open vulnerability observed in the VAPT report within stipulated timelines in the compliance report.</td><td><table>
<tr><td>Risk categorization of observations</td><td>Penalty (per open vulnerability which has not been closed)</td></tr>
<tr><td>High Risk</td><td>₹ 50,000/-</td></tr>
<tr><td>Medium Risk</td><td>₹ 25,000/-</td></tr>
<tr><td>Low Risk</td><td>₹ 10,000/-</td></tr>
</table>
Apart from the monetary penalty mentioned above, if High/Medium vulnerability is not closed by Participant within 21 days from the due date of submission of compliance report, new demat account opening of Participant shall be restrained till closure of the open vulnerabilities and action taken shall be shared with all MIIs for information.</td></tr>
</table>

VIII[203A]	Penalties / Disciplinary Actions arising out of deficiency in reporting of cyber incidents and related non

	compliances: Note: 1. The Penalties mentioned in the table below shall be levied by any one Exchange/ Depository to whom the said incident has been assigned for handling as per the SOP framed jointly by all MIIs. 2. The non-monetary penal action, such as restriction on new client registration will be taken by all MIIs.			
	Failure	Timeline (from incident date and time)	Amount of Penalty (₹)	
New penalty head	Submission of Cyber Incident Report	After 06 Hours	For other than QRE Depository Participants	For QRE Depository Participants
			20000 per day, subject to a maximum of 200000.	20000 per day, subject to a maximum of 1000000
New penalty head	Submission of: Mitigation Report / Root Cause Analysis Report / Forensic Audit Report / Vulnerability Assessment and Penetration Testing Report	Within 07 calendar Days of the Due Date	1500 per day until the submission of the report	3000 per day until the submission of the report.
		Between the 08th and 21st Calendar Day of the Due Date	10500 + 2500 per day beyond 07 days until the submission of the report	21000 + 5000 per day beyond 07 days until the submission of the report.
		After 21st Calendar Days of the due date	45500 + No New Client Registration until the submission of the report + Sharing of Information with all other MIIs	91000 + No New Client Registration until the submission of the report + Sharing of Information with all other MIIs
New penalty head	Issue of Press Release on the intimation of normalcy of operation to the Depository	After 01 Working Day	50000 + 10000 per Working Day from the 2nd day, subject to a maximum of Rs. 100000	
New penalty head	Deficiency in: Mitigation Report / Root Cause Analysis Report / Forensic Audit Report / Vulnerability Assessment and Penetration Testing Report	Incomplete / Missing component	50000 per incomplete/ missing component	100000 per incomplete/ missing component
		Misleading / Inaccurate components	100000 per misleading/inaccurate component	200000 per misleading/inaccurate component
New penalty head	Non-Submission of Revised Report: Mitigation Report / Root Cause Analysis Report / Forensic Audit Report / Vulnerability Assessment and Penetration Testing Report, even after the deficiency was pointed out		200000	400000

New penalty head	Cyber incident is attributable to failure to implement the SEBI cyber framework		200000 per noncompliance	400000 per noncompliance
New penalty head	Implementation of the Depository's Recommendation and Confirmation of the same	Within 07 Calendar Days of the Due Date	10000 per day until the submission confirmation.	20000 per day until the Confirmation.
		Between the 08th calendar day and the 21st Calendar Day of the Due Date.	70000 + 20000 per day beyond 07 days until the confirmation	140000 + 40000 per day beyond 07 days until Confirmation.
		After 21 Calendar Days of the due date	350000 + No New Client Registration until Confirmation + Sharing of information with all other MIIs	700000 + No New Client Registration until Confirmation + Sharing of information with all other MIIs

18.1.2. For non-compliances, where fines are levied, the fine will be communicated to the Participant and in addition, Participant would be required to report compliance within the stipulated time frame. The Participant shall pay the fine within 15 days of the communication. In case the Participant continues to default after paying the penalty, the matter will be referred to Member Committee.

18.1.3. Compliance reported by the Participant will be verified during the subsequent inspection. In case the compliance reported by the Participant is found to be false, the matter will be referred to Member Committee.

18.1.4. If the total monetary penalty levied on a particular Participant in last three years exceed ₹ 1,00,000 the matter would be referred to Member Committee.

18.1.5. The penalty provisions as mentioned in Rule 18.1.1 to 18.1.4 will apply to CC/CH to the extent that are relevant for the operations of CC/CH.

18.1.6. [204]The Member Committee may, in lieu of, monetary penalties mentioned above, issue advisory, deficiency, warning letter or levy higher monetary penalty or take any other action on a Participant, on a case-to-case basis, depending upon the nature of non-compliances.

18.1.7 [204] Penalty to be collected through Participants.

Sr. No.	Nature of Non-compliance	Penalty
1	Clients' securities kept in CM Account beyond specified time after payout	6 basis points per week on the value of securities
2.	Clients' securities kept in CM or TM Account for client unpaid securities account beyond specified time after payout	6 basis points per week on the value of securities
3.	Clients' securities kept in Portfolio Manager Account beyond one trading day after payout	6 basis points per week on the value of securities

18.2

18.2.1 [205] The Depository may impose a penalty on the R & T Agent and/ or Issuer having direct connectivity with NSDL for in-house registry division to the extent indicated for non-compliance as described below:

Sr. No.	Nature of Non-compliance	Penal Action

1.	Date of receipt of Demat Request form (DRF) / Conversion Request form/ reconversion Request form/ remat request form (RRF) not entered / incorrectly entered in depository system	If percentage of deviations to sample size is Less than/ equal to 5 percent = Rs. 500 per occasion More than 5 but less than/ equal to 10 percent = Rs. 500 per occasion More than 10 but less than/ equal to 20 percent = Rs. 1000 per occasion More than 20 percent = Rs. 1500 per occasion If deviations are observed under same head in consecutive inspection, the penalty amount indicated above will be doubled.
2.	Certificates/Statement of Account (SOA) and Physical documents not sent to the Concerned Depository Participant (DPs) within 5 working days of rejection of demat/ conversion request.	If percentage of deviations to sample size is Less than/ equal to 5 percent = Rs. 500 per occasion More than 5 but less than/ equal to 10 percent = Rs. 500 per occasion More than 10 but less than/ equal to 20 percent = Rs. 1000 per occasion More than 20 percent = Rs. 1500 per occasion
		If deviations are observed under same head in consecutive inspection, the penalty amount indicated above will be doubled.
3.	Not sending printed certificate /SOA to the Registered owner and Proof of Dispatch of Certificates / SOA not maintained in case of remat /reconversion.	If percentage of deviations to sample size is Less than/ equal to 5 percent = Rs. 500 per occasion More than 5 but less than/ equal to 10 percent = Rs. 500 per occasion More than 10 but less than/ equal to 20 percent = Rs. 1000 per occasion More than 20 percent = Rs. 1500 per occasion If deviations are observed under same head in consecutive inspection, the penalty amount indicated above will be doubled.
4.	System of Maintaining documents pertaining to demat / conversion / reconversion / remats requests not satisfactory.	Rs. 500 per occasion If deviations are observed under same head in consecutive inspection, the penalty amount indicated above will be doubled.
5.	Not Adhering to SEBI prescribed procedure for demat confirmation for shares lost in transit from Participant to R & T Agent and/ or Issuer having direct connectivity with NSDL for in-house registry division.	Rs. 500 per occasion If deviations are observed under same head in consecutive inspection, the penalty amount indicated above will be doubled.
6.	Delay in confirmation of demat / conversion / reconversion /remat/redemption Request within the prescribed time period where the delay Is attributable to the R & T Agent and/ or Issuer having direct connectivity with NSDL for in-house registry division.	Rs. 500 per request with a maximum cap of Rs. 50000 per occasion. If deviations are observed under same head in consecutive inspection, ₹ 1000 per request with a maximum cap of ₹ 50000 per occasion
7.	Dematerialisation Of Securities for which listing approval has not been received from the relevant stock exchange(s).	₹2000 If deviations are observed under same head in consecutive inspection, the penalty amount indicated above will be doubled.
8.	Reconciliation Between depository control position and Register of Members (ROM) is not done on a daily basis.	The penalty imposed shall be ISIN wise (@ Rs.500 per ISIN) and will be applicable for those ISINs which form part of the inspection sample with a maximum cap of Rs.10,000/- If deviations are observed under same head in consecutive inspection, the penalty amount indicated above will be doubled.

9.	Reconciliation between issued capital and summation Of shares held in Physical form, NSDL and CDSL system is not done on daily basis.	The penalty imposed shall be ISIN wise (@Rs. 500 per ISIN) and will be applicable for those ISINs which form part of the inspection sample with a maximum cap of Rs. 10,000/- If deviations are observed under same head in consecutive inspection, the penalty amount indicated above will be doubled.
10.	Physical access to Client machine is easily available to unauthorised persons.	Rs. 500 per occasion If deviations are observed under same head in consecutive inspection, the penalty amount indicated above will be doubled.
11.	Scheme of Variable Access Rights not implemented.	Rs. 500 per occasion If deviations are observed under same head in consecutive inspection, the penalty amount indicated above will be doubled.
12.	Not upgrading the Software / hardware / network / IT Infrastructure or not complying with pre-requisite or post-requisite of up gradation.	Rs. 500 per occasion If deviations are observed under same head in consecutive inspection, the penalty amount indicated above will be doubled.
13.	Failure to Establish connectivity with Depository Through alternate means Of communication.	Rs. 500 per occasion
		If deviations are observed under same head in consecutive inspection, the penalty amount indicated above will be doubled.
14.	Antivirus software not loaded / upgraded / enabled on client machine.	Rs. 1500 per occasion If deviations are observed under same head in consecutive inspection, the penalty amount indicated above will be doubled.
15.	Change in office address and / or investor relations officers / compliance officers Not intimated to the Depository.	Rs. 500 per occasion If deviations are observed under same head in consecutive inspection, the penalty amount indicated above will be doubled.
16.	Compliance not reported By R & T Agent and/ or Issuer having direct connectivity with NSDL for in-house registry division within 60 days from the date of communication by depository with respect to deviations observed during the inspections.	[205A]In case of First instance 1) ₹ 500/- per day till first 15 calendar days or submission, whichever is earlier beyond 60 days. 2) ₹ 1,000/- per day from 16th calendar day till submission of report. In case of repetitive non -compliance i.e. 2nd time - 50% escalation of monetary penalty amount In case of repetitive non compliance i.e.3rd time - 100% escalation of monetary penalty amount. Additionally Matter to be referred to Member Committee
February 17.	Name & specimen signature of authorized signatories Not Obtained from Companies Having only Electronic connectivity and not compared before confirmation of demat /remat requests.	Rs. 500 per occasion If deviations are observed under same head in consecutive inspection, the penalty amount indicated above will be doubled.
18.	Internal Audit Report not submitted in the prescribed format within the stipulated time period.	₹2000 per occasion plus additional ₹1000 for any delay per fortnight. ₹4000 per occasion plus additional ₹2000 for any delay per fortnight if repeated delay found in consecutive period. If delay in submission is observed for three consecutive periods, matter would be referred to Member Committee.
19.	[205B] Internal audit report submitted without inclusion of management comments for deviations noted by auditors or compliance not provided on open observations highlighted by auditor within 60 days from the date of communication by Depository.	₹2000 per occasion plus additional ₹1000 for any delay per fortnight till the submission of revised report.

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20.	[205C]Data submitted in Internal Audit Report or Quarterly investor grievance report or Half yearly Compliance Certificate is found to be false/ incorrect.	₹1000 per occasion. ₹2000 per occasion, if same deviation is observed for consecutive period. If same deviation is observed for three consecutive periods, matter would be referred to Member Committee.
21.	Quarterly Investor Grievance report not submitted in the prescribed format within the stipulated time period.	₹1000 per month or part of the month. ₹2000 per month if repeated delay found in consecutive quarter. If delay in submission is observed for three consecutive quarters, matter would be referred to Member Committee.
22.	Half Yearly Compliance Certificate not submitted within the stipulated time	₹1000 per occasion plus additional Rs. 500 for any delay per fortnight. ₹2000 per occasion plus additional Rs. 1000 for any delay per fortnight if repeated delay found in consecutive period. If delay in submission is observed for three consecutive periods, matter would be referred to Member Committee.

18.2.2. [206] The Depository may impose a penalty on the Issuer to the extent indicated for non-compliance as described below:

Sr. No.	**Nature of Non-compliance**	**Penal Action (Rs.)**
1.	Delay in confirmation/rejection of pending demat/remat requests within prescribed time period where the delay is attributable to the Issuer.	Rs. 500 per request with a max cap of Rs. 50,000 per occasion.
		If deviations are observed under same head in consecutive RTA inspection, Rs. 1000 per request with a maximum cap of Rs.100,000 per occasion.
2.	Issuer which are listed and not adhering to handling of share registry work at single point i.e. common agency requirement for share registry as prescribed by SEBI.	Rs. 10,000 per issuer identified during RTA inspection. If deviations are observed under same penalty head for the same issuer in consecutive RTA inspection Rs. 20,000. If the total penalty amount under this head exceeds Rs. 50,000 for an Issuer, the matter would be referred to Member Committee.

18.2.3. For non-compliances, where penalty points/ monetary penalty are levied, same will be communicated to the Issuer/ RTAs and in addition, compliance will be sought from the Issuer/RTAs within the stipulated time frame. The Issuer / RTAs shall pay the monetary penalty within 30 days of the communication.

18.2.4 [207] In case Issuer/ RTA fails to make the payment of monetary penalty within 30 days from the due date :

1) Warning letter will be issued.

2) In case of nonpayment or delayed payment beyond 30 days after due date, the matter will be referred to Member Committee.

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18.2.5 The compliance reported by the Issuer/RTA will be verified during the subsequent inspection. In case the compliance reported by the Issuer/RTA is found to be false, materially incorrect, or misleading, the matter will be

reported to Member Committee.

18.2.6 [204]The Member Committee may, in lieu of, monetary penalties mentioned above, issue advisory, deficiency, warning letter or levy higher monetary penalty or take any other action on Issuer and/or RTA, on a case-to-case basis, depending upon the nature of non-compliances.

18.2.7 If the total monetary penalty levied on a particular RTA exceeds ₹1,00,000/- during the financial year, the matter would be referred to Member Committee.

Notes:

[194] **Amended w.e.f. March 28, 2025 (Sr. No. 8)**
Inserted w.e.f. March 28, 2025 (Sr. No. 41)

[196] **Amended w.e.f. July 1, 2017 Sr. NO. 18.1.1 (I) 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42 was renumbered as 24, 25, 26, 27, 28, 29, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44 respectively.**

[197] **Inserted w.e.f. June 2, 2017 Sr. NO. 18.2.1 (18, 19 and 20)**
Inserted w.e.f. June 1, 2017
Inserted w.e.f. November 29, 2022 (Sr. No. 31 and 32)

[197A] **Inserted w.e.f. Inserted w.e.f. December 05, 2025**

[198] **Amended w.e.f. September 02, 2024 (Sr. 29 and 36). Prior to this amendment, Sr. 29 and 26 read as:**

Sr. No.	Nature of Non-compliance	Penal Action
29	Client Grievances (except disputes/court cases) not redressed within 30 days.	₹ 500 per grievance plus additional ₹ 200 for any further delay per month. Delay beyond six months will be reported to the Member Committee.
36	Anti Money Laundering (AML) policy not framed as required under PMLA and not intimated to FIU-IND.	₹5000 per occasion.

[201] **Inserted w.e.f. March 20, 2023**

[202] **Amended w.e.f. February 06, 2026, prior to the amendment point 50 read as follows:**

50.	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.	₹25,000/- per occasion

Inserted w.e.f. November 05, 2024 (Sr. No. 50 & 51)

[203] **Amended w.e.f. April 08, 2026, prior to the amendment point 60, 61 and 62 read as follows:**

60	Non-submission of annual VAPT report on or before stipulated timeline	1. ₹ 1,500/- per day from the due date till first 7 calendar days or submission of report, whichever is earlier. In case of a repeated delay found in second consecutive year, ₹ 2,250/- per day. 2. ₹ 2,500/- per day from 8th calendar day after the due date to 21st calendar day or submission of report, whichever is earlier. In case of a repeated delay found in second consecutive year, ₹ 3,750/- per day. 3. In case of non-submission of report by 21st calendar days, new demat accounts opening of Participant shall be restrained till submission of report and action taken shall be shared with all MIIs for information. **4. If delay in submission is observed for three consecutive years, matter would be referred to Member Committee.**
61	Non submission of compliance report on or before stipulated timeline.	1. ₹ 1,500/- per day from the due date till first 7 calendar days or submission of report, whichever is earlier. In case of a repeated delay found in second consecutive year, ₹ 2,250/- per day. 2. ₹ 2,500/- per day from 8th calendar day after the due date to 21st calendar day or submission of report, whichever is earlier. In case of a repeated delay found in second consecutive year, ₹ 3,750/- per day. 3. In case of non-submission of report by 21st calendar days, new demat accounts opening of Participant shall be restrained till submission of report and action taken shall be shared with all MIIs for information. 4. If delay in submission is observed for three consecutive years, matter would be referred to Member Committee.
62	Non-closure of open vulnerability observed in the annual VAPT report within stipulated timelines in the compliance report.	Risk categorization of observations Penalty (per open vulnerability which has not been closed) High Risk ₹ 50,000/- Medium Risk ₹ 25,000/- Low Risk ₹ 10,000/- Apart from the monetary penalty mentioned above, if High/Medium vulnerability is not closed by Participant within 21 days from the due date of submission of compliance report, new demat account opening of Participant shall be restrained till closure of the open vulnerabilities and action taken shall be shared with all MIIs for information.

Inserted w.e.f. February 13, 2025 (Sr. No. 52 to 62)

[203A] **Inserted w.e.f. February 10, 2026**

[204] **Inserted w.e.f. December 10, 2024**
Inserted w.e.f. May 16, 2022

[205A] **Amended w.e.f. from February 18, 2026, prior to amendment point 16 read as follows:**
Matter to be reported to its client companies (in case of RTA) as well as SEBI, for necessary action

[205B] Amended w.e.f. from February 18, 2026, prior to amendment point 19 read as follows:
₹2000 per occasion plus additional ₹1000 for any delay per fortnight till the submission of revised report.
[205C] Amended w.e.f. September 04, 2026, prior to the amendment 18.2.1 (20) read as follows:
Data submitted in Internal Audit Report and investor grievance report is found to be false/ incorrect.
[206] Amended w.e.f. February 18, 2026. Inserted Rule 18.2.2. w.e.f. July 10, 2023. Existing Rule 18.2.2. renumbered as 18.2.3.
[207] Amended w.e.f. February 18, 2026. Prior to this amendment it read as follows. Inserted rule 18.2.7.
18.2.4 In case Issuer/ RTA fails to make the payment of monetary penalty within one month from the due date, the matter will be reported to client companies (in case of RTA) and SEBI for necessary action as well as restriction to be imposed for undertaking new client companies.
18.2.5 The compliance reported by the Issuer/RTA will be verified during the subsequent inspection. In case the compliance reported by the Issuer/RTA is found to be false, materially incorrect or misleading, the matter will be reported to its client companies (in case of RTA) as well as SEBI, for necessary action.
18.2.6 204The Member Committee may, in lieu of, monetary penalties mentioned above, issue advisory, deficiency, warning letter or levy higher monetary penalty or take any other action on Issuer and/or RTA, on a case-to-case basis, depending upon the nature of non-compliances.
Deleted existing Rule 18.2.3. and 18.2.4. w.e.f. July 10, 2023. Existing Rule 18.2.5. and 18.2.6 renumbered as 18.2.4 and 18.2.5 respectively.
[205] Amended w.e.f. July 10, 2023. Prior to this amendment, Rule 18.2.1 read as follows:
18.2.1. The Depository may impose a penalty on the Issuer/ R & T Agent to the extent indicated for non-compliance as described below:

Sr. No.	Nature of Non-compliance	Penal Action
1.	Date of receipt of Demat Request form (DRF) / Conversion Request form/ reconversion Request form/ remat request form (RRF) not entered / incorrectly entered in depository system	If percentage of deviations to sample size is Less than/ equal to 5 percent – 2 points More than 5 – less than/ equal to 10 percent -5 points More than 10 – less than/ equal to 20 percent – 7 points More than 20 percent – 10 points If deviations are observed under same head in consecutive inspection, the penalty points indicated above will be doubled.
2.	Certificates/Statement of Account (SOA) and Physical documents not sent to the Concerned Depository	If percentage of deviations to sample size is Less than/ equal to 5 percent – 2 points More than 5 –
	Participant (DPs) within 5 working days of rejection of demat/ conversion request.	less than/ equal to 10 percent -5 points More than 10 – less than/ equal to 20 percent – 7 points percent – 7 points More than 20 percent – 10 points If deviations are observed under same head in consecutive inspection, the penalty points indicated above will be doubled.
3.	Not sending printed certificate /SOA to the Registered owner and Proof of Dispatch of Certificates / SOA not maintained in case of remat /reconversion.	If percentage of deviations to sample size is Less than/ equal to 5 percent – 2 points More than 5 – less than/ equal to 10 percent -5 points More than 10 – less than/ equal to 20 percent – 7 points More than 20 percent – 10 points If deviations are observed under same head in consecutive inspection, the penalty points indicated above will be doubled.
4.	System of Maintaining documents pertaining to demat / conversion / reconversion / remats requests not satisfactory.	5 points If deviations are observed under same head in consecutive inspection, the penalty points indicated above will be doubled.
5.	Not Adhering to SEBI prescribed procedure For demat confirmation for shares lost in transit from Participant to Issuer / RTA.	5 points If deviations are observed under same head in consecutive inspection, the penalty points indicated above will be doubled.
6.	Delay in confirmation of demat / conversion / reconversion /remat/redemption Request within the prescribed time period where the delay Is attributable to the RTA / Issuer connected to depository.	₹250 per request with a maximum cap of ₹25000 per occasion. If deviations are observed under same head in consecutive inspection, ₹ 500 per request with a maximum cap of ₹ 25000 per occasion

7.	Dematerialisation Of Securities for which listing approval has not been received from the relevant stock exchange(s).	₹1000 If deviations are observed under same head in consecutive inspection, the penalty amount indicated above will be doubled.
8.	Reconciliation Between depository control position and Register of Members (ROM) is not done on a daily basis.	₹2500 If deviations are observed under same head in consecutive inspection, the penalty amount indicated above will be doubled.
9.	Reconciliation between issued capital and summation Of shares held in Physical form, NSDL and CDSL system is not done on daily basis.	₹2500 If deviations are observed under same head in consecutive inspection, the penalty amount indicated above will be doubled.
10.	Physical access to Client machine is easily available to 104uthorized104d persons.	3 points If deviations are observed under same head in consecutive inspection, the penalty points indicated above will be doubled.
11.	Scheme of Variable Access Rights not implemented.	5 points If deviations are observed under same head in consecutive inspection, the penalty points indicated above will be doubled.
12.	Not upgrading the Software / hardware / network / IT Infrastructure or not complying with pre-requisite or post-requisite of up gradation.	5 points If deviations are observed under same head in consecutive inspection, the penalty points indicated above will be doubled.
13.	Failure to Establish connectivity with Depository Through alternate means Of communication.	5 points If deviations are observed under same head in consecutive inspection, the penalty points indicated above will be doubled.
14.	Antivirus software not loaded / upgraded / enabled on client machine.	10 points If deviations are observed under same head in consecutive inspection, the penalty points indicated above will be doubled.
15.	Change in office address and / or investor relations officers / compliance officers Not intimated to the Depository.	5 points If deviations are observed under same head in consecutive inspection, the penalty points indicated above will be doubled.
16.	Compliance not reported By Issuer/ RTAs within 60 days from the date of communication by depository with respect to deviations observed during the inspections.	Matter will be reported to its client companies (in case of RTA) as well as SEBI, for necessary action
17.	Name & specimen signature of 105uthorized signatories Not Obtained from Companies Having only Electronic connectivity and not compared before confirmation of demat /remat requests.	5 points If deviations are observed under same head in consecutive inspection, the penalty points indicated above will be doubled.
18.	# Internal Audit Report not submitted in the prescribed format within the stipulated time period.	₹1000 per occasion plus additional ₹500 for any delay per fortnight. ₹2000 per occasion plus additional ₹1000 for any delay per fortnight if repeated delay found in consecutive period. If delay in submission is observed for three consecutive periods, matter would be referred to Member Committee.
19.	* Internal audit report submitted without inclusion of management comments for deviations noted by auditors or not providing compliance duly certified by auditors on the observations made by the Depository.	₹1000 per occasion plus additional ₹500 for any delay per fortnight till the submission of revised report.
20.	* Data submitted in Internal Audit Report and investor grievance report is found to be false/ incorrect.	₹500 per occasion. ₹1000 per occasion, if same deviation is observed for consecutive period. If same deviation is observed for three consecutive periods, matter would be referred to Member Committee.

21.	** Quarterly Investor Grievance report not submitted in the prescribed format within the stipulated time period.	₹.500 per month or part of the month. ₹.1000 per month if repeated delay found in consecutive quarter. If delay in submission is observed for three consecutive quarters, matter would be referred to Member Committee.

20	Quarterly Investor Grievance report not submitted in the prescribed format within the stipulated time period	₹ 500 per month or part of the month. ₹ 1000 per month if repeated delay found in consecutive quarter. If delay in submission is observed for three consecutive quarters, matter would be referred to Disciplinary Action Committee.

20	Data submitted in Internal Audit Report and investor grievance report is found to be false/ incorrect.	₹500 per occasion. ₹1000 per occasion, if same deviation is observed for consecutive period. If same deviation is observed for three consecutive periods, matter would be referred to Disciplinary Action Committee.

[193] **Amended w.e.f. March 28, 2018. Prior to this amendment the Sr. No. 18.1.1 (I) 3 was which read as follows :**

3.	Accounts opened in the name of Partnership firms / HUF/ proprietory concern / such other entities not entitled to hold securities in its name as prescribed under guidelines of NSDL/SEBI/PMLA.	₹ 1000 per account.

18.	Internal Audit Report not submitted in the prescribed format within the stipulated time period.	₹1000 per occasion plus additional ₹500 for any delay per fortnight. ₹2000 per occasion plus additional ₹1000 for any delay per fortnight if repeated delay found in consecutive period. If delay in submission is observed for three consecutive periods, matter would be referred to Disciplinary Action Committee.

Sr. No.	Nature of Non-compliance	Penal Action in ₹/ Action
21.	Internal Audit Report / Concurrent Audit Report not submitted in the prescribed format within the stipulated time period.	₹ 1000 per occasion plus additional ₹ 500 for any delay per fortnight.
23.	Non-submission of net worth certificate based on the audited annual accounts by the Participants (as specified in the Bye- Laws) in the prescribed format for 31st March within prescribed time limit.	₹ 2500 per occasion plus additional ₹ 1000 for any delay per fortnight.
24.	Non-submission of annual financial statement within the prescribed time limit.	₹ 1000 per occasion plus additional ₹ 500 for any delay per fortnight
28.	Non-submission of monthly report of Client Complaints as required under Bye Law Complaints as required under Bye Law(latest by 10th of the following month).	₹500 Per month.

[192] **Amended w.e.f. April 29, 2022. Prior to this amendment the rule was inserted on June 2, 2017**

Sr. No.	Nature of Non-compliance	Penal Action in ₹/ Action
I	**Operational deviations**	
1.	Account opened without obtaining adequate proof of identity or any other document - as prescribed under guidelines of NSDL/SEBI/PMLA/Account opened without Obtaining adequate proof of address as prescribed under guidelines of NSDL/SEBI/PMLA or adequate proof of address not collected for change of address as prescribed under guidelines of NSDL/SEBI/PMLA. Record of in-person verification not maintained as prescribed under guidelines of NSDL/ SEBI/PMLA.	₹2500 per account. If such deviation is observed in two consecutive inspections, penalty would be ₹ 5000 per account. If such deviation is observed in three consecutive inspections,- matter would be referred to Disciplinary Action Committee. Depository to refer the matter to Disciplinary Action Committee if total penalty imposed in one inspection under this head exceeds ₹50000.

[194] **Amended w.e.f. July 1, 2017. Prior to this amendment the Sr. NO. 18.1.1 (I) 21, 23, 24 & 28 was read as follows :**

2.	Supplementary Agreement Executed or undertaking / letter obtained or any modification made in any document which has clauses contradictory to SEBI/ Depository prescribed guidelines Power of attorney executed in favour Participant in contradiction to SEBI/ Depository prescribed guidelines.	₹1000 per occasion.
3.	Accounts opened in the name of Partnership firms / proprietory concern / such other entities not entitled to hold securities in its name as prescribed under guide lines of NSDL/SEBI/PMLA.	₹1000 per account.
4.	Nomination not done as per prescribed procedure.	₹ 250 per account.
5.	Any type of transaction not executed as per the procedure prescribed by Depository such as change in bank details, change in signature, transmission, account closure, freeze/unfreeze, pledge, remat etc as prescribed under guidelines of NSDL/ SEBI/PMLA.	₹500 per account.
6.	Data entry errors / omission which may cause inconvenience and/or loss to the client/ system / Depository.	₹50 per account.
7.	Correct PAN details are not obtained from the clients and the account is not frozen for debit as prescribed under guidelines of NSDL/SEBI/PMLA	₹500 per account.
8.	Incorrect entry of PAN details in DPM system as prescribed under guidelines of NSDL/SEBI/PMLA.	₹50 per account.
9.	Invalid/ Factually incorrect / meaningless data entered in demographic details.	₹500 per account.
10.	Delay in dispatch of demat requests beyond seven working days after receipt of Demat Request Form and certificates from the client.	₹250 per account.
11.	Sending securities for dematerialisation to Register & Transfer Agents / Issuers without defacing and mutilating certificates.	₹100 per occasion.
12.	No/inadequate control over issuance and/or acceptance of instruction slips.	₹2500 per occasion. If such deviation is observed in two consecutive inspections, penalty would be ₹ 5000. If such deviation is observed in three consecutive inspections, matter would be referred to Disciplinary Action Committee.
13.	Client account debited without receiving proper authorization as prescribed under guidelines of NSDL/SEBI.	₹2500 per account. If such deviation is observed in two consecutive inspections, penalty would be ₹ 5000 per account. If such deviation is observed in three consecutive inspections, Matter be referred to Disciplinary Action Committee. Depository to refer matter to Disciplinary Action Committee, If total penalty imposed in one inspection under this head exceeds ₹50000. The penalty above will be in addition to restoration of securities in case of client's dispute.

14.	Delivery Instruction Slip (DIS) not scanned and uploaded in system provided by NSDL.	a) If the deviation is observed in the first month - penalty of ₹100 per DIS to be imposed with a maximum cap of ₹10,000. b) If the deviation is observed in the second consecutive month, a penalty of ₹150 per DIS to be imposed with a maximum cap of ₹15,000. If total monetary penalty imposed under this head is more or equal to ₹ 50,000 during one financial year, matter would be referred to Disciplinary Action Committee (DAC).
15.	Instruction of the client not executed or erroneously entered by Participants.	₹250 per account.
16.	Fax indemnity not executed with the client for the instructions accepted on fax and/ or original instruction not collected within stipulated time from the date of receipt of the fax instruction.	₹500 per account.
17.	Transaction statement not being sent to clients as per requirements or discrepancy observed in the transaction statement sent to clients.	₹2000 per occasion.
18.	Change in office address and / or investor relations officers/compliance intimated to Depository.	₹250 per occasion.
19.	Forms used are not in conformity with the prescribed format.	₹100 per occasion.
20.	Termination / Closure of franchisee / branch services contrary to Depository instructions.	₹500 per occasion.
21	Speed-e facility made available/operated contradictory to Depository guidelines.	₹500 per account.
22.	Internal Audit Report / Concurrent Audit Report not submitted in the prescribed format within the stipulated time period.	₹.1000 per occasion plus additional ₹500 for any delay per fortnight. ₹.2000 per occasion plus additional ₹1000 for any delay per fortnight if repeated delay found in consecutive period. If delay in submission is observed for three consecutive periods, matter would be referred to Disciplinary Action Committee.
23.	Internal audit report/ Concurrent audit report submitted without inclusion of management comments for deviations noted by auditors or not providing compliance duly certified by auditors on the observations made by the Depository.	₹1000 per occasion plus additional ₹ 500 for any delay per fortnight till the submission of revised report.
24.	Non- Submission of data for risk based supervision in Risk Assessment Template (RAT) within the prescribed time period.	₹.1000 per occasion ₹.2000 per occasion if repeated delay found in consecutive period. If delay in submission is observed for three consecutive periods, matter would be referred to Disciplinary Action Committee.

25.	Non-submission of net worth certificate based on the audited annual accounts by the Participants (as specified in the Bye- Laws) in the prescribed format for 31st March within prescribed time limit.	₹2500 per occasion plus additional ₹ 1000 for any delay per fortnight. ₹.5000 per occasion plus additional ₹2000 for any delay per fortnight if repeated delay found in consecutive period. If delay in submission is observed for three consecutive periods, matter would be referred to Disciplinary Action Committee.
26.	Non-submission of annual financial statement within the prescribed time limit.	₹1000 per occasion plus additional ₹ 500 for any delay per fortnight. ₹.2000 per occasion plus additional ₹1000 for any delay per fortnight if repeated delay found in consecutive period. If delay in submission is observed for three consecutive periods, matter would be referred to Disciplinary Action Committee.
27.	Non filing of information sought by Depository either periodically or specifically through circulars / letters etc.	₹ 250 per occasion.
28.	Half yearly Compliance certificate not submitted within the stipulated time.	30 days have elapsed after stipulated time and the certificate is not submitted, Participant will be advised to stop opening fresh demat accounts. If the delay is beyond 60 days from the stipulated time, matter to be referred to Disciplinary Action Committee.
29.	Client Grievances (except disputes/court cases) not redressed within 30 days.	₹ 250 per grievance plus additional ₹ 100 for any further delay per month. Delay beyond six months will be reported to the Disciplinary Action Committee.
30.	Non-submission of monthly report of Client Complaints as required under Bye Law 6.3.6 (iii) to be submitted every month (latest by 10th of the following month).	₹.500 per month. ₹. 1000 per month if repeated delay found in consecutive month. If delay in submission is observed for three consecutive periods, matter would be referred to Disciplinary Action Committee.
31.	Data submitted in Internal Audit Report, Concurrent Audit report, Risk Assessment Template (RAT) for Risk based supervision, in Networth certificate, Annual Financial Statements, Compliance Certificate and Investor Grievance Report is found to be false/ incorrect.	₹. 500 per occasion. ₹. 1000 per occasion, if same deviation is observed for consecutive period. If same deviation is observed for three consecutive periods, matter would be referred to Disciplinary Action Committee.
32.	Depository services are offered through service centres without approval of Depository.	₹2500 per occasion.
33.	(a) In-person verification carried out by any person other than as permitted by SEBI/ Depository. (b) Carrying out functions of verification of delivery instruction slips through franchisees. (c) Dispatch of periodic transaction statements by Participants through its service centre (branch as well as franchisees) other than one which is directly connected to the Depository or through its centralised processing unit under the supervision of its head office.	Matter to be referred to Disciplinary Action Committee.

34.	Anti Money Laundering (AML) policy not framed as required under PMLA and not intimated to FIU-IND.	₹2500 per occasion.
35.	Non appointment of Principal officer/Non intimation of change of Principal Officer details to FIU - IND.	₹2500 per occasion.
36.	Suspicious Transaction Register not being maintained as prescribed by NSDL.	₹2500 per occasion.
37.	System of maintaining documents pertaining to depository operations not satisfactory.	₹1000 per occasion.
38.	[189] Failure to co-operate with the Depository for conducting inspection by not submitting all the information/records sought within 45 days from the due date specified in the letter of intimation	Matter to be referred to Member Committee
II	**System related deviations**	
39.	Using the DPM system for any other purpose or loading any other software or alteration of parameters / configuration/ software other than DPM application software/prescribed system software found loaded in the system.	₹5000 per occasion.
40.	Not upgrading the software and/or hardware within the prescribed time limit / not complying with pre-requisite or post- requisite of upgradation.	₹5000 per occasion plus actual cost of travel of Depository officials / and / or other person/s on behalf of Depository, if any, for this purpose.
41.	DPM configuration not as per Depository requirements.	₹5000 per occasion.
42.	DPM is connected to WAN without permission of relevant authorities.	₹5000 per occasion.
43.	Anti Virus Software not loaded/enabled/ upgraded on server and/or client machine(s).	₹500 per occasion.
44.	'Variable access rights' scheme suggested by Depository not implemented / not implemented properly.	₹250 per occasion.
45.	Physical access to client machine and server is easily available to unauthorised persons.	₹100 per occasion
	Miscellaneous	
46.	Compliance not reported by Participant within 60 days from the date of communication by depository with respect to deviations observed during the inspections.	Matter to be referred to Disciplinary Action Committee.

Notes:

•Amended w.e.f. April 4, 2014. Prior to this amendment the Sr. NO. 18.1.1 (I) 1 & 2 was amended w.e.f. August 6, 2012, which read as follows :

Sr. No.	Nature of Non-compliance	Penal Action in ₹/ Action
1.	Accounts operated with an unsigned agreement/Account opened without obtaining adequate proof of identity or any other document - as prescribed under guidelines of NSDL/SEBI/PMLA/Account opened without obtaining adequate proof of address as prescribed under guidelines of NSDL/ SEBI/PMLA or adequate proof of address not collected for change of address as prescribed under guidelines of NSDL/SEBI/ PMLA. Record of in-person verification not maintained as prescribed under guidelines of NSDL/SEBI/PMLA.	₹2500 per account. If such deviation is observed in two consecutive inspections, penalty would be ₹5000 per account. If such deviation is observed in three consecutive inspections, matter would be referred to Disciplinary Action Committee. Depository to refer the matter to Disciplinary Action Committee if total penalty imposed in one inspection under this head exceeds ₹50000.

2.	Supplementary agreement executed or undertaking/letter obtained or any modification made in any document which has clauses contradictory to Depository prescribed agreement or Power of attorney executed in favour of Participant in contradiction to Depository prescribed guidelines.	₹1000 per occasion.

The Original Rule 18.1.1 (I) 29 has been deleted w.e.f. October 29, 2014. Prior to deletion original Rule 18.1.1 (I) 29 read as follows:

*** Sr. No. 9 under Rule 18.1.1 has been deleted w.e.f. April 4, 2014 and remaining provisions under 18.1.1 have been renumbered. The deleted Rules read as under:**

*** Sr. No. 43 under Rule 18.1.1 has been deleted w.e.f. April 29, 2014 and remaining provisions under 18.1.1 have been renumbered.**

Sr. No.	Nature of Non-compliance	Penal Action in ₹/ Action
9.	Alterations in the contents of agreements as prescribed by Depository.	₹100 per occasion.
29.	Qualified personnel (NCFM/NSDL/NISM certified for depository operations) not appointed in at least 90% of the total service centers (other than drop boxes) of the Participants.	₹1,000 per month per service centre (other than drop box). Further, ₹ 5,000 per month per service centre upon recurrence of the deviation in the same service centre wherein non-compliance was observed earlier. In case of new service centre or in case of resignation or transfer of qualified personnel from the existing service centre, time period of three months will be allowed within which qualified personnel should be appointed.
43.	Not connecting with Depository continuously for two working days without intimating to Depository. sed persons.	₹5000 per Occasion plus ₹500 per day thereafter.

Notes:2

*** Sr. No. 39 and 49 under Rule 18.1.1 which were amended w.e.f. May 1, 2009 have been deleted w.e.f. June 30, 2009 and remaining provisions under 18.1.1. have been renumbered. The deleted Rules read as under :**

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-Compliance	Penal Action
39.	Not taking back up daily and/or deviation in procedure of taking backup.	₹ 5000 per occasion.
49.	Additional copy of back up not sent to remote site and/or not sent as per Depository Requirements.	₹ 1000 per occasion.

•Amended w.e.f. June 14, 2011. Prior to this amendment the Sr. No. 31, which read as follows:

Sr. No.	Nature of Non-Compliance	Penal Action
31.	Qualified personnel (NCFM/NSDL certified for depository operations) not appointed in at least 90% of the total service centres (other than drop boxes) of the Participants.	₹1,000 per month per service centre (other than drop box). Further, ₹ 5,000 per month per service centre upon recurrence of the deviation in the same service centre wherein non-compliance was observed earlier. In case of new service centre or in case of resignation or transfer of qualified personnel from the existing service centre, time period of three months will be allowed within which qualified personnel should be appointed.

••word 'NISM' was added after NCFM/NCDO in srl. No. 31 of Rule 18.1.1 w.e.f June 14,2011.

•Prior to this amendment the Sr. No. 31, which read as follows:

Sr. No.	Nature of Non-Compliance	Penal Action
31.	Qualified personnel (NCFM/NSDL certified for depository operations) not appointed in at least 75% of the total service centres (other than drop boxes) of the Participants.	₹ 50 per day per service centre (other than drop box) till the appointment of qualified person(s) to the extent of shortages.

•Amended w.e.f. October 21, 2009. Prior to this amendment the Sr. No. 31, 32 & 33,which read as follows:

Sr. No.	Nature of Non-Compliance	Penal Action
32.	Depository services are offered through service centers without the approval of Depository.	Participant will be advised to stop opening fresh demat account and matter will be referred to the Disciplinary Action Committee.
33.	Carrying out certain functions which are prohibited by Depository though franchisees Committee. (like in person verification of clients at the time of opening of accounts, verification of delivery instruction slips, despatch of transaction statements etc.).	Matter to be referred to Disciplinary Action

Amended w.e.f. August 6, 2012. Prior to this amendment the Rule 18.1.1. was amended w.e.f. May 1, 2009, which read as follows:

Sr. No.	Nature of Non-Compliance	Penal Action
I	**Operational deviations**	
1.	Accounts operated with an unsigned agreement/ Account opened without obtaining adequate proof of identity or any other document prescribed by SEBI/ Account opened without obtaining adequate proof of address or adequate proof of address not collected for change of address, Record of in-person verification not maintained.	₹ 2500 per account. If such deviation is observed in two consecutive inspections, penalty would be ₹ 5000 per account. If such deviation is observed in three consecutive inspections, matter would be referred to Disciplinary Action Committee. Depository to refer the matter to Disciplinary Action Committee if total penalty imposed in one inspection under this head exceeds ₹ 50000.
2.	Supplementary agreement executed or undertaking/letter obtained or any modification made in any document which has clauses contradictory to Depository prescribed agreement or Power of attorney executed in favour of Participant in contradiction to Depository prescribed guidelines.	₹ 1000 per occasion.
3.	Accounts opened in the name of partnership firms/HUF/proprietary concern/such other entities not entitled to hold securities in its name.	₹ 1000 per occasion.
4.	Nomination not done as per prescribed procedure.	₹ 250 per account.
5.	Any type of transaction not executed as per the procedure prescribed by Depository such as change in bank details, change in signature, transmission, account closure, freeze/unfreeze, pledge, remat etc.	₹ 500 per account.
6.	Data entry errors / omission which may cause inconvenience and/or loss to the client/ system / Depository.	₹ 50 per account.
7.	Correct PAN details are not obtained from the clients and the account is not frozen for debit.	₹ 500 per account.
8.	Incorrect entry of PAN details in DPM system.	₹ 50 per account.
9.	Alterations in the contents of agreements as prescribed by Depository.	₹ 100 per occasion.
10.	Minor's account opened with joint holders.	₹ 500 per account.
11.	Invalid/ factually incorrect/ meaningless data entered in demographic details.	₹ 500 per account.
12.	Delay in dispatch of demat request beyond seven working day after receipt of Demat Request Form and certificates from the Client.	₹ 250 per occasion.
13.	Sending securities for dematerialization to Registrar & Transfer Agents/Issuers without defacing and mutilating certificates.	₹ 100 per occasion.
14.	No/inadequate control over issuance and / or acceptance of instruction slips.	₹ 2500 per occasion. If such deviation is observed in two consecutive inspections, penalty would be ₹ 5000. If such deviation is observed in three consecutive inspections, matter would be referred to Disciplinary Action Committee.
15.	Client account debited without receiving proper authorization.	₹ 2500 per account. If such proper authorization. deviation is observed in two consecutive inspections, penalty would be ₹ 5000 per account. If such deviation is observed in three consecutive inspections, matter would be referred to Disciplinary Action Committee. Depository to refer the matter to Disciplinary Action Committee, if total penalty imposed in one inspection under this head exceeds ₹ 50000. The penalty levied above will be in addition to restoration of securities in case of clients' dispute.
16.	Instruction of the client not executed or erroneously entered by Participants.	₹ 250 per account.
17.	Fax indemnity not executed with the clients for the instructions accepted on fax and/or original instruction not collected within stipulated time from the date of receipt of the fax instruction.	₹ 500 per account.
18.	Transaction statement not being sent to clients as per requirements or discrepancy observed in the transaction statement sent to clients.	₹ 2000 per occasion.
19.	Change in office address and / or investor relations officers/compliance officers not intimated to Depository.	₹ 250 per occasion.

Sr. No.	Nature of Non-Compliance	Penal Action
20.	Forms used are not in conformity with the prescribed format.	₹ 100 per occasion.
21.	Termination/Closure of franchisee/branch services contrary to Depository instruction.	₹ 500 per occasion.
22.	Speed-e facility made available/ operated contradictory to Depository prescribed guidelines.	₹ 500 per account.
23.	Internal Audit Report/Concurrent Audit Report not submitted in the prescribed format within the stipulated time period.	₹ 1000 per occasion plus additional ₹ 500 for any delay per fortnight.
24.	Internal audit report/Concurrent audit report submitted without inclusion of management comments for deviations noted by auditors or not providing compliance duly certified by auditors on the observations made by the Depository.	₹ 1000 per occasion plus additional ₹ 500 for any delay per fortnight till the submission of revised report.
25.	Non-submission of net worth certificate based on the audited annual accounts by the Participants (as specified in the Bye-Laws) in the prescribed format for 31st March within prescribed time limit.	₹ 2500 per occasion plus additional ₹ 1000 for any delay per fortnight.
26.	Non-submission of annual financial statement within the prescribed time limit.	₹ 1000 per occasion plus additional ₹ 500 for any delay per fortnight.
27.	Non filing of information sought by Depository either periodically or specifically through circulars/letters etc.	₹ 250 per occasion.
28.	Half yearly Compliance certificate not submitted within the stipulated time.	30 days have elapsed after stipulated time and the certificate is not submitted, Participant will be advised to stop opening fresh demat accounts. If the delay is beyond 60 days from the stipulated time, matter to be referred to Disciplinary Action Committee.
29.	Client Grievances (except disputes/court cases) not redressed within 30 days.	₹ 250 per grievance plus additional ₹ 100 for any further delay per month. Delay beyond six months will be reported to the Disciplinary Action Committee.
30.	Non-submission of monthly report of client Complaints as required under Bye Law 6.3.6 (iii) to be submitted every month (latest by 10th of the following month).	₹ 500 per month.
31.	Qualified personnel (NCFM/NSDL/NISM certified for depository operations) not appointed in at least 90% of the total service centers (other than drop boxes) of the Participants.	₹ 1,000 per month per service centre (other than drop box). Further, ₹. 5,000 per month per service centre upon recurrence of the deviation in the same service centre wherein non-compliance was observed earlier. In case of new service centre or in case of resignation or transfer of qualified personnel from the existing service centre, time period of three months will be allowed within which qualified personnel should be appointed.
32.	Depository services are offered through service centers without approval of Depository.	₹ 2,500 per occasion
33.	(a) Carrying out certain functions which are prohibited by Depository through franchisees (like in-person verification of clients at the time of opening of accounts and verification of delivery instruction slips) (b) Dispatch of periodic transaction statements by Participants through its service centre (branch as well as franchisees) other than one which is directly connected to the Depository or through its centralized processing unit under the supervision of its head office.	Matter to be referred to Disciplinary Action Committee.
II	**System related deviations**	
34.	Using the DPM System for any other purpose or loading any other software or alteration of parameters/configuration/software other than DPM application software/prescribed system software found loaded in the system	₹ 5000 per occasion.
35.	Not upgrading the software and/or hardware within the prescribed time limit/not complying with pre-requisite or post-requisite of up gradation.	₹ 5000 per occasion plus actual cost of travel of Depository official/s and or other person/s on behalf of Depository, if any, for this purpose.

36.	DPM configuration not as per Depository requirements.	₹ 5000 per occasion.
Sr. No.	**Nature of Non-Compliance**	**Penal Action**
37.	DPM is connected to WAN without permission of relevant authorities.	₹ 5000 per occasion.
38.	Anti Virus Software not loaded/enabled/upgraded on server and/or client machine(s)	₹ 500 per occasion.
39.	Variable access rights' scheme suggested by Depository not implemented/ not implemented properly.	₹ 250 per occasion.
40.	Back up register not maintained or not updated	₹ 100 per occasion.
41.	There is no physical restriction on access to server and client machine.	₹ 100 per occasion.
42.	DPM configuration not as per Form B; however it is as per Depository specifications.	₹ 100 per occasion.
43.	System personnel not deputed for BP training.	₹ 100 per occasion.
44.	Documentation related to procedure of RAS/PPP/ online/ Dongle etc. not maintained/is not available immediately.	₹ 100 per occasion.
45.	Not connecting with Depository continuously for two working days without intimating to Depository.	₹ 5000 per occasion plus ₹ 500 per day thereafter.
46.	Transaction logs not getting copied to client machine.	₹ 5000 per occasion.
47.	Failure to establish connectivity with Depository through dial-up mode.	₹ 1000 per occasion.
48.	ERD not created/RAID controller configuration back up not taken as per Depository requirements.	₹ 1000 per occasion. If such deviation is observed in two consecutive inspections, penalty would be ₹ 2000.
	Miscellaneous	
49.	Compliance not reported by Participant within 60 days from the date of communication by depository with respect to deviations observed during the inspections	Matter to be referred to Disciplinary Action Committee.

18.1.2. ¥ For non-compliances, where fines are levied, the fine will be communicated to the Participant and in addition, Participant would be required to report compliance within the stipulated time frame. The Participant shall pay the fine within 15 days of the communication. In case the Participant continues to default after paying the penalty, the matter will be referred to Disciplinary Action Committee.

18.1.3. ¥ Compliance reported by the Participant will be verified during the subsequent inspection. In case the compliance reported by the Participant is found to be false, the matter will be referred to Disciplinary Action Committee.

18.1.4. ¥ If the total monetary penalty levied on a particular Participant in last three years exceed ₹ 1,00,000 the matter would be referred to Disciplinary Action Committee.

18.1.5. ¥ The penalty provisions as mentioned in Rule 18.1.1 to 18.1.4 will apply to CC/CH to the extent that are relevant for the operations of CC/CH.

Prior to this amendment the Rule 18.1.1. read as follows:

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-Compliance**	**Penalty**
1.	Account opened without executing DP Client agreement or obtaining adequate proof of identity and/or proof of address and no adequate proof of address collected for change of address.	₹ 5000 per occasion. If such deviation is observed in two consecutive inspections, penalty would be ₹10000. If such deviation is observed in third consecutive inspection matter would be referred to Disciplinary Action Committee.
2.	Account opened in incorrect name viz. Accounts opened in name of partnership firms/ proprietary concerns/HUF etc.	₹1000 per deviation.
3.	Minor account opened with joint holdings	₹ 500 per deviation
4.	Invalid/ factually incorrect data entered in demographic details.	₹ 500 per deviation
5.	Incorrect PAN details entered in DPM system.	₹500 per account.

6.	Data entry errors/ omission which may cause inconvenience and/or loss to the client / system / DP / NSDL	₹ 50 per occasion
Sr. No.	**Nature of Non-Compliance**	**Penalty**
7.	Supplementary agreement executed or undertaking/ letter obtained or any modification made in any document which has clauses contradictory to NSDL prescribed agreement or Power of attorney executed in favour of DP in contradiction to NSDL prescribed guidelines.	₹ 1000 per occasion
8.	Nomination not done as per prescribed procedure.	₹ 500 per deviation
9.	Change in clients signature not done as per prescribed procedure.	₹ 500 per deviation
10.	Account closure/ freezing/ unfreezing not done as per NSDL requirements.	₹ 500 per deviation
11.	Transmission not done as per prescribed procedure.	₹ 1000 per deviation
12.	Speed-e facility made available/ operated contrary to NSDL procedure.	₹ 500 per deviation
13.	No/ inadequate control over issuance and/ or acceptance of instruction slips.	₹ 5000 per occasion. If such deviation is observed in two consecutive inspections, monetary penalty of ₹10000 would be levied. If such deviation is observed in third consecutive inspection, matter would be referred to the Disciplinary Action Committee.
14.	Client account debited without receiving proper authorisation from clients.	Upto 5 such deviations: ₹5000 and thereafter ₹1000 per deviation. If such deviation is observed in two consecutive inspections, the penalty would be ₹10000 and ₹2000 respectively and if same is observed thrice consecutively matter would be referred to Disciplinary Action Committee. The penalty levied above will be in addition to restoration of securities in case of clients' dispute.
15.	Transaction statement not being sent to clients as required by regulations or discrepancy observed in the transaction statement sent to clients.	₹ 2000
16.	Delay in processing of demat requests beyond 7 working days after receipt.	₹ 50 per request per day of delay beyond 7 working days.
17.	Half yearly Compliance certificate not submitted (by stipulated time).	If 30 days have elapsed after stipulated time and the certificate is not submitted, stop opening new demat accounts. If the delay is beyond 60 days from the stipulated time, matter to be referred to Disciplinary Action Committee.
18.	Change in office address and / or investor Relations officers/ compliance officers not intimated to NSDL.	₹100 per day from the date of change in address/ investor relations officers/ compliance officer till intimation given to NSDL.
19.	Quarterly Internal Audit Report/Concurrent Audit Report not submitted (by stipulated time).	₹ 1000 per occasion plus additional ₹ 500 for any delay per fortnight
20.	Quarterly Internal Audit Report/ Concurrent Audit Report Submitted without inclusion of management comments for deviations noted by the auditors Or for not providing comments by the auditors with respect to the action initiated by DP based on the observations made by NSDL.	₹ 1000 per occasion plus additional ₹ 500 for any delay per fortnight till the submission of revised report.
21.	Monthly report as required under Bye Law 6.3.6 (iii) to be submitted every month (latest by 10th of the following month)	₹ 25 per day till the date of submission of the report by the Participant.
22.	Not connecting with NSDL continuously for two working days without intimating to NSDL.	₹ 5000 plus ₹ 500 per day thereafter.
23.	Not taking back up daily and/or deviation in procedure of taking backup.	₹ 5000 for each deviation.
24.	Not upgrading the software or not complying with pre-requisite up gradation.	₹ 5000 plus actual cost of travel of NSDL official/s and/or other person/s on behalf of NSDL, if any, for this purpose.
25.	DPM configuration not as per NSDL requirements.	₹ 5000
26.	Transaction logs not getting copied to client machines.	₹ 5000
27.	Failure to establish connectivity with NSDL through dial-up mode.	₹ 1000 on each occasion.
28.	Additional copy of back up not sent to remote site and/ or not sent as per NSDL requirements.	₹1000 on every occasion.

29.	ERD not created/ RAID controller configuration back up not taken as per NSDL requirements.	₹ 1000 per deviation. If such deviation is observed in two consecutive inspections, penalty of ₹ 2000 would be levied.
30.	DPM is connected to WAN without permission of relevant authorities.	₹ 5000
Sr. No.	**Nature of Non-Compliance**	**Penalty**
31.	Anti Virus Software not loaded/enabled/ upgraded on server and/or client machine(s).	₹ 500 per deviation
32.	Using the DPM system for any other purpose or loading any other software or alteration of parameters/configuration.	₹5000 If such deviation is observed in two consecutive inspections, matter to be referred to Disciplinary Action Committee.
$$33.	Qualified personnel (NCFM / NSDL certified for depository operations) not appointed in at least 75% of the total service centers (other than drop boxes) of the Participants.	₹50 per day per service centre (other than drop box) till the appointment of qualified person(s) to the extent of shortages.
34.	Depository services are offered through franchisee without the approval of NSDL.	DP will be advised to stop opening fresh demat account and matter will be referred to the Disciplinary Action Committee.
35.	Termination of franchisee / branch services contrary to NSDL instructions.	₹ 500 per occasion.
36.	Franchisees carrying out functions which are in contravention to NSDL guidelines (like in- person verification of clients at the time the opening of account, verification of delivery instruction slips, dispatch of transaction statements etc).	Matter to be referred to Disciplinary Action Committee.
37.	Non submission of charge structure by the DP to NSDL by 30th April every year and changes thereof before such change becomes effective.	₹ 5,000 plus ₹ 250 per day thereafter for a period of 30 days. If the delay is beyond 30 days of the stipulated time, the matter to be referred to the Disciplinary Action Committee.
38.	Outstanding penalty points more than 15	₹ 1000 per point in excess of 15 to 30. For 31 to 45, ₹ 2000 per point above 30 points and for points above 45 - To Refer the matter to Disciplinary Action Committee.

Penalty Points:

Sr. No.	**Nature of Non-Compliance**	**Penalty Points**
(i)	Forms used are not in conformity with NSDL prescribed format.	3 points
(ii)	'Variable access rights' scheme suggested by NSDL not implemented / not implemented properly.	5 points. If such deviation is observed in two consecutive inspections, then 10 penalty points would be levied. If such deviationis observed thrice consecutively, monetary penalty of ₹500 would be levied.
(iii)	There is no physical restriction on access to server and client machine.	3 points.
(iv)	DPM configuration not as per Form B; however it is as per NSDL specifications.	3 points.
(v)	Software other than DPM application software/ prescribed system software found loaded in the system.	3 points.
(vi)	System personnel not deputed for BP training.	1 points.
(vii)	Back up register not maintained or not updated.	5 points.
(viii)	Documentation related to procedure of RAS/PPP/ on line/ Dongle etc. not maintained/is not available immediately.	5 points.
(ix)	Fax indemnity not executed with the clients for the instructions accepted on fax and/or original instruction not collected within two days from the date of receipt of fax instruction.	3 points. If such deviation is observed in two consecutive inspections, then 10 penalty points would be levied. If such deviation is observed in thrice consecutively, monetary penalty of ₹500 would be levied.
(x)	Certificates are sent to R&T without defacing or mutilating Them.	5 points.

$$Amended w.e.f. February 11, 2009. Prior to this amendment Rule 18.1.1 (33) as amended w.e.f. November 1, 2007 read as follows:

18.1.1

Sr. No.	**Nature of Non-Compliance**	**Penalty**
33.	NCFM qualified personnel not appointed in at least 75% of the total service centers (other than drop boxes) of the DPs.	₹50 per day per service centre (other than drop box) till the appointment of qualified person(s) to the extent of shortages.

Prior to this amendment Rule 18.1.1 (33) as amended w.e.f. September 1, 2006 read as follows:

Sr. No.	**Nature of Non-Compliance**	**Penalty**
33.	NCFM qualified personnel not appointed at each service centre.	₹ 50 per day per service centre till the appointment of qualified person(s).

Inserted w.e.f. January 1, 2007. The Original Rule 18.1.1 (37) renumbered as Rule 18.1.1 (38)

Amended w.e.f. September 1. 2006. Prior to this amendment the Rule 18.1.1. was amended on April 1, 2003, which read as follows:

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-Compliance	Penalty
1.	Using the DPM system for any other purpose or loading any other software or alteration of parameters /configuration.	₹ 5,000/-
2.	Not taking back up daily and/or deviation in procedure of taking backup.	₹ 5000/- for each deviation.
3.	Not upgrading the software or not complying with pre-requisite or post-requisite of up gradation.	₹ 5000/- plus actual cost of Travel of NSDL official/s and/ or other person/s on behalf of NSDL, if any, for this purpose.
4.	Not connecting with NSDL continuously for two working days without intimating to NSDL.	₹ 5000/- plus ₹ 500/- per day thereafter.
5.	DPM configuration not as per NSDL requirements.	₹ 5000/-
6.	DPM is connected to WAN without approval of DOT/ NSDL.	₹ 5000/-
7.	Transaction logs not getting copied to client machines.	₹ 5000/-
8.	Failure to establish connectivity with NSDL through dial-up Mode	₹ 1000/- on each occasion.
9.	ERD not created/ RAID controller configuration back up not taken as per NSDL requirements.	₹ 1000/- per deviation.
10.	Anti Virus Software not loaded on server and/or client machine(s).	₹ 500/- per deviation
‡11.	Client account debited without receiving proper authorisation from clients.	Up to five such deviations ₹ 5,000/- and thereafter ₹ 1,000/- per deviation. If such deviation is observed in two consecutive inspections, the penalty would be ₹10,000/- and ₹ 2,000/- respectively and if the same is observed thrice consecutively, the matter would be referred to disciplinary action committee of NSDL for further action.
12.	Statement of transactions not being sent to clients as required by regulations.	₹ 2000/-
‡13.	No/inadequate control over issuance and/ or acceptance of instruction slips.	₹ 2000/- per occasion. If such deviation is observed in two consecutive inspections, monetary penalty of ₹ 4,000/- would be levied.
14.	Additional copy of back up not sent to remote site and/ or not sent as per NSDL requirements.	₹1000/- on every occasion
15.	Quarterly Internal Audit Report Not submitted (by stipulated time).	₹ 1000/- per occasion plus additional ₹ 500/- for any delay per fortnight
16.	Supplementary agreement executed or undertaking/ letter obtained or any modification made in any stationery used which has clauses contradictory to NSDL prescribed agreement.	₹ 1000/- per occasion
17.	Total number of qualified persons not equal to the total number of service centers.	₹ 50 per day per service centre till the appointment of qualified person(s).
‡18.	Account opened without obtaining adequate proof of identity and/or proof of address and no adequate proof of address collected for change of address.	₹ 1,000/- per deviation. If such deviation is observed in two consecutive inspections, the penalty would be ₹ 2,000/- and if the same is observed thrice consecutively, the matter would be referred to disciplinary action committee of NSDL for further action.
19.	Account closure/ freezing/ unfreezing / transmission not done as per NSDL requirements.	₹ 100/- per deviation
20.	Delay in processing of demat requests beyond 7 working days after receipt.	₹ 50/- per request per day of delay beyond 7 working days.
21.	Data entry errors/omission which may cause inconvenience and/or loss to the client / system / DP / NSDL	₹ 50/- per occasion
22.	Monthly report as required under Bye Law 6.3.6 (iii) to be submitted every month (latest by 10th of the following month)	₹ 25 per day till the date of submission of the report by the Participant.

23.	+ Quarterly Internal Audit Report submitted without inclusion of management comments for deviations noted by the auditors or for not providing comments by the auditors with respect to the action initiated by DP based on the observations made by NSDL.	₹1000 per occasion plus additional ₹500 for any delay per fortnight till the submission of revised report.
Sr. No.	**Nature of Non-Compliance**	**Penalty**
‡ i	'Variable access rights' scheme suggested by NSDL not implemented / not implemented properly.	5 points. If such deviation is observed in two consecutive inspections, then 10 penalty points would be levied. If such deviation is observed thrice consecutively, monetary penalty of ₹500/- would be levied.
‡ ii	Anti-Virus Software not upgraded/enabled on server and/ or client machine.	5 points. server and/or client machine. If such deviation is observed in two consecutive inspections, then 10 penalty points would be levied. If such deviation is observed thrice consecutively, monetary penalty of ₹ 500/- would be levied.
Iii	Documentation related to procedure of RAS/PPP/on line/Dongle etc. not maintained/is not available immediately.	5
Iv	Back up register not maintained or not updated.	5
V	DPM configuration not as per Form B; however it is as per NSDL specifications.	3
Vi	Software other than DPM application software/ prescribed system software found loaded in the system.	3
Vii	Systems Personnel not deputed for BP training.	1
viii	Instruction of the client not entered at all or entered late causing inconvenience to the client.	5
‡ ix	Depository services offered through franchisee not closed as per NSDL requirement.	5 points. If such deviation is observed in two consecutive inspections, monetary penalty of ₹ 500/- would be levied.
‡ x	Depository services are offered through franchisee without the approval of NSDL.	5 points. If such deviation is observed in two consecutive inspections, monetary penalty of ₹ 500/- would be levied. If such deviation is observed Thrice not be permitted to fresh franchisee for a period of six months
Xi	Change in office address and / or investor relations officers/compliance officers not intimated to NSDL.	5
‡ xii	Depository services offered through franchisee not closed as per NSDL requirement.	5 points. If such deviation is observed in two consecutive inspections, monetary penalty of ₹ 500/- would be levied. If such deviation is observed Thrice consecutively, DP would not be permitted to open any fresh franchisee for a period of six months.
xiii	Accounts opened through Speed-e not operated as per NSDL procedure.	5
Xiv	Minor account opened with joint holdings	3
Xv	Alterations are made in the forms used for depository Operations	3
‡ xvi	Fax indemnity not executed with the clients for the instructions accepted on fax and/or original instruction not collected within two days from the date of receipt of fax instruction.	3 points. If such deviation is observed in two consecutive inspections, then 10 penalty points would be levied. If such deviation is observed thrice consecutively, monetary penalty of ₹ 500/- would be levied.
xvii	Accounts opened in the name of Partnership firms/ proprietorship firm.	1
xviii	Standing Instruction indicator enabled in DPM even though not given by client.	1
Xix	§ There is no physical restriction on access to server and client machine.	3
Xx	§ Certificates are sent to R&T without defacing or mutilating them.	5
‡	**Amended w.e.f. April 1, 2004. Prior to this amendment the Rules as amended w.e.f. April 1, 2003 read as follows:**	
	Nature of Non-Compliance	**Penalty**
11.	Client acc•unt debited without receiving proper authorisation from clients.	₹ 5000/- per occasion
13.	No/inadequate control over issuance and/or acceptance of instruction slips.	₹ 2000/- per occasion.

18.	Account opened without obtaining adequate proof of identity and/or proof of address and no adequate proof of address collected for change of address.	₹ 100/- per deviation

Sr. No.	Nature of Non-Compliance	Penalty points
I	'Variable access rights' scheme suggested by NSDL not implemented / not implemented properly.	5

Sr. No.	Nature of Non-Compliance	Penalty points
Ii	Anti Virus Software not upgraded/enabled on server and/or client machine.	5
Ix	Accounts operated without entering into an agreement with the client.	5
X	Depository services are offered through franchisee without the approval of NSDL.	5
Xii	Depository services offered through franchisee not closed as per NSDL requirement.	5
xvi	Fax indemnity not executed with the clients for the instructions accepted on fax and/or original instruction not collected within two days from the date of receipt of fax instruction.	3

+ Inserted w.e.f. March 23, 2006.
§ Inserted w.e.f. May 1, 2003.

£**Amended w.e.f. April 1, 2003. Prior to this amendment the Rule 18.1.1. as amended w.e.f. April 1, 2001 read as follows:**
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-Compliance	Penalty
i.	Using the DPM system for any other purpose or loading any other software or alteration of parameters / configuration.	₹5,000/-
ii.	Not taking back up daily and/or deviation in procedure of taking backup.	₹ 5000/- for each deviation
iii.	Not upgrading the software or not complying with pre-requisite or post-requisite of up gradation.	₹ 5000/- plus actual cost of travel of NSDL official/s and/or other person/s on behalf of NSDL, if any, for this purpose.
iv.	Not connecting with NSDL continuously for two working days.	₹ 5000/- plus ₹ 500/- per day thereafter.
v.	DPM configuration not as per Form B and/or NSDL requirements.	₹ 5000/-
vi.	DPM is connected to WAN without approval of DOT/NSDL.	₹ 5000/-
vii.	Client account debited without receiving proper authorisation from clients.	₹ 5000/- per occasion
viii.	Y2K patching not done.	₹ 2000/- plus ₹ 500/- for every day after the date by which compliance is expected.
ix.	Statement of transactions/holding not being sent to clients as required by regulations.	₹ 2000/-
x**	Participant having qualified persons employed in one or more service centers but not less than 60% of the total service centers.	Effective from July 1, 2001, ₹ 100 per day per Participant till the number of qualified persons appointed by the Participant equals the total number of service centers, subject to a maximum of ₹ 3000 per Participant
	Number of qualified persons appointed is less than 60% of the total number of service centers.	Effective from July 1, 2001, ₹ 100 per day per Participant till the appointment of qualified persons that equals the total number of service centers.
	Total number of qualified persons not equal to the total number of service centers.	Effective from October 1, 2001, ₹ 50 per day per service centre till the appointment of qualified persons.
xi.	Delay in processing of demat requests beyond 7 working days after receipt	₹ 50/- per request per day of delay beyond 7 working days
xii.	Data entry errors which may cause inconvenience and/or loss to the client / system / DP / NSDL	₹ 50/- per client id
xiii.	No/inadequate control over issuance and/or acceptance of instruction slips.	₹ 1000/- per occasion.
xiv.	Additional copy of back up not sent to remote site and/or not sent on same day.	₹1000/- on every occasion
xv.	Quarterly Internal Audit Report not submitted (by stipulated time).	₹ 1000/- per occasion plus Additional ₹ 500/- for any delay per Fortnight

xvi.	Supplementary agreement executed or undertaking obtained which has clauses contradictory to NSDL prescribed agreement.	₹ 1000/- per occasion
xvii.	Transaction logs not getting copied to client machines.	₹ 5000/-
xviii#	Monthly report as required under Bye Law 6.3.6 (iii) to be submitted every month (latest by 10th of the following month).	Effective from June 1, 2002, a penalty of ₹ 25 per day till the date of submission of the report by the Participant.
xix##	Failure to establish connectivity with NSDL through dial-up mode.	Effective from January 1, 2003, a penalty of ₹ 1000/- on each such occasion.

Sr. No.	Nature of Non-Compliance	Penalty Points
i.	'Variable access rights' scheme suggested by NSDL not implemented / not implemented properly.	5
ii.	Anti Virus Software not loaded/upgraded on server and/or client machine.	5
iii.	DPM configuration not as per Form B; however it is as per NSDL specifications.	3
iv.	Software other than DPM application software/prescribed system software found loaded in the system.	3
v.	There is no physical restriction on access to server and client machine.	1
vi.	Systems Personnel not deputed for BP training.	1
vii.	Instruction of the client not entered at all or entered late causing inconvenience to the client.	5
viii.	Accounts operated without entering into an agreement with the client.	5
ix.	Alternations are made in the forms used for depository operations.	3
x.	Depository services are offered through franchisee without the approval of NSDL.	3
xi.	Certificates are sent to R&T without defacing or mutilating them.	3
xii.	Change in office address and / or investor relations officers/ compliance officers not intimated to NSDL.	5
xiii.	Accounts opened in the name of Partnership firms/ proprietorship firm.	1
xiv.	Standing Instruction indicator enabled in DPM even though not given by client.	1
xv.	HUF Account opened with nominee and/or joint holdings.	5
xvi.	Minor account opened with joint holdings.	3
xvii.	Back up register not maintained or not updated.	5
xviii.	Documentation related to procedure of RAS/PPP/on line/Dongle etc. not maintained/is not available immediately.	5

**** - Amended w.e.f. July 1, 2001. Prior to this amendment the Rule 18.1.1. (x) as amended w.e.f. April 1, 2001 read as follows:**
18.1.1.

Sr. No.	Nature of Non-Compliance	Penalty
x.	Qualified person not appointed as per NSDL requirements.	₹ 100/- per day till continuance of non-compliance.

 # - Amended w.e.f. June 1, 2002, Prior to this amendment the Rule 18.1.1 (xviii) inserted w.e.f. December 1, 2001 read as follows:
18.1.1.

Sr. No.	Nature of Non-Compliance	Penalty

(xviii)	Monthly report as required under Bye Law 6.3.6 (iii) to be submitted every month (latest by 10th of the following month).	Effectivefrom December 1, 2001, a penalty of ₹500/- on the Participants, for each occasion of not submitting the report within the stipulated time.

- Inserted w.e.f. January 1, 2003.

*** - Amended w.e.f. April 1, 2001. Prior to this amendment the Rule 18.1.1 as amended w.e.f. May 4, 1999 read as follows:**

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-Compliance	Penalty
i.	Using the DPM system for any other purpose or loading any other software or alteration of parameters / configuration.	₹ 5,000/-

Sr. No.	Nature of Non-Compliance	Penalty
Ii	Not taking back up at all or the back up taken is not stored properly.	₹ 5000/- on every occasion.
iii.	Not upgrading the software or not complying with pre-requisite or post-requisite of up gradation.	₹ 5000/- plus actual cost of travel of NSDL official or any other person on behalf of NSDL, if any, for this purpose.
iv.	Not connecting with NSDL continuously for two working days.	₹ 5000/- plus ₹ 500/- per day thereafter.
v.	DPM not as per NSDL specification though declared as compliant in application or Form B.	₹ 5000/-
vi.	Change in DPM which do not conform to NSDL specifications as given in Form B.	₹ 5000/-
vii.	DPM is connected to WAN, which is not approved by DOT.	₹ 5000/-
viii.	Y2K patching not done	₹ 2000/- plus ₹ 500/- for every day after the date by which compliance is expected.
ix.	Client account debited without clients instructions.	₹ 5000/-
x.	Certificates for demat sent after 7 days from the date of Receipt	₹ 500 per day of delay
xi.	Data entered by DP is not tallying with the application form; filling in obviously unrelated or meaningless information in critical fields like address, bank details.	₹ 50/- per account
xii.	Statement of transactions/holding not being sent to clients as required by regulations.	₹ 2000/-
xiii. $	Qualified person not appointed	₹ 100/- per day till appointment of a qualified person.

Nature of non-compliance	Penalty Point
• 'Variable access rights' scheme suggested by NSDL not implemented.	5
• A copy of the back up is not stored at a remote site.	5
• Anti Virus Software not loaded on server and/or client machine.	5
• System configuration is changed without informing NSDL; but changed configuration is as per NSDL specification.	1
• 'Variable access rights' scheme is implemented but not practiced; passwords are freely shared.	3
• Software other than DPM application software found loaded in the system.	3
• There is no physical restriction on access to server and client machine.	1
• Systems Personnel not deputed for BP training.	1
• Internal Audit not conducted and/or internal audit report not submitted.	5
• Instruction of the client not entered at all or entered late causing inconvenience to the client.	5
• Accounts operated without entering into an agreement with the client.	5
• DPM not connected to DM on a working day for non technical reasons.	5
• Alterations are made in the agreements / forms used for depository operations.	3
• Depository services are offered through franchisee without the approval of NSDL.	3
• Certificates are sent to R&T without defacing or mutilating them.	3

• Change in office address (or investor relations officers/compliance officers) not intimated to NSDL.	5
• Change in Investor relations / compliance officer not informed to NSDL.	1
• Accounts opened in the name of Partnership firms.	1

$ - Inserted w.e.f. October 8, 1999.

¥ Rules 18.1.2 to 18.1.5 were amended w.e.f. May 1, 2009. Prior to this amendment, Rules 18.1.2 to 18.1.6 read as follows:

18.1.2. For non-compliances, where fines are levied, the fine will be communicated to the Participant. The Participant shall pay the fine within 15 days of the communication. In case the Participant continues to default after paying the penalty, the matter will be referred to Disciplinary Action Committee.

18.1.3. For non-compliances, where penalty points are levied, the Participant will be issued a letter communicating the penalty points and seeking compliance thereof within 15 days. If the Participant sends the compliance report within the said time, penalty points will be dropped.

18.1.4. The compliance reported by the Participant will be verified during the subsequent inspection. In case the compliance reported by the Participant is found to be false, the matter will be referred to Disciplinary Action Committee.

18.1.5. If the Participant fails to send the compliance report within the stipulated time, the following action will be taken :

Penalty Points	***Penalty***
Upto 15	Advise penalty points imposed to the Compliance Officer seeking compliance report.
16 to 30	A fine at ₹ 1000/- per point above 15 points will be levied.
31 to 45	A fine at ₹ 2000/- per point above 30 points will be levied.
Above 45	Refer to the Disciplinary Action Committee.

18.1.6 ø The penalty provisions as mentioned in Rules 18.1.1 to 18.1.5 will apply to CC/ CH to the extent that are relevant for the operations of CC/CH.

ø Inserted w.e.f. April 1, 2004.

*** Previous Rule 18.1.6 was deleted w.e.f. March 3, 2003. Prior to deletion, Rule 18.1.6. read as follows:**

18.1.6. The penalties, excluding the reimbursement of actual expenses collected from the Participant, shall be credited to the Investor Protection Fund Account.

Amended w.e.f. April 1, 2016. Prior to this amendment, the Rule 18.2.1 was read as follows:

18.2.1. *The Depository may impose a penalty on the Issuer/R&T Agent to the extent indicated for noncompliance as described below:

Sr. No.	Nature of Non-Compliance	Penalty
1	Not connecting with NSDL continuously for two working Days.	5 points (1 point per day thereafter)
2	Delay in confirmation of demat/remat request within stipulated time frame (in cases where the delay is attributable only to the Issuer/RTA connected to NSDL).	10 points
3	Certificates and physical documents not sent to the concerned Depository Participants within 5 days of rejection of demat request.	3 points
4	System of maintaining documents pertaining to demat/remat requests not satisfactory.	5 points
5	Proof of delivery of certificates not maintained in case of remat.	3 points
6	Reconciliation between NSDL control position and Register of Members (ROM) is not done on a daily basis.	10 points. If such deviation is observed in second consecutive inspection, monetary penalty of ₹ 1000/- will be levied. If the deviation is observed in third consecutive inspection, R&T Agent will be advised not to undertake any new client companies.
7	Separate folios for NSDL and CDSL are not maintained in ROM.	5 points
8	Transaction logs not generated on the client Machines.	5 points
9	Scheme of Variable Access Rights not implemented.	5 points. If such deviation is observed in second consecutive inspection, 10 penalty points will be levied. If the deviation is observed in third consecutive inspection, a monetary penalty of ₹ 500/- will be levied.

10	Using DPM-SHR system for any other purpose or loading any other software or alteration of parameters/configuration.	5 points
11	Antivirus software not loaded/upgraded/ enabled on server and/or client machine.	5 points. If such deviation is observed in second consecutive inspection, 10 penalty points will be levied. If the deviation is observed in third consecutive inspection, a monetary penalty of ₹ 500/- will be levied.
12	DPM-SHR configuration not as per Form B and/or NSDL requirements.	5 points
13	Not upgrading the software or not complying With pre-requisite or post-requisite of up gradation.	5 points
14	Change in office address and or investor relations officers/ compliance officers not intimated to NSDL.	5 points
15	Back-up Register not maintained or not updated.	3 points
16	Documentation related to procedure of RAS/ PPP/ on line/Dongle etc. not maintained/is not available immediately.	5 points
17	Failure to establish connectivity with NSDL through dial-up mode .	5 points (on each such occasion)
18	Latest signature CD not uploaded as per NSDL guidelines .	3 points
19	Date of receipt of DRF/RRF not entered in DPM-SHR.	2 points
20	Name & specimen signature of authorised signatories not obtained from companies having only electronic connectivity and not compared before confirmation of demat/remat requests.	2 points
21	There is no physical restriction on access to server and client machine.	3 points
22	ERD not created / RAID controller configuration backup not taken as per NSDL requirements.	3 points
23	Dematerialization of securities for which listing approval has not been received from the relevant stock exchange(s).	₹ 1000/- per occasion

18.2.2 For non-compliances, the Issuer/R&T Agent will be issued a letter communicating the penalty points and seeking compliance thereof within 15 days. If the Issuer/R&T Agent sends the compliance report within the said time, penalty points will be dropped after verification of the compliance during the next NSDL inspection.

18.2.3 If the Issuer/R&T Agent fails to send the compliance report within the stipulated time, the following action will be taken:

Sr. No.	Penalty Points	Penalty under the current penalty structure
1	Up to 15	Advise penalty points imposed to the Compliance Officer seeking compliance report
2	16 to 30A	fine of ₹ 1,500/- will be levied and additional fine at 200/- per point above 15 points will be levied.
3	31 and above	A fine at ₹ 400/- per point above 30 points will be levied
4	Above 45	In addition to monetary penalty, report to client companies as well as to SEBI for necessary action.

18.2.4. The compliance reported by the Issuer/R & T Agent will be verified during the subsequent inspection. In case the compliance reported by the Issuer/R & T Agent is found to be false, the matter will be reported to its client companies as well as SEBI, for necessary action.

Inserted w.e.f. October 30, 2002.

*** Sr. No. 1 and 22 under Rule 18.2.1 which were amended w.e.f. October 1, 2006 have been deleted w.e.f. June 30, 2009 and remaining provisions under 18.2.1. have been renumbered. The deleted Rules read as under:**

18.2.1

Sr. No.	Nature of Non-Compliance	Penalty
1	Not taking back up daily and/or deviation in procedure of taking backup.	5 points (for each occasion). Penalty points which are levied will not be waived. The same will get accumulated and after it exceeds 15 points, monetary penalty will be levied as per business rules 18.2.3.
22	Additional copy of back-up not sent to remote site and/or not sent as per NSDL requirements.	1 point

Amended w.e.f. October 1, 2006. Prior to this amendment, the Rule 18.2.1. was amended on April 1, 2003, which read as follows:

18.2.1. * The Depository may impose a penalty on the Issuer/R & T Agent to the extent indicated for non compliance as described below:

Sr. No.	Nature of Non-Compliance	Penalty
1	Not taking back-up and/or deviation in procedure of taking back-up	5 (of each occasion)
2	Not connecting with NSDL continuously for two working days	5 (1 per day thereafter)
3	Delay in confirmation of demat/remat request within stipulated time frame (in cases where the delay is attributable only to the Issuer/ RTA connected to NSDL)	5
Sr. No.	**Nature of Non-Compliance**	**Penalty**
4	Certificates and physical documents not sent to the concerned Depository Participants within 5 days of rejection of demat request	3
5	System of maintaining documents pertaining to demat/ remat requests not Satisfactory.	5
6	Proof of delivery of certificates not maintained in case of remat	3
7	Reconciliation between NSDL control position and Register of Members (ROM) is not done on a daily basis.	5
8	Separate folios for NSDL and CDSL are not maintained in ROM.	5
9	Inter Depository Transfers not effected on a daily basis in ROM	3
10	Transaction logs not generated on the client machines.	5
11	Scheme of Variable Access Rights not implemented.	5
12	Using DPM-SHR system for any other purpose or loading any other software or alteration of parameters/configuration.	5
13	Antivirus Software not loaded/upgraded/enabled or server and/or client machine.	5
14	DPM-SHR configuration not as per Form B and/or NSDL requirements.	5
15	Not upgrading the software or not complying with pre-requisite or post-requisite of up gradation.	5
16	Change in office address and or investor relations officers/ compliance officers not intimated to NSDL.	5
17	Back-up Register not maintained or not updated.	3
18	Documentation related to procedure of RAS/PPP/on line/ Dongle etc. not maintained/is not available immediately.	5
19	Failure to establish connectivity with NSDL through dial-up mode.	5 (on each such occasion)
20	Latest signature CD not uploaded as per NSDL guidelines.	3
21	Date of receipt of DRF/RRF not entered in DPM-SHR.	2
22	Name & specimen signature of authorised signatories not obtained from companies having only electronic connectivity and not compared before confirmation of demat/remat requests.	2
23	Additional copy of back up not sent to remote site and/or not sent as per NSDL requirements.	1
24	[$] There is no physical restriction on access to server and client machine.	3

[$] Amended w.e.f. May 1, 2003

[*] Amended w.e.f. April 1, 2003. Prior to this amendment, the Rule 18.2.1. inserted w.e.f. October 30, 2002 reads as follows:

18.2.1. The Depository may impose a penalty on the Issuer/R & T Agent to the extent indicated for non compliance as described below:

Sr. No.	Nature of Non-Compliance	Penalty Point(s)

1	Not taking back-up and/or deviation in procedure of taking back-up.	5 (for each occasion)
2	Not connecting with NSDL continuously for two working days.	5 (1 per day the reafter)
3	Delay in confirmation of demat/remat request within stipulated time frame (in cases where the delay is attributable only to the Issuer/RTA connected to NSDL).	5
4	Certificates and physical documents not sent to the concerned Depository Participants within 5 days of rejection of demat request.	3
5	System of maintaining documents pertaining to demat/ remat requests not Satisfactory.	5
Sr. No.	**Nature of Non-Compliance**	**Penalty Point(s)**
6	Proof of delivery of certificates not maintained in case of remat.	3
7	System of maintaining documents pertaining to demat/ remat requests not Satisfactory. Reconciliation between NSDL control osition and Register of Members (ROM) is not done on a daily basis.	5
8	Separate folios for NSDL and CDSL are not maintained in ROM.	5
9	Inter Depository Transfers not effected on a daily basis in ROM.	3
10	Transaction logs not generated on the client machines.	5
11	Scheme of Variable Access Rights not implemented.	5
12	Using DPM-SHR system for any other purpose or loading any other software or alteration of parameters/configuration.	5
13	Antivirus Software not loaded/upgraded or server and/or client machine.	5
14	DPM-SHR configuration not as per Form B and/or NSDL requirements	5
15	Not upgrading the software or not complying with pre-requisite or post-requisite of up gradation.	5
16	Change in office address and or investor relations officers/compliance officers not intimated to NSDL.	5
17	Back-up Register not maintained or not updated.	3
18	Documentation related to procedure of RAS/PPP/on line/Dongle etc. not maintained/is not available immediately.	5
19	Failure to establish connectivity with NSDL through dial-up mode.	5 (on each such occasion)
20	Latest signature CD not uploaded as per NSDL guidelines.	3
21	Date of receipt of DRF/RRF not entered in DPM-SHR.	2
22	Name & specimen signature of authorised signatories not obtained from companies having only electronic connectivity and not compared before confirmation of demat/remat requests.	2
23	Additional copy of back-up not sent to remote site within stipulated time.	1
24	There is no physical restriction on access to server and client machine.	1

Note:
Chapter 18 was amended w.e.f. May 4, 1999. Prior to this amendment the entire Chapter 18, inserted w.e.f. January 20, 1998, read as follows :

18. PENALTIES
18.1.1. The Depository may impose a penalty on the Participant or the Issuer or its Registrar and Transfer Agent for failure of any of the following matter

Nature of non-compliance	Penalty
I) Applicable to both, Participant and Issuers or its	₹ 2,000/-

Registrar and Transfer Agent i) Using the DPM system for any other purpose or loading any other software or alteration of parameters/ configuration ii) Not taking back up at all or the back up is not taken or stored properly. iii) Not upgrading the software or not complying with pre-requisite or post-requisite of up gradation.	₹ 1,000/- on every occasion ₹ 1,000/- plus actual cost of travel of NSDL official or any other person on behalf of NSDL, if any, for this purpose.
II) In the case of Participants only Not connecting with NSDL continuously for two working days.	₹ 2,000/- plus ₹500/- per day thereafter.
18.1.2. The penalties excluding the reimbursement of actual expenses collected from the Participant or the Issuer or its Registrar and Transfer Agent shall be credited to the Investor Protection Fund Account. 18.1.3. In case a penalty is imposed on a Participant or the Issuer or its Registrar and Transfer Agent on more than three occasions for the same lapse, the matter shall be taken up for further disciplinary action.	
• **Amended w.e.f. October 1, 2006. Prior to this amendment, the Rule 18.2.2. reads as follows:** 18.2.2. For non-compliances, the Issuer/R & T Agent will be issued a letter communicating the penalty points and seeking compliance thereof within 15 days. If the Issuer/ R & T Agent sends the compliance report within the said time, penalty points will be dropped. * **Amended w.e.f. October 1, 2006. Prior to this amendment, the Rule 18.2.3. reads as follows:**18.2.3. If the Issuer/R & T Agent fails to send the compliance report within the stipulated time, the following action will be taken:	
Penalty Points	**Penalty**
Up to 15	Advise penalty points imposed to the Compliance Officer seeking compliance report.
16 to 30	A fine at ₹ 100/- per point above 15 points will be levied.
31 and above	A fine at ₹ 200/- per point above 30 points will be levied.
Above 45	In addition to monetary penalty, report to client companies as well as to SEBI for necessary action.

19. [208]DISPUTE RESOLUTION

19.1 Process of Dispute Resolution.

The process of Dispute Resolution i.e. resolution of disputes through online conciliation and/or arbitration shall be in accordance with the circulars, regulations and/or guidelines issued by the SEBI and/or the Depository, applicable provisions of the SEBI (Alternative Dispute Resolution Mechanism) (Amendment) Regulations, 2023, The Mediation Act, 2023 and The Arbitration and Conciliation Act, 1996, from time to time.

19.2. Roles and Responsibilities of the Depository in relation to online resolution of disputes:

19.2.1 The Depository shall enter into appropriate agreements with Online Dispute Resolution (ODR) Institution(s) outlining the role and responsibilities of each party in adherence to the circulars issued by SEBI from time to time, and also specify mechanism for handling and resolution of their inter-se disputes. The Depository and the ODR Institution(s) empanelled by the Depository may also enter into necessary and appropriate contractual frameworks with the Market Participant(s), for them and their investors/clients in the Indian Securities Market, participating on the ODR Portal and in the ODR mechanism as specified.

19.2.2. The Depository and the ODR Institution(s) shall enter into agreements with financial institutions/Banks for opening accounts and effective receipt, payment and disbursal of any amount including the fees, payments as required to be made vide the settlement agreement / arbitral awards or at the time of initiating an arbitration or challenge to an arbitral award, etc.

19.2.3. The Depository shall ensure that resolution of complaints/disputes referred on the ODR Portal are undertaken by the ODR Institution(s) within the stipulated timelines.

19.2.4. The Depository and the ODR Institution(s), shall maintain Management Information Systems (MIS) reports, which shall be shared with the concerned Market Participant(s) so the latter can adequately track timelines of any dispute. The SEBI may also require the Depository to furnish MIS reports in such form and on such periodicity as it may specify.

19.2.5. The Depository and the ODR Institution(s), shall maintain relevant records, including directions/recommendations/orders passed at pre-conciliation, conciliation and arbitration stage for the period as specified in the extant law, and shall be produced to relevant authorities as and when required. The Depository shall also ensure, in terms of their internal processes and contractual arrangements with ODR Institution(s), that documents are adequately preserved, including in cases of change in the ODR Institution(s).

19.2.6. The ODR Portal and the facilities provided by the ODR Institution(s) will be user friendly and accessible online/through audio-video to all the concerned parties and stakeholders, at all times.

19.2.7. The ODR Institution(s) to whom the dispute is referred and the Market Participant which is party to the dispute shall provide complete cooperation to the conciliator and/or arbitrator and/or panel of arbitrators including providing any information required to resolve the complaint in effective manner and within stipulated timelines.

19.2.8. The Depository, ODR Institution(s) and the Market Participant(s) shall make reasonable efforts to undertake promotion of investor education and investor awareness programmes through seminars, workshops, publications, training programmes etc. aimed at creating awareness about the ODR Portal for the Indian Securities Market.

19.2.9. The Depository shall lay down or modify their Code of Conduct, outlining the ethical standards that every party viz. the ODR Institution(s), Market Participants, the conciliators, the arbitrators must follow, and espouse the interests of investors in the Indian Securities Market, and resolve their complaints/disputes efficiently and in a time-bound manner.

19.2.10. The Depository and the ODR Institution(s) shall publish at such frequency as specified, statistics on the ODR Portal which provide information as to:

a. Aggregate references of complaints/disputes received.

b. Aggregate number of complaints/disputes resolved by means of conciliation.

c. Aggregate number of complaints/disputes resolved by means of arbitration.

d. Aggregate value of claims decided in favour of investors/clients.

e. Summary of complaints/disputes on the ODR Portal against each category of specified intermediary or regulated entity and against listed companies

Exclusion of Liability

19.3. The Depository, its directors, committee members, and employees shall not be liable to any person for any act or omission in connection with the conciliation and/or arbitration.

[208] Inserted w.e.f. December 04, 2024.
Deleted w.e.f. December 04, 2024. Prior to this deletion, the Rule 19 was read as follows:

19. RULES OF ARBITRATION

19.1. NSDL COMMITTEE OF ARBITRATION

19.1.1. The Arbitration Committee ("the Committee") of National Securities Depository Limited ("NSDL") shall provide for, manage and supervise all aspects in the matter of settlement by arbitration of disputes arising out of all dealings on the depository as provided for in the NSDL Bye-Laws and Business Rules and may in addition to enforcing these Rules frame its own Rules for Arbitration.

19.1.2. As provided for in its Internal Rules, the Committee may delegate to one or more committees composed of its members the power to take certain decisions, provided that any such decision is reported to the Committee at its next session.

19.1.3. The Secretariat of the Committee ("the Secretariat") under the direction of the Chairman ("the Chairman") shall have its seat at the head office of NSDL.

19.2. WRITTEN NOTIFICATIONS OR COMMUNICATIONS; TIME LIMITS

19.2.1. All pleadings and other written communications submitted by any party, as well as all documents annexed thereto, shall be supplied in a number of copies sufficient to provide one copy for each party, plus one for each arbitrator, and one for the Secretariat. A copy of all the communications from the Arbitral Tribunal to the parties shall be sent to the Secretariat.

19.2.2. All notifications or communications from the Secretariat and the Arbitral Tribunal shall be made to the last address of the party or its representative for whom the same are intended, as notified either by the party in question or by the other party. Such notification or communication may be made by delivery against receipt, registered post, courier, facsimile transmission, telex, telegram or any other means of telecommunication that provides a record of the communication thereof.

19.2.3. A notification or communication shall be deemed to have been made on the day it was received by the party itself or by its representative, or would have been received if it is made in accordance with the preceding paragraph.

19.2.4. Periods of time specified in, or fixed under the present Rules, shall start to run on the day following the date a notification or communication is deemed to have been made in accordance with the preceding paragraph. When the day next following such date is a bank holiday, the period of time shall commence on the first following business day. Official holidays and non-business days are included in the calculation of the period of time. If the last day of the relevant period of time granted is an official holiday or a non-business day, the period of time shall expire at the end of the first following business day.

19.3. REQUEST FOR ARBITRATION

19.3.1. Any party to a dispute may submit its Request for Arbitration ("the Request") to the Secretariat, which shall notify the Claimant and Respondent of the receipt of the Request and the date of such receipt.

19.3.2. The date on which the Request is received by the Secretariat shall, for all purposes, be deemed to be the date of the commencement of the arbitral proceedings.

19.3.3. The Request shall, inter alia, contain the following information:
(a) the name in full, description and address of each of the parties;
(b) a description of the nature and circumstances of the dispute giving rise to the claim(s), together with copies of all documents relied on.
(c) a statement of the relief sought, including, to the extent possible, an indication of any amount(s) claimed;
(d) the relevant agreements;
(e) all relevant particulars concerning the number of arbitrators and their choice in accordance with the provisions of Rules 19.7, 19.8 and 19.9 and any nomination of an arbitrator required thereby.

19.3.4. Together with the Request, the Claimant shall submit the number of copies thereof required by Rule 19.2.1 and shall make the advance payment on administrative expenses required by Appendix III (Arbitration Costs and Fees) in force on the date the Request is submitted. In the event that the Claimant fails to comply with either of these requirements, the Secretariat may fix a time limit within which the Claimant must comply, failing which the File shall be closed without prejudice to the right of the Claimant to submit the same claims at a later date in another Request.

19.3.5. The Secretariat shall send a copy of the Request and the documents annexed thereto to the Respondent for its Answer to the Request once the Secretariat has sufficient copies of the Request and the required advance payment.

19.3.6. When a party submits a Request in connection with a legal relationship in respect of which arbitration proceedings between the same parties are already pending under these Rules, the Committee may, at the request of a party, decide to include the claims contained in the Request in the pending proceedings provided that the Terms of Reference have not been signed or approved by the Committee. Once the Terms of Reference have been signed or approved by the Committee, claims may only be included in the pending proceedings subject to the provisions of Rule 19.18.

19.4. ANSWER TO THE REQUEST; COUNTERCLAIMS

19.4.1. Within 30 days from the receipt of the Request from the Secretariat, the Respondent shall file an Answer (the Answer) which shall, inter alia, contain the following information: (a) its name in full, description and address; (b) its comments as to the nature and circumstances of the dispute giving rise to the claim(s); (c) its response to the relief sought; and (d) any comments concerning the number of arbitrators and their choice in light of the Claimant's proposals and in accordance with the provisions of Rules 19.7, 19.8 and 19.9 and any nomination of an arbitrator required thereby.

19.4.2. The Secretariat may grant the Respondent an extension of the time for filing the Answer, provided the application for such an extension contains the Respondent's comments concerning the number of arbitrators and their choice, and, where required by Rules 19.7, 19.8 and 19.9, the nomination of an arbitrator. If the Respondent fails to do so, the Committee shall proceed in accordance with these Rules.

19.4.3. The Answer shall be supplied to the Secretariat in the number of copies specified by Rule 19.2.1 19.4.4. A copy of the Answer and the documents annexed thereto shall be communicated by the Secretariat to the Claimant.

19.4.5. Any counterclaim(s) made by the Respondent shall be filed with its Answer and shall provide:
(a) a description of the nature and circumstances of the dispute giving rise to the counterclaim(s); and
(b) a statement of the relief sought, including, to the extent possible, an indication of any amount(s) counter-claimed.

19.4.6. The Claimant shall file a Reply to any counterclaim within 30 days from the date of receipt of the counterclaim(s) communicated by the Secretariat. The Secretariat may for reasons recorded in writing, grant the Claimant an extension of time for filing the Reply.

19.5. EFFECT OF THE ARBITRATION AGREEMENT

19.5.1. If the Respondent does not file an Answer, as provided by Rule 19.4 the Committee may decide, without prejudice to the admissibility or merits of the plea or pleas, that the arbitration shall proceed if it is prima facie satisfied that the NSDL Bye-Laws in relation to arbitration are applicable. In such a case, any decision as to the jurisdiction of the Arbitral Tribunal shall be taken by the Arbitral Tribunal itself. If the Committee is not so satisfied, the parties shall be notified that the arbitration cannot proceed. In such a case, any party retains the right to ask any Court having jurisdiction whether or not there is a binding arbitration agreement.

THE ARBITRAL TRIBUNAL

19.6. GENERAL PROVISIONS

19.6.1. The empanelment of members for arbitration panel and appellate arbitration panel shall be with the prior approval of the Securities and Exchange Board of India. Only members of the panel of arbitration panel and appellate arbitration panel can be appointed as arbitrators or appellate arbitrators on any Arbitral Tribunal or Appellate Arbitration Tribunal either by the parties to the dispute or by the Committee. In case of any difference or dispute regarding appointment of any person(s) as the arbitrator(s), the procedure laid down under section 11 of Arbitration and Conciliation Act, 1996 shall be complied with.

19.6.2. The panels of arbitration and appellate arbitration shall be separate; however, such panels are not required to be exclusive. The members can serve on the arbitration panel and appellate arbitration panel, provided that in the same matter, the member(s) of the arbitration panel are not considered for constituting the appellate arbitration panel if the matter goes to appeal. Further, for appellate arbitration, at least one member should be a retired Judge.

19.6.3. Such panel shall comprise persons of ability, integrity and standing, and having adequate knowledge and experience of or having shown capacity in dealing with problems relating to capital market, securities transactions, securities law, accountancy, commerce or administration, and willing to serve as arbitrators. The Committee shall provide adequate information as to the qualifications and experience of such persons. NSDL shall disseminate information of profiles of arbitrators, their qualifications, areas of experience/ expertise, number of arbitration matters handled, prearbitration experience etc. of the arbitrators on its website.

19.6.4. Every arbitrator must be and remain independent of the parties involved in the arbitration.

19.6.5. Before appointment or confirmation, a prospective arbitrator shall sign a statement of independence and disclose in writing to the Secretariat any facts or circumstances which might be of such a nature as to call into question the arbitrator's independence in the eyes of the parties. The Secretariat shall provide such information to the parties in writing and fix a time limit for any comments from them.

19.6.6. An arbitrator shall immediately disclose in writing to the Secretariat and to the parties any facts or circumstances of a similar nature which may arise during the arbitration.

19.6.7. The decisions of the Committee as to the appointment, confirmation, challenge or replacement of an arbitrator shall be final and the reasons for such decisions shall not be communicated.

19.6.8. By accepting to serve, every arbitrator undertakes to carry out his responsibilities in accordance with these Rules.

19.6.9. Insofar as the parties have not provided otherwise, the Arbitral Tribunal shall be constituted in accordance with the provisions of Rules 19.7,19.8 and 19.9.

19.7. NUMBER OF ARBITRATORS

19.7.1. The disputes shall be decided by a sole arbitrator or by three arbitrators.

19.7.2. Save and except, as provided in Rule 19.7.3, in all claims, differences and disputes, whether or not involving NSDL, the Arbitral Tribunal shall comprise a sole arbitrator.

19.7.3. In all claims, differences and disputes involving only two parties, NSDL being one of the parties to the dispute, the Arbitral Tribunal shall comprise three arbitrators, one arbitrator to be appointed by each Party and the two arbitrators so appointed, in turn appointing the third arbitrator. The third arbitrator so appointed shall preside over the Arbitral Tribunal.

19.7.4. Where the Arbitral Tribunal is required to consist of three arbitrators under Rule 19.7.3 above, and any of the parties to the dispute fails to make the necessary deposit towards the cost and expenses of arbitration, instead of three arbitrators, the Committee may subject to the other provisions of these Rules appoint a sole arbitrator.

19.7.5. Notwithstanding anything contained in these Rules, where there are more than two parties to a dispute, the Arbitral Tribunal that adjudicates upon such dispute shall consist of a sole arbitrator.

19.7.6. Where the dispute is to be settled by a sole arbitrator, the parties may, by agreement, nominate the sole arbitrator for confirmation. If the parties fail to nominate a sole arbitrator within 30 days from the date when the Claimant's Request for Arbitration has been received by the other party, or within such additional time as may be allowed by the Secretariat, the sole arbitrator shall be appointed by the Committee.

19.7.7. Where the dispute is to be referred to three arbitrators, each party shall nominate in the Request and the Answer, respectively, one arbitrator for confirmation by the Committee. If a party fails to nominate an arbitrator, the appointment shall be made by the Committee. The third arbitrator, who shall act as chairman of the Arbitral Tribunal, shall be appointed by the Committee. Should such procedure not result in a nomination within the time limit fixed by the parties or the Committee, the third arbitrator shall be appointed by the Committee.

19.8. APPOINTMENT AND CONFIRMATION OF THE ARBITRATORS

19.8.1. In confirming or appointing arbitrators, the Committee shall consider the prospective arbitrator's residence, business interests and other relationships with the parties and the prospective arbitrator's availability and ability to conduct the arbitration in accordance with these Rules. The same shall apply where the Chairman confirms arbitrators pursuant to Rule 19.8.2.

19.8.2. The Chairman may confirm as co-arbitrators, sole arbitrators and Chairman of Arbitral Tribunals persons nominated by the parties or pursuant to their particular agreements, provided they have filed a statement of independence without qualification or a qualified statement of independence has not given rise to objections. Such confirmation shall be reported to the Committee at its next session. If the Chairman considers that a co-arbitrator, sole arbitrator or Chairman of an Arbitral Tribunal should not be confirmed, the matter shall be submitted to the Committee.

19.9. MULTIPLE PARTIES

19.9.1. Where there are multiple parties, whether as Claimant or as Respondent, and where the dispute is to be referred to three arbitrators, the multiple Claimants, jointly, and the multiple Respondents, jointly, shall nominate an arbitrator for confirmation pursuant to Rule 19.8.

19.9.2. In the absence of such a joint nomination and where all parties are unable to agree to a method for the constitution of the Arbitral Tribunal, the Committee may appoint each member of the Arbitral Tribunal and shall designate one of them to act as Chairman. In such case, the Committee shall be at liberty to choose any person it regards as suitable to act as arbitrator, applying Rule 19.8 when it considers this appropriate.

19.10. CHALLENGE OF ARBITRATORS

19.10.1. A challenge of an arbitrator, whether for an alleged lack of independence or otherwise, shall be made by the submission to the Secretariat of a written statement specifying the facts and circumstances on which the challenge is based.

19.10.2. For a challenge to be admissible, it must be sent by a party either within 30 days from receipt by that party of the notification of the appointment or confirmation of the arbitrator, or within 30 days from the date when the party making the challenge was informed of the facts and circumstances in which the challenge is based if such date is subsequent to the receipt of such notification.

19.10.3. The Committee shall decide on the admissibility, and, at the same time, if necessary, on the merits of a challenge after the Secretariat has afforded an opportunity for the arbitrator concerned, the other party or parties and any other members of the Arbitral Tribunal, to comment in writing within a suitable period of time. Such comments shall be communicated to the parties and to the arbitrators.

19.11. REPLACEMENT OF ARBITRATORS

19.11.1. An arbitrator shall be replaced upon his death, upon the acceptance by the Committee of the arbitrator's resignation, upon acceptance by the Committee of a challenge or upon the request of all the parties.

19.11.2. An arbitrator shall also be replaced on the Committee's own initiative when it decides that he is prevented de jure or de facto from fulfilling his functions, or that he is not fulfilling his functions in accordance with the Rules or within the prescribed time limits.

19.11.3. When, on the basis of information that has come to its attention, the Committee considers applying Rule 19.11.2, it shall decide on the matter after the arbitrator concerned, the parties and any other members of the Arbitral Tribunal have had an opportunity to comment in writing within a suitable period of time. Such comments shall be communicated to the parties and to the arbitrators.

19.11.4. When an arbitrator is to be replaced, the Committee has discretion to decide whether or not to follow the original nominating process. Once reconstituted, and after having invited the parties to comment, the Arbitral Tribunal shall determine if and to what extent prior proceedings shall be repeated before the reconstituted Arbitral Tribunal.

THE ARBITRAL PROCEEDINGS

19.12. TRANSMISSION OF THE FILE TO THE ARBITRAL TRIBUNAL

19.12.1.The Secretariat shall transmit the File to the Arbitral Tribunal along with its electronic format/soft copies to the Arbitral Tribunal as soon as it has been constituted, provided the advance on costs requested by the Secretariat at this stage has been paid.

19.13. PLACE OF THE ARBITRATION

19.13.1. The place of the arbitration shall be at Mumbai, New Delhi, Kolkata and Chennai, as the case may be.

19.13.2. The Arbitral Tribunal may, after consultation with the parties, conduct hearings and meetings at any other location it considers appropriate unless otherwise agreed by the parties, subject always to the permission of the Secretariat.

19.14. RULES GOVERNING THE PROCEEDINGS

19.14.1. The proceedings before the Arbitral Tribunal shall be governed by these Rules.

19.14.2. In all cases, the Arbitral Tribunal shall act fairly and impartially and ensure that each party has a reasonable opportunity to present its case.

19.15. LANGUAGE OF THE ARBITRATION

The language of arbitration shall be English.

19.16. APPLICABLE RULES OF LAW

19.16.1. Reliance shall be had to the rules of law prescribed under The Depositories Act, 1996, Companies Act, 2013, Securities Contract (Regulation) Act, 1956, Securities and Exchange Board of India Act, 1992, any other applicable Laws, SEBI (Depositories and Participants) Regulations, 2018 or any other SEBI Regulations or Guidelines and the Bye Laws and Business Rules of NSDL.

19.16.2. In all cases the Arbitral Tribunal shall take account of the provisions of the contract and the relevant trade usages.

19.16.3. The Arbitral Tribunal shall assume the powers of an amiable compositeur or decide the matter by a "Documents Only" arbitration if the parties have agreed to give it such powers.

19.16.4. Notwithstanding anything contained herein, where the amount in dispute is of a value below Rupees Twenty-five Thousand (25,000) Only, the Arbitral Tribunal shall conduct a "Documents Only" arbitration and the parties to the dispute shall be bound by the same.

19.17. TERMS OF REFERENCE; PROCEDURAL TIMETABLE

19.17.1. As soon as it has received the File from the Secretariat, the Arbitral Tribunal shall draw up, on the basis of documents or in the presence of the parties and in the light of their most recent submissions, a document defining its Terms of Reference. This document shall include the following particulars:
a) the full names and descriptions of the parties;
b) the addresses of the parties' to which notifications and communications arising in the course of the arbitration may be made;
c) a summary of the parties' respective claims and of the relief sought by each party, with an indication to the extent possible of the amounts claimed or counterclaimed;
d) unless the Arbitral Tribunal considers it inappropriate, a list of issues to be determined;
e) the full names, descriptions and addresses of the arbitrators;
f) the place of the arbitration; and
g) particulars of the applicable procedural rules and, if such is the case, reference to the power conferred upon the Arbitral Tribunal to act as amiable compositeur or to decide by means of a "Documents Only" arbitration.

19.17.2. The Terms of Reference shall be signed by the parties and the Arbitral Tribunal. Within two months of the date on which the File has been transmitted to it, the Arbitral Tribunal shall transmit to the Committee the Terms of Reference signed by it and by the parties. The Committee may extend this time limit pursuant to a reasoned request from the Arbitral Tribunal.

19.17.3. If any of the parties refuses to take part in the drawing up of the Terms of Reference or to sign the same, they shall be submitted to the Committee for approval. When the Terms of Reference are signed in accordance with Rule 19.17.2 or approved by the Committee, the arbitration shall proceed.

19.17.4. When drawing up the Terms of Reference, or as soon as possible thereafter, the Arbitral Tribunal, after having consulted the parties, shall establish in a separate document a provisional timetable that it intends to follow for the conduct of the arbitration and shall communicate it to the Committee and the parties. Any subsequent modifications of the provisional timetable shall be communicated to the Committee and the parties.

19.18. NEW CLAIMS

19.18.1. After the Terms of Reference have been signed or approved by the Committee, no party shall make new claims or counterclaims which fall outside the limits of the Terms of Reference unless it has been authorized to do so by the Arbitral Tribunal, which shall consider the nature of such new claims or counterclaims, the stage of the arbitration and other relevant circumstances.

19.19. ESTABLISHING THE FACTS OF THE CASE

19.19.1. The Arbitral Tribunal shall proceed within as short a time as possible to establish the facts of the case by all appropriate means.

19.19.2. After studying the written submissions of the parties and all documents relied upon, the Arbitral Tribunal shall hear the parties together in person if any of them so requests or, failing such a request, it may of its own motion decide to hear them.

19.19.3. The Arbitral Tribunal may decide to hear witnesses, experts appointed by the parties or any other person, in the presence of the parties, or in their absence provided they have been duly summoned.

19.19.4. The Arbitral Tribunal, after having consulted the parties, may appoint one or more experts, define their terms of reference and receive their reports. At the request of a party, the parties shall be given the opportunity to question at a hearing any such expert appointed by the Tribunal.

19.19.5. At any time during the proceedings, the Arbitral Tribunal may summon any party to provide additional evidence.

19.19.6. The Arbitral Tribunal may decide the case solely on the documents submitted by the parties unless any of the parties reasonably requests a hearing.

19.19.7. The Arbitral Tribunal may take measures for protecting trade secrets and confidential information.

19.20. HEARINGS

19.20.1. When a hearing is to be held, the Arbitral Tribunal, giving reasonable notice, shall summon the parties to appear before it on the day and at the place fixed by it.

19.20.2. If any of the parties, although duly summoned, fails to appear without valid excuse, the Arbitral Tribunal shall have the power to proceed with the hearing.

19.20.3. The Arbitral Tribunal shall be in full charge of the hearings, at which all the parties shall be entitled to be present. Save with the approval of the Arbitral Tribunal and the parties, persons not involved in the proceedings shall not be admitted.

19.21. CLOSING OF THE PROCEEDINGS

19.21.1. When it is satisfied that the parties have had a reasonable opportunity to present their cases, the Arbitral Tribunal shall declare the proceedings closed. Thereafter, no further submission or argument may be made, or evidence produced, unless requested or authorised by the Arbitral Tribunal.

19.21.2. When the Arbitral Tribunal has declared the proceedings closed, it shall indicate to the Secretariat an approximate date by which the Award will be finalised. Any postponement of that date shall be communicated to the Secretariat by the Arbitral Tribunal.

19.22. CONSERVATORY AND INTERIM MEASURES

19.22.1. Unless the parties have otherwise agreed, as soon as the File has been transmitted to it, the Arbitral Tribunal may, at the request of a party, order any interim measure it deems appropriate. The Arbitral Tribunal may make the granting of any such measure subject to appropriate security being furnished by the requesting party. Any such measure shall take the form of an order, giving reasons, or of an Award, as the Arbitral Tribunal considers appropriate.

19.22.2. If any party has applied to any competent judicial authority for interim or conservatory measures, such application shall not affect the powers of the Arbitral Tribunal. The applying party shall be obliged to notify such application and any measures taken by the judicial authority without delay to the Secretariat. The Secretariat shall inform the Arbitral Tribunal thereof.

AWARDS

19.23. TIME LIMIT FOR THE AWARD

19.23.1. The time limit within which the Arbitral Tribunal must render its final Award is six months. Such time limit shall start to run from the date of the last signature by the Arbitral Tribunal or of the parties of the Terms of Reference, or, in the case of application of Rule 19.17.3 the date of the notification to the Arbitral Tribunal by the Secretariat of the approval of the Terms of Reference by the Committee.

19.23.2. The Arbitral Tribunal may extend this time limit if it decides it is necessary to do so, for reasons to be recorded in writing.

19.24. MAKING OF THE AWARD

19.24.1. When the Arbitral Tribunal is composed of more than one arbitrator, an Award is given by a majority decision. If there be no majority, the Award shall be made by the Chairman of the Arbitral Tribunal alone.

19.24.2. The Award shall state the reasons upon which it is based.

19.24.3. The Award shall be deemed to be made on the date stated therein.

19.24.4. In order to safe guard the interest of the parties involved in arbitration and to ensure speedy implementation of the Award, the rate of interest on the Award passed by the Arbitral Tribunal shall be in compliance with the Arbitration and Conciliation Act,1996.

19.25. AWARD BY CONSENT

19.25.1. If the parties reach a settlement after the File has been transmitted to the Arbitral Tribunal in accordance with Rule 19.12, the settlement shall be recorded in the form of an Award made by consent of the parties if so requested by the parties and if the Arbitral Tribunal agrees to do so.

19.26. NOTIFICATION, DEPOSIT AND ENFORCEABILITY OF THE AWARD

19.26.1. An original of each Award made in accordance with the present Rules shall be deposited with the Secretariat.

19.26.2. Once an Award has been made, the Secretariat shall notify to the parties the text signed by the Arbitral Tribunal, provided always that the costs of the arbitration have been fully paid to NSDL by the parties or by one of them.

19.26.3. Additional copies certified true by the Chairman shall be made available on request and at any time to the parties, but to no one else.

19.26.4. By virtue of the notification made in accordance with Rule 19.26.1 of this Rule, the parties waive any other form of notification or

deposit on the part of the Arbitral Tribunal.

19.26.5. The Arbitral Tribunal and the Secretariat shall assist the parties in complying with whatever further formalities that may be necessary.

19.26.6. Every Award shall be binding on the parties. By submitting the dispute to arbitration under these Rules, the parties undertake to carry out any Award without delay and shall be deemed to have waived their right to any form of recourse insofar as such waiver can validly be made.

19.26.7.A party aggrieved by the Arbitral Award may file an appeal before the Appellate Arbitrator by paying such fees as may be prescribed by the Arbitration Committee from time to time in addition to the statutory dues (stamp duty, service tax etc.) along with the appeal.

19.26.8.The above articles 19.6 to 19.25 shall be applicable to Appellate Arbitration.

19.27. CORRECTION AND INTERPRETATION OF THE AWARD

19.27.1. On its own initiative, the Arbitral Tribunal may correct a clerical, computational or typographical error, or any errors of similar nature contained in an Award within 30 days of the date of such Award.

19.27.2. Any application of a party for the correction of an error of the kind referred to in Rule 19.27.1, or for the interpretation of an Award, must be made to the Secretariat within 30 days of the receipt of the Award by such party, in a number of copies as stated in Rule 19.2.1. After transmittal of the application to the Arbitral Tribunal, it shall grant the other party a short time limit, normally not exceeding 30 days, from the receipt of the application by that party to submit any comments thereon. If the Arbitral Tribunal decides to correct or interpret the Award, it shall submit its decision in draft form to the Committee not later than 30 days following the expiration of the time limit for the receipt of any comments from the other party or within such other period as the Committee may decide.

19.27.3. The decision to correct or to interpret the Award shall take the form of an addendum and shall constitute part of the Award. The provisions of Rules 19.24 and 19.26 shall apply mutatis mutandis.

COSTS

19.28. ADVANCE TO COVER THE COSTS OF THE ARBITRATION

19.28.1. After receipt of the Request, the Chairman may request the Claimant to pay a provisional advance in an amount intended to cover the costs of arbitration until the Terms of Reference have been drawn up.

19.28.2. As soon as practicable, the Committee shall fix the advance on costs in an amount likely to cover the fees and expenses of the arbitrators and the NSDL administrative costs for the claims and counterclaims which have been referred to it by the parties. This amount may be subject to readjustment at any time during the arbitration. Where, apart from the claims, counterclaims are submitted, the Committee may fix separate advances on costs for the claims and the counterclaims.

19.28.3. The advance on costs fixed by the Committee shall be payable in equal shares by the Claimant and the Respondent. Any provisional advance paid on the basis of Rule 19.28.1. will be considered as a partial payment thereof. However, any party shall be free to pay the whole of the advance on costs in respect of the principal claim or the counterclaim should the other party fail to pay its share. When the Committee has set separate advances on costs in accordance with Rule 19.28.2, each of the parties shall pay the advance on costs corresponding to its claims.

19.28.4. When a request for an advance on costs has not been complied with, and after consultation with the Arbitral Tribunal, the Chairman may direct the Arbitral Tribunal to suspend its work and set a time limit, which must be not less than 15 days, on the expiry of which the relevant claims, or counterclaims, shall be considered as withdrawn. Should the party in question wish to object to this measure it must make a request within the aforementioned period for the matter to be decided by the Committee. Such party shall not be prevented on the ground of such withdrawal from reintroducing the same claims or counterclaims at a later date in another proceeding.

19.28.5. If one of the parties claims a right to a set-off with regard to either claims or counterclaims, such set-off shall be taken into account in determining the advance to cover the costs of arbitration in the same way as a separate claim insofar as it may require the Arbitral Tribunal to consider additional matters.

19.29. DECISION AS TO THE COSTS OF THE ARBITRATION

19.29.1. The costs of the arbitration shall include the fees and expenses of the arbitrators and the NSDL administrative costs fixed by the Committee, in accordance with the scale in force at the time of the commencement of the arbitral proceedings, as well as the fees and expenses of any experts appointed by the Arbitral Tribunal and the reasonable legal and other costs incurred by the parties for the arbitration.

19.29.2. The Committee may fix the fees of the arbitrators at a figure higher or lower than that which would result from the application of the relevant scale should this be deemed necessary due to the exceptional circumstances of the case. Decisions on costs other than those fixed by the Committee may be taken by the Arbitral Tribunal at any time during the proceedings.

19.29.3. The final Award shall fix the costs of the arbitration and decide which of the parties shall bear them or in what proportion they shall

be borne by the parties

MISCELLANEOUS

19.30. MODIFIED TIME LIMITS

19.30.1. The parties may agree to shorten the various time limits set out in these Rules. Any such agreement entered into subsequent to the constitution of an Arbitral Tribunal shall become effective only upon the approval of the Arbitral Tribunal.

19.30.2. The Committee, on its own initiative, may extend any time limit which has been modified pursuant to Rule 19.30.1. if it decides that it is necessary to do so in order that the Arbitral Tribunal or the Committee may fulfill their responsibilities in accordance with these Rules.

19.31. WAIVER

19.31.1. A party which proceeds with the arbitration without raising its objection to a failure to comply with any provision of these Rules, or of any other rules applicable to the proceedings, any direction given by the Arbitral Tribunal, or any requirement under the arbitration agreement relating to the constitution of the Arbitral Tribunal, or to the conduct of the proceedings, shall be deemed to have waived its right to object.

19.32. EXCLUSION OF LIABILITY

19.32.1. Neither the arbitrators, nor the Committee and its members, nor the NSDL and its employees, nor NSDL's various committees shall be liable to any person for any act or omission in connection with the arbitration.

19.33. GENERAL RULE

19.33.1. In all matters not expressly provided for in these Rules, the Committee and the Arbitral Tribunal shall act in the spirit of these Rules and shall make every effort to make sure that the Award is enforceable at law.

APPENDIX - I

ARBITRATION COMMITTEE OF THE NSDL

Article 1 - Function

(1) The function of the Arbitration Committee of NSDL ("the Committee") is to ensure the application of the Rules of Arbitration of NSDL.

(2) [211] The Committee shall be constituted by the Depository in order that it carries out these functions in an independent and quasi-judicial manner.

Article 2 - Composition of the Committee

The Committee shall consist of a Chairman, Vice-Chairman, and members and alternate members (collectively designated as members).

Article 3 - Appointment

(1) The Chairman shall be appointed by the Depository.

(2) The Chairman and other members shall be appointed by the Depository. Such members shall comprise persons of ability, integrity and standing, and having adequate knowledge or experience of or having shown capacity in dealing with problems relating to capital market, securities transactions, securities law, accountancy, commerce and administration. The Committee shall provide adequate information as to the qualifications and experience of such persons.

Article 4 - Meetings of the Committee

The meetings of the Committee shall be presided over by the Chairman, or, in his absence, by any other member of the Committee designated by him. The deliberations shall be valid when at least three members are present. Decisions are taken by a majority vote, the Chairman having a casting vote in the event of a tie.

Article 5 - Confidentiality

The work of the Committee is of a confidential nature and shall be respected by everyone who participates in that work in whatever capacity. The Committee lays down the rules regarding the persons who can attend the meetings of the Committee and its Committees and who are entitled to have access to the materials submitted to the Committee and its Secretariat.

APPENDIX - II

INTERNAL RULES OF THE ARBITRATION COMMITTEE

(1) The sessions of the Committee, whether plenary or those of a Committee of the Committee, are open only to its members and to the Secretariat. However, in exceptional circumstances, the Chairman of the Committee may invite other persons to attend. Such persons must respect the confidential nature of the work of the Committee.

(2) The Secretariat will in each matter referred to arbitration under the Rules retain in the archives of the Committee all awards, terms of reference, and decisions of the Committee as well as copies of the pertinent correspondence of the Secretariat.

(3) Any documents, communications or correspondence submitted by the parties or the arbitrators may be destroyed unless a party or an arbitrator requests in writing within a period fixed by the Secretariat the return of such documents. All related costs and expenses for the return of those documents shall be paid by such party or arbitrator.

(4) The Chairman and the members of the Secretariat of the Committee may not act as arbitrators or as counsel in matters referred to arbitration.

(5) The Committee shall not appoint members of the Committee as arbitrators. They may, however, be proposed for such duties by one or more of the parties, or, pursuant to any other procedure agreed upon by the parties, subject to confirmation by the Committee.

(6) When the Chairman, a Vice-Chairman or a member of the Committee or of the Secretariat is involved in any capacity whatsoever in proceedings pending before the Committee, such person must inform the Depository upon becoming aware of such involvement.

(7) Such person must refrain from participating in the discussions or in the decisions of the Committee concerning the proceedings and must be absent from the Committee meeting room whenever the matter is considered.

(8) Such person will not receive any material documentation or information pertaining to such proceedings.

(9) The Committee shall have a Secretary who shall have the authority to carry out the day-to-day operations of the Committee. In case of absence, the Secretary may delegate the authority to confirm arbitrators, to certify true copies of awards and to request the payment of a provisional advance, respectively provided for in Articles 19.8.2, 19.26.3. and 19.28.1 of the Rules to any member of the Committee.

(10) The Secretariat may, with the approval of the Committee, issue notes and other documents for the information of the parties and the arbitrators, or as necessary for the proper conduct of the arbitral proceedings.

(11) The Committee shall review the performance of the arbitrators annually and submit the review report to the Board of depository.

APPENDIX - III

ARBITRATION FEES, EXPENSES AND COSTS

(1) The Arbitral Tribunal shall be entitled to allow fees and expenses of witnesses, expenses connected with the examination of documents, charges, conveyance, hire, cost of legal or technical advice or proceedings in respect of any matter arising out of the arbitration incurred by the arbitration tribunal, and any other incidental expenses and charges in connection with or arising out of the reference or award as the arbitration tribunal may, in its absolute discretion think fit.

(2) 215 The costs of the reference and the award including charges, fees and other expenses shall be the discretion of the Arbitral Tribunal, which may, direct to and by whom, and in what proportion, such charges, fees and other expenses and any, part thereof shall be borne and paid, and may fix and settle the amount of costs to be so paid or any part thereof and may award costs to be paid as between the parties. In the event, any administrative fees and expenses are due to the Depository, the Arbitral Tribunal may, award them in favour of the Depository.

(3) The fees, costs and expenses incidental to the reference and the award shall include the following:
(a) Application Fee A non-refundable application fee of ₹1000/- shall be payable by Claimant along with the application for reference.

(b) Administrative Fee and Arbitrator's Fee The Administrative Fee of NSDL and Arbitrator's fee (for each arbitrator) will be fixed separately with regard to, the amount in dispute in each case, as under:

Amount of Claim / Counter Claim, whichever is higher (₹)	**If claim is filed within six months from the date of dispute**	**If claim is filed after six months from the date of dispute**	**If the claim is filed beyond the timeline prescribed in column 3, (only for Participant)**
≤ 10,00,000	1.3% subject to a minimum of ₹10,000	3.9% subject to a minimum of ₹30,000	Additional fee of ₹ 3,000/- per month over and above fee prescribed in column 3
> 10,00,000 - 25,00,000 ≤	₹ 13,000 plus 0.3% amount above ₹ 10 lakh	₹ 39,000 plus 0.9% amount above ₹ 10 lakh	Additional fee of ₹ 6,000/- per month over and above fee prescribed in column 3
> 25,00,000	₹ 17,500 plus 0.2 % amount above ₹ 25 lakh subject to maximum of ₹ 30,000	₹ 52,500 plus 0.6 % amount above ₹ 25 lakh subject to maximum of ₹90,000	Additional fee of 12,000/- per month over and above fee prescribed in column 3

The Arbitrator Fee shall be upwardly revised to ₹18,000 (Rupees Eighteen Thousand) per case. The additional expenses attributable to the client over and above the fee structure specified above shall be borne by the client (wherever applicable) and Depository equally. The total expense attributable to the Participant has to be borne by the concerned Participant.

(a) In addition to the above:

(i) Each arbitrator, will be entitled to receive a Special Fee for study of the pleadings, case material, writing of the award etc. with regard to the amount in dispute in each case as under:

Upto ₹ 5 Lakhs (₹ 500,000)	₹ 1,000/- LUMPSUM
From ₹ 5 lakh one to ₹ 5 crore (₹ 5,00,001 to ₹ 50,000,000)	₹ 2,000/- LUMPSUM
₹ 5 crore one and above (₹ 50,000,001 and above)	₹ 5,000/- LUMPSUM

(ii) NSDL may at its discretion charge an additional Special Fee of ₹ 1000/- per hearing from each of the Parties to arbitration, for providing facilities in terms of hardware viz., computer, scanner printer, etc. and required software at the arbitration hearing. Provided that such discretion shall be based on the number of hearings conducted, extent of use of facilities and such other criteria.

(iii) In case award amount is more than Rs. 50 lakhs (Rs. Fifty lakhs), the next level of proceedings (arbitration or appellate arbitration) may take place at the nearest metro city, if desired by any of the party involved. The additional statutory cost for arbitration, if any, to be borne by party desirous of shifting the place of arbitration.

(2) Notwithstanding anything contained herein, Committee may prescribe the Arbitrator's fees and the Administrative fees of NSDL at a figure higher than those prescribed herein, in exceptional circumstances and if the Committee is of the opinion that such increase in fees is necessary.

(3) Where two or more applications for arbitration are received by the Committee and the issues involved in the dispute arise out of same transactions, and the Committee thinks it proper to and with the consent of all the relevant parties, fix the hearings of the disputes to be heard jointly or refer the applications to the same Arbitral Tribunal, the Arbitrator's fee and the Administrative fee of NSDL shall be fixed by computing the fee applicable to the larger claim in addition to 60% of the applicable fees of all claims being tried jointly. Provided that the Committee shall have the power to prescribe the Arbitrator's Fee and Administrative Fee under this Sub-Rule in any other manner, having regard to the nature and facts of the matters under reference.

(4) The cost to be incurred on payment of travelling expenses to an arbitrator nominated by a party will be borne and paid by the party nominating the arbitrator. It will be the responsibility of the party nominating the arbitrator for reimbursement of any enhanced expenses for attending the arbitration hearing. The expenses payable to the third arbitrator or sole arbitrator will be borne and paid by both the parties in equal proportion or in such other manner as may be determined by the Arbitral Tribunal.

20. [209] FEES AND DEPOSITS

Since deleted w.e.f. may 1, 2002, refer Chapter 21 on Fees and Deposits

Prior to deletion the provisions of Chapter 20 were as under

The following Business Rules shall be effective from September 1, 2000.

20.1. ISSUERS OR ITS REGISTRAR AND TRANSFER AGENTS FEE FOR DISTRIBUTION OF NON-CASH CORPORATE BENEFITS

i) In case of offers for sale by an offeror or disinvestment by GOI, a fee at the rate of 0.02% (two basis points) of the value of securities based on the offer price will be charged to the Issuer / Offeror.

ii) In case of all other corporate actions, viz., bonus, rights, public issues, shares split, merger, demerger, etc., a fee at the rate of 0.02% (two basis points) of the value of securities based on the market price as on the date of allotment or the offer price, as the case may be, or ₹ 20/- per record whichever is lower, shall be charged to the Issuer.

iii) In case of conversion of shares of non pari-passu to pari-passu, partly-paid to fully-paid etc., no fee shall be charged.

iv) In case of companies which have paid/pay one time custody fee, no corporate action fee as mentioned at (i) and (ii) above shall be charged till March 31, 2002.

v) [210]In case of any corporate action of commercial papers, a flat fee of ₹ 10,000/-shall be levied on the Issuer. Provided however that with effect from January 1, 2001, a flat fee of ₹ 10,000/- shall be levied on the Issuer for all issues of commercial papers during a calendar year.

20.2. PARTICIPANTS

20.2.1. ENTRY FEES: Each Participant shall pay, to the Depository, a non- refundable entry fee of ₹ 25,000.

20.2.2. ANNUAL FEES: Each Participant shall pay to the Depository, an annual fee as per the schedule given below:

Average market value of dematerialised securities with the Participant.	ANNUAL FEES
Upto ₹ 200 crore	₹ 1,00,000
Between ₹ 200 crore and ₹ 500 crore	₹ 2,50,000
More than ₹ 500 crore	₹ 5,00,000

The fee shall be charged on a yearly basis from October 1 to September 30. This fee shall be paid before October 31 of the following year.

Provided that all Participants who join the depository in the second half (on or after April 1) of any year shall be required to pay only half of the annual fee for that year.

Notes:

[209] **Inserted w.e.f. August 1, 2000.**

[210] **Amended w.e.f. Dec. 20, 2000. Prior to this amendment Rule 20.1 (v) read as follows :**
Provided however that in case of any corporate action of commercial papers, a flat fee of ₹ 10,000/- shall be levied on the issuer.

20.2.3. TRANSACTION RELATED FEES: The following transaction related fees shall be payable by the Participants to the Depository :

i) A settlement fee at the rate of 0.02% (two basis points) of the value of the securities (other than debt instruments and commercial papers) debited to the account(s) of its Client(s) in respect of all transactions shall be charged to the Participant.

ii) [211] A settlement fee at the rate of 0.002% (0.2 basis points) of the value of these curities received from the Clearing Corporation into the Receipt - in Account of each Clearing Member maintained with the Participant subject to a minimum of ₹ 2000/- and maximum of ₹ 20,000/- per quarter per CM Account shall be charged to the Participant.

Provided however that with effect from January 1,2001, the minimum fee per quarter per CM Account shall be ₹1000/-. Further, a settlement fee at the rate of 0.02% (two basis points) of the value of the securities transferred by way of inter-settlement transfers in the CM Account(s) shall be charged to the Participant. However, no settlement fee will be payable for inter-settlement transfer of securities effected in the additional CM Accounts maintained for the purpose of VyajBadla or ALBM transactions. Further, a settlement fee at the rate of 0.02% (two basis points) of the value of the securities transferred from the CM account of a Clearing Member to the CM account of another Clearing Member shall be charged to the Participant of the delivering Clearing Member.

Provided however that;

a) in case of debt instruments, other than Commercial Papers, in respect of all transactions, a settlement fee at the rate of 0.01% (one basis point) on the value of debt securities debited and credited to the account(s) of its Clients shall be charged to the Participant. The above settlement fee of one basis point shall be subject to a maximum of ₹100/- for each transaction for each different security.
b) in respect of commercial papers, no settlement fee shall be charged.

iii) No settlement fee shall be charged in the following cases:-
a) in the case of transfers necessitated by transmission;
b) in the case of transfer of the account of the Client from one Participant to another as a consequence of the expulsion or suspension of such Participant;
c) when the Client closes its account with a Participant and transfers the entire balance in its account to its account maintained with another Participant.

iv) When a pledge/hypothecation is created or closed, a fee at the rate of 0.01% (one basis point) of the value of the securities pledged / hypothecated shall be charged to the Participant of the pledgor / hypothecator.

Notes:

[211] **Amended w.e.f. December 20, 2000. Prior to this amendment Rule 20.2.3 (ii) amended w.e.f. November 27, 2000 read as follows:**

ii) A settlement fee at the rate of 0.002% (0.2 basis points) of the value of the securities received from the Clearing Corporation into the Receipt-in Account of each Clearing Member maintained with the Participant subject to a minimum of ₹ 2000/- and maximum of ₹ 20,000/- per quarter per CM Account shall be charged to the Participant. Further, a settlement fee at the rate of 0.02% (two basis points) of the value of the securities transferred by way of inter-settlement transfers in the CM Account(s) shall be charged to the Participant. However, no settlement fee will be payable for inter-settlement transfer of securities effected in the additional CM Accounts maintained for the purpose of VyajBadla or ALBM transactions. Further, a settlement fee at the rate of 0.02% (two basis points) of the value of the securities transferred from the CM account of a Clearing Member to the CM account of another Clearing Member shall be charged to the Participant of the delivering Clearing Member. Provided however that;

a) in case of debt instruments, other than Commercial Papers, in respect of all transactions, a settlement fee at the rate of 0.01% (one basis point) on the value of debt securities debited and credited to the account(s) of its Clients shall be charged to the Participant. The above settlement fee of one basis point shall be subject to a maximum of ₹ 100/- for each transaction for each different security.
b) in respect of commercial papers, no settlement fee shall be charged.

v) When a pledge / hypothecation is invoked, a fee at the rate of 0.02% (two basis points) of the value of the securities credited to the account(s) of its Client(s) shall be charged to the Participant of the Pledgee.

vi) A fee at the rate of 0.02% (two basis points) of the value of the securities lent by the intermediary to the borrower shall be charged to the Participant of the borrower if the transaction is for a period upto 3 months. In case, the transaction extends beyond 3 months, the Participant of the borrower shall pay an additional fee at the rate of 0.02% (two basis points) of the value of the securities lent. The transaction fee shall be collected from the Participants at the beginning of the transaction and any roll over of transaction beyond 3 months.

20.2.4. CUSTODY FEES: Each Participant shall pay custody fee at the rate of 0.01%(1 basis point) per annum on the average value of securities held by the Participant in dematerialised form. This fee will be collected quarterly on the basis of average holding during the quarter. Provided however that, the custody fees payable by a Participant will be subject to an annual overall ceiling as given below:

Average market value of dematerialised securities with the Participant during the quarter	Annual Ceiling (to be recovered quarterly)
Upto₹ 200 crore	₹ 25,000
More than ₹ 200 crore and upto ₹ 500 crore	₹ 50,000
More than ₹ 500 crore and upto₹ 2000 crore	₹ 1,25,000
More than ₹ 2000 crore	₹ 4,00,000

Provided further that while calculating the custody value as mentioned above, the value of the shares of those companies which have paid a one time custody fee will not be included.

In case of debt instruments and Government Securities, each Participant shall pay custody fee at the rate of 0.005% (0.5 basis point) per annum on the average value of the securities held by the Participant in dematerialised form subject to the overall ceiling as given above.

20.2.5. FEE FOR DEMATERIALISATION & REMATERIALISATION

No fee shall be charged by the Depository on Dematerialisation requests. However, in case of Rematerialisation, a fee at the rate of 0.02% (two basis points) of the value of the securities requested for rematerialisation or ₹ 10/- per certificate, whichever is higher will be charged.

20.2.6. SECURITY DEPOSITS

Every Participant will be required to pay an amount of ₹ 10 lakh by way of interest free refundable security deposit. However, a Clearing Corporation or a Clearing House of a Stock Exchange will be exempt from payment of the security deposit.

20.2.7. ONE TIME CUSTODY FEES

20.2.7.1. An issuer may pay a one time custody fee to NSDL at the rate of 0.05% on the market capitalisation of the company. The market capitalisation of a company will be determined on the basis of the average market price for a period of 26 weeks preceding the date on which the company agrees to make such payment. Consequent upon such payment, NSDL shall not levy any custody fee on the Participants.

20.2.7.2. If a company opts to pay the aforesaid one time fee, it will also be required to agree to pay on the newly issued shares, a custody fee at the rate of 0.05% (five basis points) on the value of shares calculated on the basis of issue price of newly issued shares. In case the company does not pay this amount, NSDL shall charge custody fee as per provision mentioned at Rule 20.2.4 above. However, the issuer shall not be required to pay any custody fee on any subsequent issue of Bonus shares by the company.

20.2.8. The Business Rules 20.1 to 20.2.7 shall apply till April 30, 2002 and the Rules contained in Chapter 21 will come into effect from May 1, 2002.

21. [212] FEES AND DEPOSITS

21.1. FEE PAYABLE BY ISSUERS

21.1.1. FEE FOR DISTRIBUTION OF NON-CASH CORPORATE BENEFITS

i) [213]In case of offers for sale by an offerer or disinvestment by GOI, bonus, rights, public issue, preferential issue, split, merger, demerger, capital reduction,
redemption, etc., a fee at the rate of ₹ 10 per record for debits or credits to accounts as the case may be, shall be charged to the Issuer, subject to a minimum fee of ₹ 1000 per corporate action.

Notes:

[212] Inserted w.e.f. May 1, 2002.

[213] Amended w.e.f. July 1, 2008. Prior to this amendment Rule 21.1.1.(i) was amended on November 1, 2007, which read as follows:

21.1.1.(i) In case of offers for sale by an offerer or disinvestment by GOI, bonus, rights, public issue, preferential issue, split, merger, demerger, capital reduction, redemption, etc., a fee at the rate of ₹ 6 per record for debits or credits to accounts as the case may be, shall be charged to the Issuer, subject to a minimum fee of ₹ 500 per corporate action.

Provided however that with effect from November 1, 2007, in case of offers for sale by an offerer or disinvestment by GOI, bonus, rights, public issue, preferential issue, split, merger, demerger, capital reduction, redemption, etc., a fee at the rate of ₹ 8 per record for debits or credits to accounts as the case may be, shall be charged to the Issuer, subject to a minimum fee of ₹ 1000 per corporate action.

Prior to this amendment Rule 21.1.1. (i) was amended on October 1, 2005, which read as follows:

21.1.1.(i) In case of offers for sale by an offerer or disinvestment by GOI, bonus, rights, public issue, preferential issue, split, merger, demerger, capital reduction, redemption, etc., a fee at the rate of ₹ 8 per record for debits or credits to accounts as the case may be, shall be charged to the Issuer, subject to a minimum fee of ₹500 per corporate action.

Provided however that with effect from October 1, 2005, in case of offers for sale by an offerer or disinvestment by GOI, bonus, rights, public issue, preferential issue, split, merger, demerger, capital reduction, redemption, etc., a fee at the rate of ₹ 6 per record for debits or credits to accounts as the case may be, shall be charged to the Issuer, subject to a minimum fee of ₹ 500 per corporate action.

Prior to this amendment Rule 21.1.1. (i) was amended on January 1, 2004, which read as follows: 21.1.1.(i) In case of offers for sale by an offerer or disinvestment by GOI or issue of shares arising out of bonus, rights, public issues, shares split, merger, demerger, etc., a fee at the rate of ₹ 10/- per record shall be charged to the Issuer, subject to a minimum fee of ₹ 500 per corporate action.

Provided however that with effect from January 1, 2004, in case of offers for sale by an offerer or disinvestment by GOI, bonus, rights, public issues, preferential issue, split, merger, demerger, capital reduction, redemption, etc., a fee at the rate of ₹ 8/- per record for debits or credits to accounts as the case may be, shall be charged to the Issuer, subject to a minimum fee of ₹ 500 per corporate action.

Prior to this amendment Rule 21.1.1. (i) amended w.e.f. October 1, 2002 read as follows:

21.1.1. (i) In case of offers for sale by an offerer or disinvestment by GOI or issue of shares arising out of bonus, rights, public issues, shares split, merger, demerger, etc., a fee at the rate of 0.02% (two basis points) of the value of securities based on the market price or the offer price as on the date of allotment, as the case may be, or ₹ 20 per record whichever is lower, shall be charged to the Issuer, subject to a minimum fee of ₹ 500 per corporate action.

Provided however that with effect from October 1, 2002, in case of offers for sale by an offerer or disinvestment by GOI or issue of shares arising out of bonus, rights, public issues, shares split, merger, demerger, etc., a fee at the rate of ₹ 10/- per record shall be charged to the Issuer, subject to a minimum fee of ₹ 500 per corporate action.

Prior to this amendment Rule 21.1.1. (i) read as follows:

21.1.1. (i) In case of offers for sale by an offerer or disinvestment by GOI or issue of shares arising out of bonus, rights, public issues, shares split, merger, demerger, etc., a fee at the rate of 0.02% (two basis points) of the value of securities based on the market price or the offer price as on the date of allotment, as the case may be, or ₹ 20 per record whichever is lower, shall be charged to the Issuer, subject to a minimum fee of ₹ 500 per corporate action.

ii) [214] In case of issue of Commercial Papers, a fee of ₹10,000 shall be levied on the Issuer for five issues of Commercial Papers during the financial year.
Provided however that an additional fee of ₹ 10,000 shall be levied on the Issuer for every additional five issues.

iii) [215] In case of issue of short term debt instruments viz; certificate of deposits, MIBOR linked papers etc., a fee of ₹ 10,000 shall be levied on the Issuer for five such issues made in a financial year.
Provided however an additional fee of ₹10,000 shall be levied on the Issuer for every additional five issues.

Notes:

* **The original Rule 21.1.1 (ii) has been deleted w.e.f. April 1, 2008. Prior to deletion original Rule 21.1.1 (ii) read as follows :**

21.1.1. (ii) In case of conversion of shares of non pari-passu to pari-passu, partly-paid to fully-paid etc., no fee shall be charged.

[214] **The original Rule 21.1.1.(iii) has been renumbered as Rule 21.1.1.(ii) w.e.f. April 1, 2008.Prior to this amendment original Rule 21.1.1.(iii) was amended on April 1, 2005, which read as follows:**

21.1.1. (iii) In case of issue of Commercial Papers, a flat fee of ₹10,000 shall be levied on the Issuer for all issues of Commercial Papers during the calendar year.

Provided however that, with effect from April 1, 2005, in case of issue of Commercial Papers, a flat fee of ₹10,000 shall be levied on the Issuer for all issues of Commercial Papers during the financial year. Provided further that for the first quarter of the calendar year 2005, an amount of ₹ 2,500 shall be levied on the Issuer for all such issues during the first quarter of calendar year 2005.

Prior to this amendment Rule 21.1.1.(iii) read as follows:

21.1.1. (iii) In case issue of Commercial Papers, a flat fee of ₹ 10,000 shall be levied on the Issuer for all issues of Commercial Papers during the calendar year.

[215] **The original Rule 21.1.1.(iv) has been renumbered as 21.1.1.(iii) w.e.f. April 1, 2008.Prior to this amendment original Rule 21.1.1.(iv) was amended on April 1, 2005, which read as follows:**

21.1.1.(iv) In case of issue of short term debt instruments viz., certificate of deposits, MIBOR linked papers etc., a flat fee of ₹ 10,000 shall be levied on the Issuer for 10 such issues made in a calendar year. Provided however that an additional fee of ₹ 1,000 shall be levied on the Issuer for each subsequent issue.

Provided however that, with effect from April 1, 2005, in case of issue of short term debt instruments viz., certificate of deposits, MIBOR linked papers etc., a flat fee of ₹ 10,000 shall be levied on the Issuer for ten such issues made in a financial year and an additional fee of ₹ 1,000 shall be levied on the Issuer for each subsequent issue.

Provided further that for the first quarter of the calendar year 2005, an amount of ₹ 2,500 would be charged to issuers for three such issues and an additional fee of ₹ 1,000 shall be levied on the Issuer for each subsequent issue.

Prior to this amendment Rule 21.1.1. (iv) amended w.e.f. July 13, 2002 read as follows:

21.1.1. (iv) In case of issue of short term debt instruments viz., certificate of deposits, MIBOR linked papers etc., a flat fee of ₹ 10,000 shall be levied on the Issuer for 10 such issues made in a calendar year. Provided however that an additional fee of ₹ 1,000 shall be levied on the Issuer for each subsequent issue.

Prior to this amendment Rule 21.1.1. (iv) read as follows:

21.1.1. (iv) In case of issue of short term debt instruments viz., certificate of deposits, MIBOR linked papers etc., a flat fee of ₹ 10,000 shall be levied on the Issuer for 10 such issues made in a calendar year. Provided however that an additional fee of ₹ 10,000 shall be levied on the Issuer for subsequent 10 issues and so on.

21.1.2. ONE TIME CUSTODY FEES

21.1.2.1. [216] An Issuer may pay a one time custody fee to NSDL at the rate of 0.05%plus service tax as applicable on the market capitalisation of the company. The market capitalisation of a company will be determined on the basis of the average market price for a period of 26 weeks preceding the date on which the company agrees to make such payment. Consequent upon such payment, NSDL shall not levy any custody fee on the Participants or annual custody fee on the Issuer.

Provided that with effect from November 1, 2011, no issuer can opt to pay the one time custody fee to NSDL.

21.1.2.2. [217] If an Issuer has opted to pay the aforesaid one time custody fee till October 31, 2011, it will also be required to agree to pay on the newly issued shares, a one time custody fee at the rate of 0.05% (five basis points) on the value of shares calculated on the basis of issue price of newly issued shares. In case the company does not pay this amount, NSDL shall charge annual custody fee as per the provision mentioned at Rule 21.1.3. However, the Issuer shall not be required to pay any one time custody fee on any subsequent issue of Bonus shares by the company.

Notes:

[216] **Amended w.e.f. November 1, 2011. Prior to this amendment Rule 21.1.2.1 was amended w.e.f. June 24, 2005 read as follows :**

21.1.2.1. An Issuer may pay a one time custody fee to NSDL at the rate of 0.05% plus service tax as applicable on the market capitalisation of the company. The market capitalisation of a company will be determined on the basis of the average market price for a period of 26 weeks preceding the date on which the company agrees to make such payment. Consequent upon such payment, NSDL shall not levy any custody fee on the Participants or annual custody fee on the Issuer.

Prior to this amendment Rule 21.1.2.1 read as follows:

21.1.2.1. An Issuer may pay a one time custody fee to NSDL at the rate of 0.05% on the market capitalisation of the company. The market capitalisation of a company will be determined on the basis of the average market price for a period of 26 weeks preceding the date on which the company agrees to make such payment. Consequent upon such payment, NSDL shall not levy any custody fee on the Participants.

[217] **Amended w.e.f. November 1, 2011. Prior to this amendment Rule 21.1.2.2 amended w.e.f. June 24, 2005 read as follows:**

21.1.2.2 If a company opts to pay the aforesaid one time fee, it will also be required to agree to pay on the newly issued shares, a one time custody fee at the rate of 0.05% (five basis points) on the value of shares calculated on the basis of issue price of newly issued shares. In case the company does not pay this amount, NSDL shall charge annual custody fee or custody fee as per provision mentioned at Rule 21.1.3 and Rule 21.2.3 hereunder, as the case may be. However, the Issuer shall not be required to pay any one time custody fee on any subsequent issue of Bonus shares by the company.

Prior to this amendment Rule 21.1.2.2 amended w.e.f. February 18, 2005 read as follows:

21.1.2.2. If a company opts to pay the aforesaid one time fee, it will also be required to agree to pay on the newly issued shares, a custody fee at the rate of 0.05% (five basis points) on the value of shares calculated on the basis of issue price of newly issued shares. In case the company does not pay this amount, NSDL shall charge custody fee as per provision mentioned at Rule 21.1.3 and Rule 21.2.3 hereunder, as the case may be. However, the Issuer shall not be required to pay any custody fee on any subsequent issue of Bonus shares by the company.

Prior to this amendment Rule 21.1.2.2 read as follows:

21.1.2.2. If a company opts to pay the aforesaid one time fee, it will also be required to agree to pay on the newly issued shares, a custody fee at the rate of 0.05% (five basis points) on the value of shares calculated on the basis of issue price of newly issued shares. In case the company does not pay this amount, NSDL shall charge custody fee as per provision mentioned at Rule 21.2.3 hereunder. However, the Issuer shall not be required to pay any custody fee on any subsequent issue of Bonus shares by the company.

21.1.3. [218] ANNUAL CUSTODY FEE

i) An Issuer shall pay an annual custody fee at the rate of ₹ 11 per folio (ISIN position) in NSDL, subject to a minimum amount as mentioned below, plus taxes as applicable:

Nominal Value of securities admitted (₹)	Amount (₹)
Upto Rs. 2.5 crore (applicable only for issuer of unlisted shares)	5,000
Upto 5 crore	9,000
Above 5 crore and upto 10 crore	22,500
Above 10 crore and upto 20 crore	45,000
Above 20 crore	75,000

ii) [219] The above fee would be applicable on all securities i.e. equity (except for temporary ISINs), debt, units of mutual funds, pass through certificates, certificates of deposit, commercial papers, preference shares etc., except for unlisted pass through certificates, unlisted security receipts and Government securities, which will be charged as per fee structure notified separately.

iii) [220] The fee will be based on average number of folios (ISIN positions) during the previous financial year. Average number of folios (ISIN positions) will be arrived at by dividing the total number of folios (ISIN positions) for the entire previous financial year by the total number of working days in the said previous financial year.

Provided however that, in case the issued capital or ISIN positions increase during the financial year due to issue of further securities, the custody fee would be charged on a pro-rata basis, at the time of such issue.

iv) The fee will be charged every year on a financial year basis and shall be payable by April 30 of that financial year.

Notes :-

[218] **Amended w.e.f. September 25, 2018. Prior to this amendment, Rule 21.1.3 (i) as amended on October 1, 2017 read as follows:**

i) An Issuer shall pay an annual custody fee at the rate of ₹ 11 per folio (ISIN position) in NSDL, subject to a minimum amount as mentioned below, plus taxes as applicable:

Nominal Value of securities admitted (₹)	Amount (₹)
Upto 5 crore	9,000
Above 5 crore and upto 10 crore	22,500
Above 10 crore and upto 20 crore	45,000
Above 20 crore	75,000

Amended w.e.f. October1, 2017. Prior to this amendment, Rule 21.1.3 (i) as amended on December 16, 2015 read as follows:

i) An Issuer of listed securities shall pay an annual custody fee at the rate of ₹ 11 per folio (ISIN position) in NSDL, subject to a minimum amount as mentioned below, plus taxes as applicable:

Nominal Value of securities admitted (₹)	Amount (₹)
Upto 5 crore	9,000
Above 5 crore and upto 10 crore	22,500
Above 10 crore and upto 20 crore	45,000
Above 20 crore	75,000

Amended w.e.f. December 16, 2015. Prior to this amendment, Rule 21.1.3 as amended on February 10, 2012 read as follows:

i) An Issuer of listed securities shall pay an annual custody fee at the rate of ₹ 8 per folio (ISIN positions) in NSDL, subject to a minimum amount as mentioned below, plus service tax as applicable:

Nominal Value of securities admitted (₹)	Amount(₹)
Upto 5 crore	6,000
Above 5 crore and upto 10 crore	15,000
Above 10 crore and upto 20 crore	30,000

Above 20 crore	50,000

ii) The above fee would be applicable on all securities i.e. equity, debt, Units of mutual funds, pass through certificates, certificates of deposit, commercial papers, preference shares etc., except Government securities.

iii) The fee will be based on average number of folios (ISIN positions) during the previous financial year. Average number of folios (ISIN positions) will be arrived at by dividing the total number of folios (ISIN positions) for the entire previous financial year by the total number of working days in the said previous financial year.

Provided however that, in case the issued capital or ISIN positions increase during the financial year due to issue of further shares, by way of public offer, the custody fee would be charged on a pro-rata basis, at the time of such issue.

iv) The fee will be charged every year on a financial year basis and shall be payable by April 30 of that financial year.

Prior to this amendment, Rule 21.1.3 read as follows:

i) An Issuer of listed securities shall pay an annual custody fee at the rate of ₹ 8 per folio (ISIN position) in NSDL, subject to a minimum amount as mentioned below, plus service tax as applicable:

Nominal Value of securities admitted (₹)	Amount (₹)
Upto 5 crore	6,000
Above 5 crore and upto 10 crore	15,000
Above 10 crore and upto 20 crore	30,000
Above 20 crore	50,000

ii) The above fee would be applicable on all securities i.e. equity, debt, units of mutual funds, pass through certificates, certificates of deposit, commercial papers, preference shares etc., except Government securities.

iii) The fee will be based on the total ISIN positions (folios) as on March 31, of the previous financial year. Provided however that, in case the issued capital or ISIN positions increase during the financial year due to issue of further shares, by way of public offer, the custody fee would be charged on a pro-rata basis, at the time of such issue.

iv) The fee will be charged every year on a financial year basis and shall be payable by April 30 of that financial year.

21.1.3 ANNUAL CUSTODY FEE

i) With effect from April 1, 2005, an Issuer of listed securities shall pay an annual custody fee at the rate of ₹ 5 per folio (ISIN position) in NSDL, subject to a minimum amount as mentioned below, plus service tax as applicable :

Nominal Value of securities admitted (₹)	Amount (₹)
Upto 5 crore	4,000
Above 5 crore and upto 10 crore	10,000
Above 10 crore and upto 20 crore	20,000
Above 20 crore	30,000

ii) The above fee would be applicable on all securities i.e. equity, debt, Units of mutual funds, pass through certificates, certificates of deposit, commercial papers, preference shares etc., except

iii) The fee will be based on the total ISIN positions (folios) as on March 31, of the previous financial year. Provided however that, in case the issued capital or ISIN positions increase during the financial year due to issue of further shares, by way of public offer, the annual custody fee would be charged on a pro-rata basis, at the time of such issue.

iv) The fee will be charged every year on a financial year basis and shall be payable by April 30 of that financial year.

Prior to this amendement the Rule 21.1.3 inserted w.e.f. April 1, 2005 read as follows:

21.1.3 ANNUAL CUSTODY FEE

i) With effect from April 1, 2005, an Issuer of listed securities shall pay an annual custody fee at the rate of ₹ 5 per folio (ISIN position) in NSDL, subject to a minimum amount as mentioned below, plus service tax as applicable :

Nominal Value of securities admitted (₹)	Amount (₹)
Upto 5 crore	4,000
Above 5 crore and upto 10 crore	10,000
Above 10 crore and upto 20 crore	20,000
Above 20 crore	30,000

ii) The above fee would be applicable on all securities i.e. equity, debt, Units of mutual funds, pass through certificates, certificates of deposit, commercial papers, preference shares etc., except Government securities.

iii) The fee will be based on the total ISIN positions (folios) as on March 31, of the previous financial year. Provided however that, in case the issued capital or ISIN positions increase during the financial year due to issue of further shares, by way of public offer, the custody fee would be charged on a pro-rata basis, at the time of such issue.

iv) The fee will be charged on a financial year basis and shall be payable by April 30 every year.

[215] **Amended w.e.f. September 4, 2023. Prior to this amendment, Rule 21.1.3 (ii) read as follows:**

21.1.3. (ii) The above fee would be applicable on all securities i.e. equity (except for temporary ISINs), debt, units of mutual funds, pass through certificates, certificates of deposit, commercial papers, preference shares etc., except Government securities.

[220] **Amended w.e.f. October 01, 2020. Prior to this amendment, Rule 21.1.3 (iii) read as follows:**

iii) The fee will be based on average number of folios (ISIN positions) during the previous financial year. Average number of folios (ISIN positions) will be arrived at by dividing the total number of folios (ISIN positions) for the entire previous financial year by the total number of working days in the said previous financial year

Provided however that, in case the issued capital or ISIN positions increase during the financial year due to issue of further shares, by way of public offer, the custody fee would be charged on a pro-rata basis, at the time of such issue

21.1.4 [221] If an Issuer fails to pay the fees mentioned in Rule 21.1.3 by the due date, the Depository may charge interest @ 12% p.a. on the amount, from the due date of payment till the payment is received by the Depository.

Provided further that the Depository may stop providing details of Clients, Clearing Members, Trading Members, Portfolio Managers andClearing Corporation to the Issuer and / or its Registrar and Transfer Agent as mentioned in the Bye Laws and Business Rules.

Provided further that the Depository may not permit the Issuer to use its infrastructure including for issue of further securities in electronic form.

21.1.5 **Joining Fee by Issuers**

21.1.5.1 [222] Issuer of unlisted securities shall pay a joining fee of Rs. 15,000 plus taxes and Issuer of listed securities shall pay a joining fee of Rs. 20,000 plus taxes at the applicable rate at the time of joining NSDL, for the purpose of making its securities, except Security Receipts, available for dematerialisation.

Provided however that in case the Issuer gets its securities listed on any recognized stock exchange within one year of joining NSDL, the joining fee paid by the Issuer will get adjusted against Annual Custody Fee as per Rule 21.1.3.

21.1.5 [[223]]

Notes:

[221] **Amended w.e.f. May 10, 2008. Prior to this amendment Rule 21.1.4 was amended w.e.f. May 10, 2008, which read as follows:**

21.1.4. If an Issuer fails to pay the fees mentioned in Rule 21.1.3 by the due date, the Depository may charge interest @ 12% p.a. on the amount, from the due date of payment till the payment is received by the Depository.
Provided further that the Depository may stop providing details of clients / clearing members / clearing corporation to the Issuer and / or its Registrar and Transfer Agent as mentioned in the Bye Laws and Business Rules.
Provided further that the Depository may not permit the Issuer to use its infrastructure including for issue of further securities in electronic form.

Prior to this amendment Rule 21.1.4 was amended w.e.f. June 24, 2005, which read as follows:

21.1.4 If an Issuer fails to pay the fees mentioned in Rule 21.1.3 by the due date, the Depository may charge interest @ 12% p.a. on the amount, from the due date of payment till the payment is received by the Depository.
Provided further that the Depository may stop providing details of clients / clearing members / clearing corporation / intermediary to the Issuer and / or its Registrar and Transfer Agent as mentioned in the Bye Laws and Business Rules.
Provided further that the Depository may not permit the Issuer to use its infrastructure including for issue of further securities in electronic form.

Prior to this amendment the Rule 21.1.4 inserted w.e.f. April 1, 2005 read as follows:

21.1.4 If an Issuer fails to pay the fees mentioned in Rule 21.1.3 by the due date, the Depository may charge interest @ 12% p.a. on the amount, from the due date of payment till the payment is received by the Depository. Provided further that the Depository may stop providing details of clients / clearing members / clearing corporation / intermediary to the Issuer and / or its Registrar and Transfer Agent as mentioned in the Bye Laws and Business Rules.

Provided further that the Depository may not permit the Issuer to use its infrastructure to issue further securities in electronic form.

[222] **Amended w.e.f. August 8, 2023. Prior to this amendment Rule 21.1.5.1 read as follows:**

21.1.5.1 Issuer of unlisted securities shall pay a joining fee of Rs. 15,000 plus taxes and Issuer of listed securities shall pay a joining fee of Rs. 20,000 plus taxes at the applicable rate at the time of joining NSDL, for the purpose of making its shares available for dematerialisation.

Amended w.e.f. September 25, 2018. Prior to this amendment Rule 21.1.5.1 read as follows:

21.1.5.1 With effect from April 1, 2014, an Issuer of unlisted securities shall pay a joining fee of ₹ 30,000 plus taxes at the applicable rate at the time of joining NSDL, for the purpose of making its shares available for dematerialisation.

Amended w.e.f. April 1, 2014. Prior to this amendment Rule 21.1.5.1 read as follows:

21.1.5.1 With effect from November 15, 2005, an Issuer of unlisted securities shall pay a joining fee of ₹ 20,000 plus taxes at the applicable rate at the time of joining NSDL, for the purpose of making its shares available for dematerialisation.
Provided however that in case the Issuer gets its securities listed on any recognised stock exchange within one year of joining NSDL, the joining fee paid by the Issuer will get adjusted against the one time custody fee as per Rule 21.1.2 or Annual Custody Fee as per Rule 21.1.3, as the case may be.

Inserted w.e.f. November 15, 2005. The original Rule 21.1.5 was renumbered as 21.1.5.1 w.e.f. September 14, 2006.

[223] **Rule 21.1.5.2 has been deleted w.e.f. October 1, 2017. Prior to this deletion Rule 21.1.5.2 read as follows:**

21.1.5.2 If an issuer gets its securities delisted from all stock exchanges where its securities were listed, it shall pay joining fee as provided at Rule 21.1.5.1. If an Issuer fails to pay the fees, the Depository may stop providing details of clients/ clearing members/ clearing corporation/ intermediary to the Issuer and / or its Registrar and Transfer Agent as mentioned in the Bye Laws and Business Rules. Provided further that the Depository may not permit the Issuer to use its infrastructure including for issue of further securities in electronic form.

Amended w.e.f. April 6, 2015.Prior to this amendment Rule 21.1.5.2 was amended w.e.f. May 10, 2008, which read as follows:

21.1.5.2 If an issuer gets its securities delisted from all stock exchanges where its securities were listed, it shall pay joining fee of ₹ 20,000 plus taxes at the applicable rate. If an Issuer fails to pay the fees, the Depository may stop providing details of clients/ clearing members/ clearing corporation to the Issuer and / or its Registrar and Transfer Agent as mentioned in the Bye Laws and Business Rules. Provided further that the Depository may not permit the Issuer to use its infrastructure including for issue of further securities in electronic form.

Prior to this amendment Rule 21.1.5.2 inserted w.e.f. September 14, 2006, which read as follows:

21.1.5.2 If an issuer gets its securities delisted from all stock exchanges where its securities were listed, it shall pay joining fee of ₹ 20,000 plus taxes at the applicable rate. If an Issuer fails to pay the fees, the Depository may stop providing details of clients/ clearing members/ clearing corporation/ intermediary to the Issuer and / or its Registrar and Transfer Agent as mentioned in the Bye Laws and Business Rules. Provided further that the Depository may not permit the Issuer to use its infrastructure including for issue of further securities in electronic form.

21.1.6 [224] Non extinguishment fee

With effect from February 1, 2008 a non extinguishment fee of ₹ 100 per ISIN per day shall be charged to the Issuer in case the debt securities are not extinguished by the Issuer by the end of the month following the month in which the redemption was due unless the Issuer has decided to restructure or defer the redemption of securities.

Provided however that if an issuer fails to pay the non-extinguishment fees by the due date, the Depository may stop providing details of Clients, Clearing Members, Trading Members, Portfolio Managers and Clearing Corporation to the Issuer and / or its Register and Transfer Agent as mentioned in the Bye Laws and Business Rules.

Provided further that the Depository may not permit the Issuer to use its infrastructure including for issue of further securities in electronic form.

21.1.7 [225] Document Processing Fee

21.1.7.1. A fee of ₹20,000 plus applicable taxes shall be charged to listed/to be listed companies for processing documents in respect of issue/ alteration/ cancellation of shares.

Provided that in case of issue of shares arising out of employee share benefit schemes, a fee of ₹5,000 for document processing in respect of issue of shares, subject to a maximum of ₹20,000 per financial year for an issuer in case of employee share benefit scheme by listed Issuer.

21.1.7.2. A fee of ₹250 plus applicable taxes shall be charged to the Issuers processing document in respect of issue/ cancellation/ alteration/ redemption for securities.

Provided that no such fees shall be levied in respect of mutual fund units and Government Securities.

21.1.7.3 [226]A fee of Rs.15,000 plus applicable taxes shall be charged to unlisted companies for processing documents in respect of withdrawal from depository.

21.1.8 [227] SMS notification fee

An Issuer shall pay a fee plus applicable taxes for every e-Voting event for sending SMS to Clients as per fee structure given below:

Paid Up capital (Rs.)	Setup Fee (Rs.) per event	Transaction Fee (Rs.)
Up to 5 crore	1000	0.45 per record
Above 5 crore to 10 crore	2500	
Above 10 crore	5000	

Provided that in case of Issuer request to re-send SMS for any particular event, then only Transaction fee as per aforesaid structure will be levied and no setup Fee will be levied again.

Notes:

[224] **Amended w.e.f. May 10, 2022. Prior to this amendment the Rule 21.1.6 was inserted w.e.f. September 29, 2014 read as follows:**

With effect from February 1, 2008 a non extinguishment fee of ₹ 100 per ISIN per day shall be charged to the Issuer in case the debt securities are not extinguished by the Issuer by the end of the month following the month in which the redemption was due unless the Issuer has decided to restructure or defer the redemption of securities.

Provided however that if an issuer fails to pay the non-extinguishment fees by the due date, the Depository may stop providing details of clients/clearing members/ Clearing Corporation to the Issuer and / or its Register and Transfer Agent as mentioned in the Bye Laws and Business Rules.

Provided further that the Depository may not permit the Issuer to use its infrastructure including for issue of further securities in electronic form.

Prior to this amendment the Rule 21.1.6 was inserted w.e.f. February 1, 2008 read as follows:

21.1.6 Non extinguishment fee With effect from February 1, 2008 a non extinguishment fee of ₹ 100 per ISIN per day shall be charged to the Issuer in case the debt securities are not extinguished by the Issuer by the end of the month following the month in which the redemption was due unless the Issuer has decided to restructure or defer the redemption of securities.

[225] **Inserted w.e.f. April 1, 2018.**

[226] **Inserted w.r.f. May 31, 2021.**

[227] **Inserted w.r.f. January 10, 2022**

21.2. FEE PAYABLE BY PARTICIPANTS

21.2.1. [228] Entry Fees

Each Participant shall pay, at the time of submitting its application, to the Depository, a non-refundable Entry Fee of ₹25,000.

21.2.2. TRANSACTION RELATED FEES: The following transaction related fees shall be payable by the Participants to the Depository:

21.2.2.1. [229]Settlement fee:

(i) A settlement fee at the rate of ₹ 4.00 per debit instruction in a Client's account shall be charged to the Participant of the Client.

Provided however that for the accounts that fall under the Youth Plan or Women Plan, no Settlement Fees shall be charged in a Client's account, for a period of three years from the date of opening a new client account within a period of one year after the implementation of Youth Plan or Women Plan respectively.

To be eligible to qualify under Youth Plan and/or Women Plan, in case of Youth Plan, the first holder must be below the age of twenty four years and in case of Women Plan the first holder must be a woman at the time of opening the client account.

Provided further that the Youth Plan and/or Women Plan may will be subject to a review after a period of one year from the date of implementation.

[229A]Provided that, the above transaction charges shall be applicable to all securities except for the units of mutual funds, Specialised Investment funds, Real Estate Investment Trusts, Infrastructure Investment Trust and Alternative Investment Funds.

(ii) A settlement fee at the rate of Re. 1.00 per instruction in respect of securities received from the Clearing Corporation into the Pool account of each Clearing Member, Trading Member or Portfolio Managers maintained with the Participant subject to a minimum of ₹ 1500 and a maximum of ₹ 5,000 per quarter per CM, TM or Portfolio Manager Account shall be charged to the Participant.

(iii) A settlement fee at the rate of ₹5.00 per debit instruction for transfer of securities by way of inter-settlement transfers in the CM Account(s) shall be charged to the Participant.

(iv) A settlement fee at the rate of ₹5.00 per debit instruction for transfer of securities from the CM, TM or Portfolio Manager account of a Clearing Member, Trading Member or Portfolio Manager to the CM, TM or Portfolio Manager account of another Clearing Member, Trading Member or Portfolio Manager shall be charged to the Participant of the delivering Clearing Member, Trading Member, or Portfolio Manager.

Provided that no settlement fee shall be charged in case of:

(i) transfers necessitated by transmission on death of the Client; and

(ii) transfer of the accounts of Clients from one Participant to another as a consequence of expulsion or suspension of such Participant.

(iii) [230] transfer in the client's account opened under any incentive scheme for the Participants as specified by the depository.

21.2.2.2. Pledge fee: A fee at the rate of ₹25 per instruction for creation of pledge hypothecation shall be charged to the Participant of the pledgor/ hypothecator. No fee shall be charged when a pledge / hypothecation is closed or invoked.

Notes:

[228] **Amended w.e.f. November 15, 2006. Prior to this amendment the Rule 21.2.1 read as follows:**
21.2.1.ENTRY FEES: Each Participant shall pay, to the Depository, a non-refundable Entry Fee of ₹ 25,000.

[229] **Amended w.e.f. March 23, 2026, prior to the amendment the rule read as follows:**

A settlement fee at the rate of ₹ 4.00 per debit instruction in a Client's account shall be charged to the Participant of the Client.

Provided however that for the accounts that fall under the Youth Plan, no Settlement Fees shall be charged in a Client's account, for a period of three years from the date of opening a new client account within a period of one year after the implementation of Youth Plan.

To be eligible to qualify under Youth Plan, the first holder must be below the age of twenty four years at the time of opening the client account.

Provided further that the Youth Plan will be subject to a review after a period of one year from the date of implementation.

Amended w.e.f. September 27, 2024. Prior to this amendment the Rule 21.2.2.1 was amended on February 21, 2023, which read as follows:

(i) A settlement fee as per the below mentioned rate for debit instruction in a Client's account shall be charged to the Participant of the Client.

Sr. No.	Tariff for Debit Instruction - Monthly Settlement Fee Bill Amount between (@ Rs. 5.00 per transaction)	Rate per debit Instruction (Rs.)
1	Less than Rs. 1,00,000	5.00
2	Rs. 1,00,001 to Rs. 10,00,000	4.75
3	Rs. 10,00,001 to Rs. 25,00,000	4.50
4	Rs. 25,00,001 to Rs. 1,00,00,000	4.25
5	More than Rs. 1,00,00,000	4.00

(ii) A settlement fee at the rate of Re. 1.00 per instruction in respect of securities received from the Clearing Corporation into the Pool account of each Clearing Member, Trading Member or Portfolio Managers maintained with the Participant subject to a minimum of ₹ 1500 and a maximum of ₹ 5,000 per quarter per CM, TM or Portfolio Manager Account shall be charged to the Participant.
(iii) A settlement fee at the rate of ₹5.00 per debit instruction for transfer of securities by way of inter-settlement transfers in the CM Account(s) shall be charged to the Participant.
(iv) A settlement fee at the rate of ₹5.00 per debit instruction for transfer of securities from the CM, TM or Portfolio Manager account of a Clearing Member, Trading Member or Portfolio Manager to the CM, TM or Portfolio Manager account of another Clearing Member, Trading Member or Portfolio Manager shall be charged to the Participant of the delivering Clearing Member, Trading Member, or Portfolio Manager.
Provided that no settlement fee shall be charged in case of:
(i) transfers necessitated by transmission on death of the Client; and
(ii) transfer of the accounts of Clients from one Participant to another as a consequence of expulsion or suspension of such Participant.
(iii) 240 transfer in the client's account opened under any incentive scheme for the Participants as specified by the depository.

Amended w.e.f. February 21, 2023. Prior to this amendment the Rule 21.2.2.1 was amended on May 16, 2022, which read as follows:
(i) A settlement fee at the rate of ₹5.00 per debit instruction in a Client's account shall be charged to the Participant of the Client.
(ii) A settlement fee at the rate of Re. 1.00 per instruction in respect of securities received from the Clearing Corporation into the Pool account of each Clearing Member, Trading Member or Portfolio Managers maintained with the Participant subject to a minimum of ₹ 1500 and a maximum of ₹ 5,000 per quarter per CM, TM or Portfolio Manager Account shall be charged to the Participant.
(iii) A settlement fee at the rate of ₹5.00 per debit instruction for transfer of securities by way of inter-settlement transfers in the CM Account(s) shall be charged to the Participant.
(iv) A settlement fee at the rate of ₹5.00 per debit instruction for transfer of securities from the CM, TM or Portfolio Manager account of a Clearing Member, Trading Member or Portfolio Manager to the CM, TM or Portfolio Manager account of another Clearing Member, Trading Member or Portfolio Manager shall be charged to the Participant of the delivering Clearing Member, Trading Member, or Portfolio Manager.
Provided that no settlement fee shall be charged in case of:
(i) transfers necessitated by transmission on death of the Client; and
(ii) transfer of the accounts of Clients from one Participant to another as a consequence of expulsion or suspension of such Participant.
(iii) transfer in the client's account opened under any incentive scheme for the Participants as specified by the depository.

Amended w.e.f. May 16, 2022. Prior to this amendment the Rule 21.2.2.1 was amended on April 1, 2010, which read as follows:
(i) A settlement fee at the rate of ₹5.00 per debit instruction in a Client's account shall be charged to the Participant of the Client.
(ii) A settlement fee at the rate of Re. 1.00 per instruction in respect of securities received from the Clearing Corporation into the Pool account of each Clearing Member maintained with the Participant subject to a minimum of ₹ 1500 and a maximum of ₹ 5,000 per quarter per CM Account shall be charged to the Participant.
(iii) A settlement fee at the rate of ₹5.00 per debit instruction for transfer of securities by way of inter-settlement transfers in the CM Account(s) shall be charged to the Participant.
(iv) A settlement fee at the rate of ₹5.00 per debit instruction for transfer of securities from the CM account of a Clearing Member to the CM account of another Clearing Member shall be charged to the Participant of the delivering Clearing Member.
Provided that no settlement fee shall be charged in case of:
(i) transfers necessitated by transmission on death of the Client; and
(ii) transfer of the accounts of Clients from one Participant to another as a consequence of expulsion or suspension of such Participant.
(iii) transfer in the client's account opened under any incentive scheme for the Participants as specified by the depository.

Prior to this amendment the Rule 21.2.2.1 was amended on April 1, 2008, which read as follows:

21.2.2.1. Settlement fee:

(i) A settlement fee at the rate of ₹ 5 per debit instruction in a Client's account shall be charged to the Participant of the Client.

(ii) A settlement fee at the rate of Re. 1.00 per instruction in respect of securities received from the Clearing Corporation into the Receipt-in account of each Clearing Member maintained with the Participant subject to a minimum of ₹1000 and a maximum of ₹20,000 per quarter per CM Account shall be charged to the Participant.

(iii) A settlement fee at the rate of ₹5 per debit instruction for transfer of securities by way of inter-settlement transfers in the CM Account(s) shall be charged to the Participant.

(iv) A settlement fee at the rate of ₹5 per debit instruction for transfer of securities from the CM account of a Clearing Member to the CM account of another Clearing Member shall be charged to the Participant of the delivering Clearing Member.

Provided further that no settlement fee shall be charged in case of:

(i) transfers necessitated by transmission on death of the Client; and

(ii) transfer of the accounts of Clients from one Participant to another as a consequence of expulsion or suspension of such Participant.

Prior to this amendment the Rule 21.2.2.1 was amended w.e.f. January 1, 2008, read as follows:

21.2.2.1.Settlement fee:

i) A settlement fee at the rate of ₹ 6 per debit instruction in a Client's account shall be charged to the Participant of the Client.

Provided however that **with effect from January 1, 2008,** a settlement fee at the rate of ₹ 5 per debit instruction in a Client's account shall be charged to the Participant of the Client.

ii) A settlement fee at the rate of Re.1.00 per instruction in respect of securities received from the Clearing Corporation into the Receipt-in account of each Clearing Member maintained with theParticipant subject to a minimum of ₹1000 and a maximum of ₹20,000 per quarter per CM Account shall be charged to the Participant.

iii) A settlement fee at the rate of ₹ 6 per debit instruction for transfer of securities by way of inter-settlement transfers in the CM Account(s) shall be charged to the Participant.

Provided however that **with effect from January 1, 2008,** a settlement fee at the rate of ₹5 per debit instruction for transfer of securities by way of inter-settlement transfers in the CM Account(s) shall be charged to the Participant.

iv) A settlement fee at the rate of ₹6 per debit instruction for transfer of securities from the CM account of a Clearing Member to the CM account of another Clearing Member shall be charged to the Participant of the delivering Clearing Member.

Provided however that **with effect from January 1, 2008**, a settlement fee at the rate of ₹5 per debit instruction for transfer of securities from the CM account of a Clearing Member to the CM account of another Clearing Member shall be charged to the Participant of the delivering Clearing Member.

Provided further that no settlement fee shall be charged :

(a) in respect of commercial papers and short term debt instruments such as certificate of deposits, MIBOR linked papers etc.; and

(b) in case of :

(i) transfers necessitated by transmission on death of the Client; and

(ii) transfer of the accounts of Clients from one Participant to another as a consequence of expulsion or suspension of such Participant.

Prior to this amendment the Rule 21.2.2.1. amended w.e.f. October 1, 2005 read as follows:

21.2.2.1.Settlement fee:

(i) A settlement fee at the rate of ₹ 8 per debit instruction in a Client's account shall be charged to the Participant of the Client.

Provided however that **with effect from October 1, 2005**, a settlement fee at the rate of ₹ 6 per debit instruction in a Client's account shall be charged to the Participant of the Client.

ii) A settlement fee at the rate of Re.1.00 per instruction in respect of securities received from the Clearing Corporation into the Receipt-in account of each Clearing Member maintained with the Participant subject to a minimum of ₹1000 and a maximum of ₹20,000 per quarter per CM Account shall be charged to the Participant.

iii) A settlement fee at the rate of ₹8 per debit instruction for transfer of securities by way of inter-settlement transfers in the CM Account(s) shall be charged to the Participant.

Provided however that **with effect from October 1, 2005**, a settlement fee at the rate of ₹6 per debit instruction for transfer of securities by way of inter-settlement transfers in the CM Account(s) shall be charged to the Participant.

iv) A settlement fee at the rate of ₹8 per debit instruction for transfer of securities from the CM account of a Clearing Member to the CM account of another Clearing Member shall be charged to the Participant of the delivering Clearing Member.

Provided however that **with effect from October 1, 2005**, a settlement fee at the rate of ₹6 per debit instruction for transfer of securities from the CM account of a Clearing Member to the CM account of another Clearing Member shall be charged to the Participant of the delivering Clearing Member.

Provided further that no settlement fee shall be charged :

(a) in respect of commercial papers and short term debt instruments such as certificate of deposits, MIBOR linked papers etc.; and

(b) in case of :

(i) transfers necessitated by transmission on death of the Client; and

(ii) transfer of the accounts of Clients from one Participant to another as a consequence of expulsion or suspension of such Participant.

Prior to this amendment the Rule 21.2.2.1. amended w.e.f. January 1, 2004 read as follows:

i) A settlement fee at the rate of ₹ 10 per debit instruction in a Client's account shall be charged to the Participant of the Client.

Provided however that with effect from January 1, 2004, a settlement fee at the rate of ₹ 8 per debit instruction in a Client's account shall be charged to the Participant of the Client.

ii) A settlement fee at the rate of Re.1.00 per instruction in respect of securities received from the Clearing Corporation into the Receipt-in account of each Clearing Member maintained with the Participant subject to a minimum of ₹1000 and a maximum of ₹20,000 per quarter per CM Account shall be charged to the Participant.

iii) A settlement fee at the rate of ₹10 per debit instruction for transfer of securities by way of inter-settlement transfers in the CM Account(s) shall be charged to the Participant.

Provided however that with effect from January 1, 2004, a settlement fee at the rate of ₹8 per debit instruction for transfer of securities by way of inter-settlement transfers in the CM Account(s) shall be charged to the Participant.

iv) A settlement fee at the rate of ₹10 per debit instruction for transfer of securities from the CM account of a Clearing Member to the CM account of another Clearing Member shall be charged to the Participant of the delivering Clearing Member.

Provided however that with effect from January 1, 2004, a settlement fee at the rate of ₹ 8 per debit instruction for transfer of securities from the CM account of a Clearing Member to the CM account of another Clearing Member shall be charged to the Participant of the delivering Clearing Member.

Provided further that no settlement fee shall be charged :

a) in respect of commercial papers and short term debt instruments such as certificate of deposits, MIBOR linked papers etc.; and

b) in case of :

i) transfers necessitated by transmission on death of the Client; and

ii) transfer of the accounts of Clients from one Participant to another as a consequence of expulsion or suspension of such Participant.

Prior to this amendment the Rule 21.2.2.1. read as follows:

i) A settlement fee at the rate of ₹ 10 per debit instruction in a Client's account shall be charged to the Participant of the Client.

ii) A settlement fee at the rate of Re.1.00 per instruction in respect of securities received from the Clearing Corporation into the Receipt-in account of each Clearing Member maintained with the Participant subject to a minimum of ₹1000 and a maximum of ₹20,000 per quarter per CM Account shall be charged to the Participant.

iii) A settlement fee at the rate of ₹10 per debit instruction for transfer of securities by way of inter-settlement transfers in the CM Account(s) shall be charged to the Participant.

iv) A settlement fee at the rate of ₹10 per debit instruction for transfer of securities from the CM account of a Clearing Member to the CM account of another Clearing Member shall be charged to the Participant of the delivering Clearing Member. Provided however that no settlement fee shall be charged :

a) in respect of commercial papers and short term debt instruments such as certificate of deposits, MIBOR linked papers etc.;

b) in case of :

i) transfers necessitated by transmission on death of the Client; and

ii) transfer of the accounts of Clients from one Participant to another as a consequence of expulsion or suspension of such Participant.

Amended w.e.f. February 11, 2016. Prior to this amendment the Rule 21.2.2.1.(ii) read as follows:

(ii) ‡A settlement fee at the rate of Re. 1.00 per instruction in respect of securities received from the Clearing Corporation into the Pool account of each Clearing Member maintained with the Participant subject to a minimum of ₹1000 and a maximum of ₹ 5,000 per quarter per CM Account shall be charged to the Participant.

Prior to this amendment the Rule 21.2.2.1.(ii) read as follows:

21.2.2.1.(ii) A settlement fee at the rate of Re. 1.00 per instruction in respect of securities received from the Clearing Corporation into the Receipt-in account of each Clearing Member maintained with the Participant subject to a minimum of ₹1000 and a maximum of ₹20,000 per quarter per CM Account shall be charged to the Participant.

*** Rule 21.2.2.3 has been deleted w.e.f. May 10, 2008. Prior to this deletion Rule 21.2.2.3 read as follows:**

21.2.2.3. **Lending and Borrowing fee:** A fee at the rate of ₹25 per instruction shall be charged to the Participant of the borrower in respect of credit of securities to the account of the borrower. No fee shall be charged at the time of repay or recall of securities.

Amended w.e.f. June 1, 2019. Prior to this amendment the Rule 21.2.2.1 was amended on April 1, 2010, which read as follows:

(i)A settlement fee at the rate of ₹ 4.50 per debit instruction in a Client's account shall be charged to the Participant of the Client.

(iii) A settlement fee at the rate of ₹4.50 per debit instruction for transfer of securities by way of inter-settlement transfers in the CM Account(s) shall be charged to the Participant.

(iv) A settlement fee at the rate of ₹4.50 per debit instruction for transfer of securities from the CM account of a Clearing Member to the CM account of another Clearing Member shall be charged to the Participant of the delivering Clearing Member.

[229A]Inserted w.e.f. November 25, 2025.and the same shall be effective from January 01, 2026

[230] **Inserted w.e.f. July 07, 2021.**

[231] **21.2.2.3 Fees for hold on securities for Non-Disposal Undertakings/Agreement (NDU)**

Participant of Client on whose securities hold is created for NDU shall be charged @ 0.01% of the value of securities upon creation of hold, subject to a minimum of Rs. 25."

***21.2.3.**

Notes

[231] **Inserted w.e.f. October 12, 2018**

***W.e.f. November 10, 2005 the original Rule 21.2.3 has been deleted. Prior to deletion, theoriginal Rule 21.2.3, which was amended on June 24, 2005 read as follows:**

21.2.3. CUSTODY FEES:

A custody fee at the rate of Re.1/- per quarter (₹4/- per annum) for unlisted securities held under each ISIN in each and every account maintained with the Participant shall be charged to the Participant, on a quarterly basis.

Prior to this amendment the Rule 21.2.3. amended w.e.f. April 1, 2005 read as follows :

21.2.3. CUSTODY FEES:

A custody fee at the rate of Re.1/- per quarter (₹4/- per annum) for securities held under each ISIN in each and every account maintained with the Participant shall be charged to the Participant, on a quarterly basis. In case an account has no security balance, such an account shall also be charged at the rate of Re.1/- per quarter. Provided however that with effect from April 1, 2005, this provision will be applicable only to unlisted securities. Notwithstanding anything contained in Rule 21.1.3. and 21.2.3, no custody fee will be charged on the securities of companies which have paid one time custody fee as per Rule 21.1.2 to NSDL.

Prior to this amendment the Rule 21.2.3. amended w.e.f. April 1, 2004 read as follows :

A custody fee at the rate of Re.0.50 per month (₹6 per annum) for securities held under each ISIN (International Securities Identification Number) in each and every account maintained with the Participant shall be charged to the Participant, on a monthly basis. In case an account has no security balance, such an account shall also be charged at the rate of Re.0.50 per month.

Provided however that with effect from April 1, 2004, a custody fee at the rate of Re.1/- per quarter (₹4/- per annum) for securities held under each ISIN in each and every account maintained with the Participant shall be charged to the Participant, on a quarterly basis. In case an account has no security balance, such an account shall also be charged at the rate of Re.1/- per quarter.

Provided further that no custody fee will be charged on the securities of companies which have paid one time custody fee to NSDL.

Prior to this amendment the Rule 21.2.3 amended w.e.f. October 1, 2002 read as follows: A custody fee at the rate of Re.0.75 per month (₹9 per annum) for securities held under each ISIN (International Securities Identification Number) in each and every account maintained with the Participant shall be charged to the Participant, on a monthly basis. In case an account has no security balance, such an account shall also be charged at the rate of Re.0.75 per month.

Provided however that with effect from October 1, 2002, a custody fee at the rate of Re.0.50 per month (₹6 per annum) for securities held under each ISIN in each and every account maintained with the Participant shall be charged to the Participant, on a monthly basis. In case an account has no security balance, such an account shall also be charged at the rate of Re.0.50 per month.

Provided further that no custody fee will be charged on the securities of companies which have paid one time custody fee to NSDL.

Prior to this amendment the Rule read as follows:

A custody fee at the rate of Re.0.75 per month (₹9 per annum) for securities held under each ISIN (International Securities Identification Number) in each and every account maintained with the Participant shall be charged to the Participant, on a monthly basis. In case an account has no security balance, such an account shall also be charged at the rate of Re.0.75 per month. Provided however that no custody fee will be charged on the securities of companies which have paid one time custody fee to NSDL.

21.2.2.4 [232]Fees for Margin Pledge

(i) A fee at the rate of ₹ 5.00 for each margin pledge initiation and each margin pledge release between the account of the client and the account of the Trading Member or Clearing Member shall be charged to the Participant of the Client and Participant of Trading Member or Clearing Member respectively.

(ii) A fee at the rate of ₹ 1.00 for each re-pledge and each margin pledge release between the account of the Trading Member and the account of the Clearing Member shall be charged to the Participant of the Trading Member and Clearing Member respectively.

(iii) A fee at the rate of ₹ 1.00 for each re-pledge from the account of the Clearing Member to the account of the Clearing Corporation shall be charged to the Participant of the Clearing Member.

(iv) A fee at the rate of ₹ 5.00 for each margin pledge invocation by Trading Member and Clearing Member shall be charged to the Participant of the Trading Member and Clearing Member respectively.

Provided that no Margin Pledge fee shall be charged in case of:
Margin pledges initiated in the client's account opened under any incentive scheme for the Participants as specified by the depository.

21.2.4. [233] Fee for Dematerialisation & Rematerialisation

No fee shall be charged by the depository for 158uthorize158ization of securities. Participant shall be charged the following fee for rematerialisation of securities:

a) a fee of ₹10 for every hundred securities or part thereof subject to maximum fee of ₹ 5,00,000; or
b) a flat fee of ₹10 per certificate, whichever is higher.

Provided that, no rematerialisation fee shall be charged for Government Securities.

21.2.5. [234] Fee for Conversion, Reconversion and Redemption of Mutual Fund units

Fee for Conversion, Reconversion and Redemption of Mutual Funds Units, REITs, InvITs, SIFs, AIFs and ETFs

A participant shall pay fee for the following transactions as under

Type of Transactions	Fee in ₹	
	Mutual Funds and SIFs	REITs, InvITs, AIFs and (ETFs)
(1)	(2)	(3)
Conversion of units	Nil	
Reconversion of units	10 per instruction	
Redemption of units through participants	Nil	4.50

21.2.6. SECURITY DEPOSIT

Every Participant shall pay to the Depository ₹10 lakh by way of interest free refundable security deposit. However, a Clearing Corporation or a Clearing House of a Stock Exchange will be exempt from payment of security deposit.

21.2.7. [235]ANNUAL MAINTENANCE FEE FOR CORPORATE ACCOUNTS

With effect from October 1, 2013, a fee at the rate of ₹ 500 per corporate account shall be charged to the Participant in a financial year.

21.2.8. [236] MINIMUM FEE

In case the total fee billed to the Participant in a month is less than the minimum fee of ₹ 8,000 then the Participant shall be charged the difference thereof.

21.2.9 [237]ANNUAL MAINTENANCE FEE FOR CLIENT SECURITIES MARGIN PLEDGE ACCOUNT

A fee at the rate of ₹ 500 per Client Securities Margin Pledge Account shall be charged to the Participant in a financial year.

Provided that if a fee under Rule 21.2.7 is charged as a corporate account, no separate fee under this Rule shall be charged.

Notes:

[232] **Amended w.e.f. July 07, 2021. Prior to this amendment the original rule 21.2.2.4 was inserted w.e.f. August 01, 2020, which read as follows:**

(i) A fee at the rate of ₹ 5.00 for each margin pledge initiation and each margin pledge release between the account of the client and the account of the Trading Member or Clearing Member shall be charged to the Participant of the Client and Participant of Trading Member or Clearing Member respectively.

(ii) A fee at the rate of ₹ 1.00 for each re-pledge and each margin pledge release between the account of the Trading Member and the account of the Clearing Member shall be charged to the Participant of the Trading Member and Clearing Member respectively.

A fee at the rate of ₹ 1.00 for each re-pledge from the account of the Clearing Member to the account of the Clearing Corporation shall be charged to the Participant of the Clearing Member.

A fee at the rate of ₹ 5.00 for each margin pledge invocation by Trading Member and Clearing Member shall be charged to the Participant of the Trading Member and Clearing Member respectively.

[233] **Amended w.e.f. April 16, 2012. Prior to this amendment the original Rule 21.2.4 was amended w.e.f. November 1, 2006, which read as follows :**

No fee shall be charged by the depository for dematerialisation of securities. Participant shall be charged the following fee for rematerialisation of securities :

a) a fee of ₹10 for every hundred securities or part thereof ; or

b) a flat fee of ₹10 per certificate, whichever is higher.

Provided however that with effect from March 1, 2008, no rematerialisation fee shall be charged for Government Securities.

Prior to this amendment the original Rule 21.2.4 read as follows :

21.2.4. Fee for Dematerialisation & Rematerialisation

No fee shall be charged by the depository for dematerialisation of securities. In case of rematerialisation of securities, a fee of ₹ 10 for each certificate to be rematerialised shall be charged to the Participant. Provided however that with effect from November 1, 2006, the Participant shall be charged the following fee for rematerialisation of securities :

a) a fee of ₹10 for every hundred securities or part thereof ; or

b) a flat fee of ₹10 per certificate,

whichever is higher.

Prior to this amendment the original Rule 21.2.4 read as follows :

21.2.4. FEE FOR DEMATERIALISATION & REMATERIALISATION

No fee shall be charged by the Depository on requests. However, in case of rematerialisation request, a flat fee of ₹10 per certificate shall be charged to the Participant.

[234] **Amended w.e.f. March 13, 2026, prior to the amendment the rule 21.2.5. read as follows:**

With effect from April 1, 2014, No fee shall be charged by the depository for Conversion of Mutual Fund units represented by SoA into 158uthorize158izat form. Participant shall be charged the following fee for Reconversion and Redemption of Mutual Fund Units:

a) a fee of ₹ 10 per instruction for Reconversion of Mutual Fund units into Statement of Account (SoA).

b) a fee of ₹ 4.50 per instruction for Redemption of Mutual Fund units through Participants.

Inserted w.e.f. April 11, 2014. The original Rule 21.2.5, 21.2.6 renumbered as 21.2.6, 21.2.7.

[235] **Inserted w.e.f. August 30, 2013. The original Rule 21.2.6 has been renumbered as 21.6.7.**

[236] **Amended w.e.f. August 3, 2023. Prior to this amendment Rule 21.2.8 read as follows:**

21.2.8. MINIMUM FEE

In case the total fee billed to the Participant in a financial year is less than the minimum fee of ₹ 1,00,000 then the Participant shall be charged the difference thereof.

Amended w.e.f. September 1, 2009. Prior to this amendment Rule 21.2.6 read as follows:

21.2.6. MINIMUM FEE

In case the total fee billed to the Participant in a financial year is less than the minimum fee of ₹ 1,50,000 then the Participant shall be charged the difference thereof.

[237] **Inserted w.e.f. August 01, 2020.**

22. [238] TERMINATION/ SURRENDER OF PARTICIPANTSHIP

22.1. [239] No participant shall accept any fresh application from any person for opening a new Client account, or any Dematerialisation Request Form or Form for creation of pledge or hypothecation or margin pledge or hold, with effect from the date of receipt of notice of the termination of participantship, issued by the Depository to Participant, or from the date incorporated in the notice of termination of Participantship issued by Participant to the Depository; or from the effective date of the order of Participant's Expulsion passed by the Depository; or from the date of the receipt of the order of Participant's expulsion passed by the Depository; whichever is later; or from the date of the receipt of the order of cancellation of Participant's registration certificate passed by SEBI.

22.2. The participant shall intimate all its clients that, it intends to close down its depository operations, within a period of seven days from the date of receipt of notice of the termination of participantship, issued by the Depository to Participant, or from the date incorporated in the notice of termination of Participantship issued by Participant to the Depository; or from the effective date of the order of Participant's expulsion passed by the Depository; or from the date of the receipt of the order of Participant's Expulsion passed by the Depository; whichever is later; or from the date of the receipt of the order of cancellation of Participant's registration certificate passed by SEBI.

Notes :

[238] **Amended w.e.f. March 30, 2007. Prior to this amendment the Rule 22 which was inserted w.e.f. February 18, 2003 read as follows :**

22. TERMINATION/ SURRENDER OF PARTICIPANTSHIP

22.1. The Participant, within seven days from the receipt of termination order as per Bye Law 6.5.1 or within seven days of sending an intimation to the Depository about its decision to surrender the participantship under Bye Law 6.5.3, will intimate all its Clients who have balances in their accounts either to transfer the securities to their accounts maintained with other Participant(s) or get the securities , within thirty days from the date of receipt of such intimation by the Client.

22.2. In case Clients do not respond to the above, the Participant may request the Depository to manage the accounts of such Clients on its behalf, on such terms and conditions as may be prescribed by the Depository from time to time.

22.3. Upon the Participant satisfying the conditions laid down by the Depository as per Rule 22.2 and submission of all necessary documents to the Depository, the Depository may advise the Participant to transfer the securities held in the accounts of such Clients to the computer system set-up by the Depository and freeze such accounts.

22.4. The Participant, within seven days of transferring the securities as referred in Rule 22.3, shall inform all such Clients the procedure to get the securities transferred to their accounts maintained with other Participant(s).

22.5. The Depository shall transfer the securities to the account of the Client maintained with another Participant, as and when the Client approaches the Depository and proves its identity, to the satisfaction of the Depository.

[239] **Amended w.e.f. August 01, 2020. Prior to this amendment the Rule 22.1 which was inserted w.e.f. February 8, 2018 read as follows :**

22.1. No participant shall accept any fresh application from any person for opening a new Client account, or any Dematerialisation Request Form or Form for creation of pledge or hypothecation or hold , with effect from the date of receipt of notice of the termination of participantship, issued by the Depository to Participant, or from the date incorporated in the notice of termination of Participantship issued by Participant to the Depository; or from the effective date of the order of Participant's Expulsion passed by the Depository; or from the date of the receipt of the order of Participant's expulsion passed by the Depository; whichever is later; or from the date of the receipt of the order of cancellation of Participant's registration certificate passed by SEBI.

Amended w.e.f. February 8, 2018. Prior to this amendment the Rule 22.1 read as follows :

22.1. No participant shall accept any fresh application from any person for opening a new Client account, or any Dematerialisation Request Form or Form for creation of pledge or hypothecation , with effect from the date of receipt of notice of the termination of participantship, issued by the Depository to Participant, or from the date incorporated in the notice of termination of Participantship issued by Participant to the Depository, or, from the effective date of the order of Participant's Expulsion passed by the Disciplinary Action Committee; or from the date of the receipt of the order of Participant's expulsion by the Disciplinary Action Committee of the Depository ; whichever is later ;or from the date of the receipt of the order of cancellation of Participant's registration certificate passed by SEBI.

22.3 The Participant shall along with the intimation as stated in Rule 22.2, provide a latest transaction statement to all its clients, with a direction to confirm their holdings, if any, and shall inform them that after thirty days from the date of receipt of such direction by the clients from the Participant, the Participant shall not entertain any instruction from the client except for transfer of securities to their accounts held with the other Participant(s) or rematerialisation of securities, as the case may be for the purpose of closing its account.

Provided that the Participant shall send the said direction in the form of a letter and send it to all its client.

22.4 [240] The Participant shall close all zero balance Client accounts held with it after giving a notice in writing of not less than thirty days to the Beneficial Owner as well as to the Depository.

22.5 The Participant shall, issue a public notice within a period of 15 days from the date stated in the Business Rule No.22.2 in one national English daily newspaper and in one vernacular daily newspaper, declaring thereby to the public its intention to close down its depository operations as Participant from the date specified in the public notice.

22.6 The Participant shall appoint an auditor for conducting the concurrent audit of all its transactions, pertaining to the closing operations within a period of 15 days from the date as stated in the Business Rule No.22.2. and shall further confirm the said appointment of the auditor to the Depository.

Provided that, if the Participant expresses its inability to appoint or fails to appoint the Auditor within the stipulated time, then the Depository shall on behalf of the Participant, appoint the Auditor for conducting the concurrent audit of all its transactions, at the cost of the Participant.

22.7 The Participant shall furnish to the Depository the following every month, by the 10th day of the following month, till the Participant successfully closes down its entire depository operations as a Participant:

i) Status on the closure of accounts giving details viz. Client ID., date and reference number of the letter, status of the closure of the account (if closed provide details of target account where the securities have been transferred) and details of investor grievances and the action taken.
ii) Back-up of the DPM as of the end of every month, and
iii) Concurrent audit report

22.8 [241] Without prejudice to any other rights of the Clients, when the Participant is unable to close all client accounts ; the Participant may request the Depository to manage the accounts of such clients on its behalf as per the terms and conditions prescribed by the Depository from time to time .

Provided that the Depository may, on its own, decide to manage the accounts of the clients of such Participant(s), or may nominate one or more participants to whom such accounts shall stand transferred.

Provided, however, that the requirement of furnishing transaction statement including statement of accounts as per Bye Law 6.4.4 will not apply to these Client accounts.

22.9 Without prejudice to any other rights of the Clients, on receipt of the request from the Participant to manage its account and submission of all necessary documents by the Participant as prescribed by the Depository, the Depository may direct the Participant to transfer the securities held by it in the client accounts, to the system set-up by the Depository and thereafter, the Depository shall freeze such accounts.

Notes:

[240] **Amended w.e.f. April 4, 2014. Prior to this amendment Rule 22.4 read as follows :**
22.4 The Participant shall close all zero balance Client accounts held with it, in accordance with clause 8 of the agreement entered between the Participant and Client.

[241] **Amended w.e.f. January21, 2020. Prior to this amendment Rule 22.8 read as follows :**
22.8 Without prejudice to any other rights of the Clients, when the Participant is unable to close all client accounts; the Participant may request the Depository to manage the accounts of such clients on its behalf as per the terms and conditions prescribed by the Depository from time to time .

Provided that the Depository may, on its own, decide to manage the accounts of the clients of such Participant(s),so as to enable the Clients to get the securities transferred to another Participant.

Provided, however, that the requirement of furnishing transaction statement including statement of accounts as per Bye Law 6.4.4 will not apply to these Client accounts.

22.10 Without prejudice to any other rights of the clients, the Participant shall within a period of seven days from the date of transfer of the securities as referred to in Business Rule 22.9, intimate to all such clients about such transfer and shall further intimate them about the procedure to get their securities transferred to their Client accounts held with other Participant(s) or depository as the case may be.

22.11 The Depository shall transfer the securities from the account(s) of the client(s) held in the system managed by the Depository, to account(s) maintained with other Participant(s) and close such Client accounts subsequent to such transfer, on receipt of the necessary documents , to the satisfaction of the Depository.

22.12 The Participant shall surrender the original certificate of registration as a Participant to the Depository, for the purpose of forwarding the same to the SEBI for cancellation.

22.13 The Participant, upon the cancellation of the certificate of Registration by SEBI, shall issue a public notice in one English daily newspaper and in one vernacular daily newspaper, intimating thereby the public about the closure of the depository operations and in case of termination of operations of Participant by the Depository, such public notice may be issued by the Depository, at the cost of the Participant.

22.14 The participant shall meet all its outstanding obligations to the Depository while the Participant was acting as such.

22.15 Any Participant who is required to follow the aforesaid business rules, fails to follow it, or commits a breach of any of the said rule, it shall be liable to the penalty of rupees five hundred for each day during which the failure continues or rupees fifty thousand, whichever is less.

23. [242] TRANSFER OF DEPOSITORY BUSINESS

23.1. [243]The transfer of the business or functions of the Transferor Participant to the Transferee Participant shall require the following:-

i) the Transferee Participant shall meet all applicable eligibility criteria prescribed for conduct of business as a Participant; and

ii) the Transferor Participant shall give written notice to each of its Clients about the proposed transfer providing each client an option, which may be exercised within a period of not less than 30 days from receipt of such notice

23.2 Upon receipt of such notice, each Client shall have a right to elect in writing either

i) to continue as a Client of the Transferee Participant on the same terms and conditions as governed by the receipt of services from the Transferor Participant; or ii) to terminate its existing arrangement with the Transferor Participant and provide to the Transferor Participant details of the new Participant selected by the Client for shifting of all securities held through the Participant. Failure to issue such written election within the prescribed option period shall be deemed an election by the Client to continue as a Client of the Transferee participant. Nothing contained herein shall restrict the ability of the Client to terminate its relationship with the Transferee Participant.

23.3 After such transfer, the Transferee Participant shall notify the Clients in writing as regards the completion of the transfer of the business in favour of the Transferee Participant.

24. [244] Activation of new Registrar and Transfer Agent (RTA)

24.1 Any person desiring to establish direct electronic connectivity with NSDL shall file an application, in the format specified together with the fees specified by NSDL.

24.2 Every application shall be dealt with by the Depository within thirty days of receipt of such application after exercising due diligence and on being satisfied about the compliance of all relevant eligibility requirements.

24.3 An application which is not complete in all respects and does not confirm to the instructions specified shall be rejected. The Depository may, before rejecting any application, give to the applicant in writing, an opportunity to remove within such time as specified by the Depository, the objection indicated by the Depository.

24.4 The Depository may require the applicant to furnish such further information or clarification as required within such time as it may specify. On failure to provide any information within the time provided or such further time as may be granted the application will be deemed to have been rejected.

24.5 The Depository may approve or reject any application as deemed fit in its absolute discretion.

24.6 The Depository after completion of all submissions by the RTA and requisite fees, BP ID shall be allocated and activated in NSDL system as a share registrar within a period of 14 working days.

25. [245] Withdrawal /surrender/termination of electronic connectivity and closure of existing Registrar and Transfer Agent (RTA) ID

25.1 No RTA shall accept any fresh agreement from any Issuer, with effect from the date of receipt of notice of surrender/closure/termination, or from the date incorporated in the notice of surrender/closure/termination; or from the effective date of the order of cancellation of RTA registration passed by SEBI; or from the date of the receipt of the order of cancellation of RTA registration passed by SEBI; whichever is later.

25.2 The RTA shall intimate all its clients that, it intends to close down its depository operations, within a period of seven days from the date of receipt of notice of surrender/closure/termination, or from the date incorporated in the notice of surrender/closure/termination; or from the effective date of the order of cancellation of RTA registration passed by SEBI; or from the date of the receipt of the order of cancellation of RTA registration passed by SEBI; whichever is later.

25.3 The RTA shall ensure shifting of connectivity of its all client.

25.4 Without prejudice to any other rights of the clients, when the RTA is unable to shift all its clients; depository may shift as per the terms and conditions prescribed by the Depository from time to time.

25.5 The RTA shall meet all its outstanding obligations to the Depository while the RTA was acting as such.

25.6 The Depository shall, after all clients of the RTA are shifted and completion of all submissions by the RTA and requisite fees as prescribed by depository, BP ID shall be de-activated in depository system as a share registrar within a period of 14 working days.

Notes :

[242] **Inserted w.e.f. April 9, 2019.**

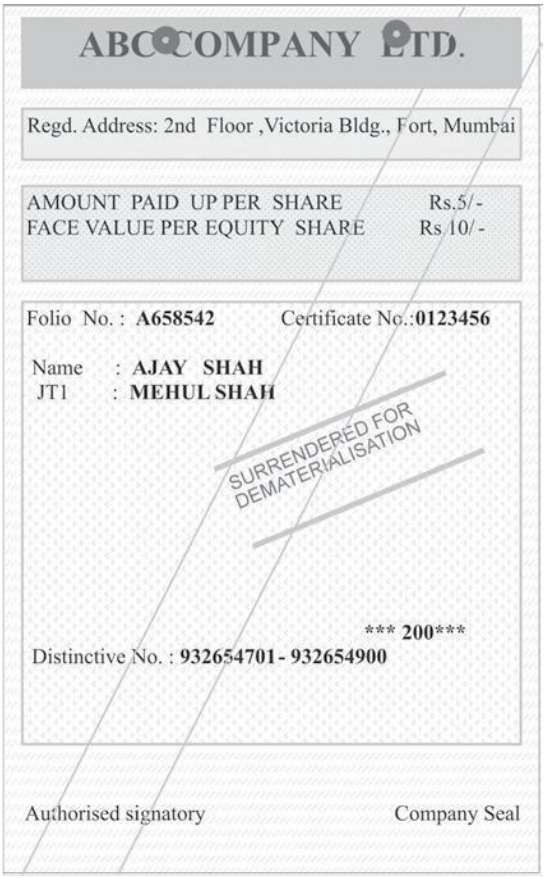
[243] **W.e.f. January 17, 2022 the original Rule 23.1 (iii) has been deleted. Prior to deletion, the original Rule read as follows:**

iii) the Transferor Participant and the Transferee Participant shall publish a joint advertisement of the notice of the proposed transfer in such form as may be prescribed by the depository in one English national daily, one Hindi national daily with wide circulation and a regional language daily with wide circulation.

[244] **Inserted w.e.f. December 08, 2025**

[245] **Inserted w.e.f. December 08, 2025**

ANNEXURE A



ABC COMPANY LTD.

Regd. Address: 2nd Floor ,Victoria Bldg., Fort, Mumbai

AMOUNT PAID UP PER SHARE Rs.5/-
FACE VALUE PER EQUITY SHARE Rs.10/-

Folio No. : **A658542** Certificate No.:**0123456**

Name : **AJAY SHAH**
JT1 : **MEHUL SHAH**

SURRENDERED FOR DEMATERIALISATION

*** **200*****

Distinctive No. : **932654701 - 932654900**

Authorised signatory Company Seal

ANNEXURE B

PATTERN OF HOLDING AT THE TIME OF DEMATERIALISATION

At the time of dematerialisation of securities, the securities shall be credited to the account of the holders only if the pattern of holding as per the security certificate(s) submitted for dematerialisation or the names of the applicants in the case of any public or rights issue of securities matches with the pattern of holding as per the account maintained with the Participant to which it is credited.

Provided however that, in case of transposition and dematerialisation of securities, the securities held by A B and C can be dematerialised in an account opened in the combination of A C & B, B C & A, B A & C, C A & B and C B & A.

ANNEXURE C

PATTERN OF HOLDING AT THE TIME OF REMATERIALISATION

At the time of rematerialisation of securities the securities shall be issued to the persons as per the pattern of holdings in the account of the Participant from which such securities are rematerialised. This can be explained as follows:

1. **In case of rematerialisation of securities from the account held solely in the name of A :-**
   These securities shall only be issued in the name of A. They cannot be issued in the names of A and any other person.

2. **In case of rematerialisation of securities from the account held jointly by A and B:-**
   These securities shall only be issued in the names of A and B and cannot be issued in the individual name of A or B or any other persons including A and/ or B (eg. Issue of the securities in the joint names of A,B,C and D). The issue of such securities in the joint names of A and B also depends on the order in which the names of the persons appear in the accounts held with the Participant from which such securities have been rematerialised. The order of such names and manner could either be; or

   a) A is the first holder and B the second holder:-
      In this case the securities can only be issued in the joint names of A and B in which A is the first security holder and B is the second security holder. It cannot be issued in the joint names of A and B where B is shown as the first security holder.

   b) B is the first holder and A the second holder:-
      In this case the securities can only be issued in the joint names of A and B in which B is the first security holder and A is the second security holder. It cannot be issued in the joint names of A and B where A is shown as the first security holder.

ANNEXURE E

AGREEMENT BETWEEN THE CLEARING CORPORATION AND NATIONAL SECURITIES DEPOSITORY LIMITED

This Agreement made and entered into at Mumbai on this _____day of _____between _____, a company registered under the Companies Act, 2013 and having its Registered Office at _____ herein after called the "Clearing Corporation"(which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assignees) of the ONE PART and the National Securities Depository Limited a company registered under the Companies Act, 2013 and having its Registered Office at 4th Floor 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400013 hereinafter called the "NSDL" (which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assignees) of the OTHER PART

Witnesseth

WHEREAS

1. The Clearing Corporation is in the process of establishing a settlement mechanism by which deals by its clearing members in securities held through NSDL are settled through NSDL and for this purpose desires to establish an interface with NSDL.

2. NSDL is willing to establish an interface with the Clearing Corporation to undertake the job of settlement as envisaged on the terms and conditions mutually agreed upon by the Clearing Corporation and NSDL and the Parties thereto are desirable of entering into an agreement to record the terms and conditions so agreed upon.

NOW THEREFORE in consideration of NSDL and Clearing Corporation having agreed to establish interface and give mutually agreed services, both the parties to this Agreement hereby covenant and agree as follows :

1. The Clearing Corporation shall not be an agent of NSDL and NSDL shall not be responsible for any act of omission or commission of the Clearing Corporation except as provided under this agreement

2. The Clearing Corporation agrees to comply with the provisions of the Depositories Act, 1996, Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 Bye Laws and Business Rules of NSDL and any orders, notices or directions issued there under to the extent applicable.

3. The Clearing Corporation shall be bound by any amendment to the Bye Laws and Business Rules of NSDL with respect to any transaction occurring subsequent to the time of such amendment. NSDL shall give reasonable notice of any such amendments, orders, notices or directions issued thereunder to the Clearing Corporation prior to the implementation. Such amendments shall take effect as if it were originally a part of the Bye Laws and Business Rules of NSDL,

   Provided however that no such amendments shall affect the rights of the Clearing Corporation to terminate this agreement.

4. The Clearing Corporation shall be solely responsible for all instructions to NSDL to debit or credit the account of the members of Clearing Corporation (herein after called the clearing member) and the Clearing Corporation. NSDL shall be responsible to give effect to such instructions of debit and credit in such accounts in such form and manner as may be mutually agreed upon.
   Provided further that such instructions shall be issued in conformity with the provisions of the Bye Laws and Business Rules. NSDL shall have no liabilities for errors made by the Clearing Corporation.

5. The Clearing Corporation shall be solely responsible to confirm payments, wherever applicable, for any securities transferred by NSDL on the basis of instructions from the Clearing Corporation. NSDL shall not be liable for losses as a result of failure of the Clearing Corporation to make payment to the clearing members or the failure of the clearing members to make payments to its clients.

6. The Clearing Corporation and NSDL shall establish a continuous electronic means of communication with each other, and NSDL shall provide necessary manuals and procedural guidelines if any from time to time to the Clearing Corporation, as is necessary for effective, and prompt conduct of the business relating to depository operations. The Clearing Corporation shall maintain such systems, procedures, means of communication, adequate infrastructure, hardware, software security devices, and back-up facilities for the purpose of operation of the depository system as may be prescribed by NSDL.

7. The Clearing Corporation shall pay such fees and charges, if any, as may be mutually agreed between NSDL and the Clearing Corporation.

8. NSDL shall intimate the Clearing Corporation of the list of securities admitted to the Depository to be held in dematerialised form and any additions or deletions made to such list on a timely basis in such form and manner as may be mutually agreed upon.

9. NSDL shall allocate unique identity codes to the Clearing Corporation to facilitate identification of the Clearing Corporation in respect of the transactions on the depository system.

10. The Clearing Corporation shall allocate identity codes to the clearing members to facilitate interface with NSDL which shall be used by NSDL for effecting settlement as per instructions of the Clearing Corporation.

11. The Clearing Corporation shall intimate NSDL of the settlement schedule and any changes therein on a timely basis in such form and manner as may be mutually agreed upon which shall be adhered to by NSDL for effecting settlement of transactions as per the instructions of the Clearing Corporation.

12. The Clearing Corporation and NSDL shall from time to time mutually draw up a time schedule for data transfer between each other and shall comply with the time schedule.

13. The Clearing Corporation shall maintain records of all transactions effected through NSDL and shall provide on demand to NSDL any information relating to transaction that the clearing members may have under the depository system.

14. NSDL shall maintain records of all transactions effected through NSDL and shall provide on demand to Clearing Corporation any information relating to transaction that the clearing members may have under the depository system.

15. The Clearing Corporation shall maintain suitable internal control measures in order to maintain the integrity of the data transmitted to NSDL and shall preserve the records for a minimum period of eight years.

16. NSDL shall maintain suitable internal control measures in order to maintain the integrity of the data transmitted to Clearing Corporation and shall preserve the records for a minimum period of eight years.

17. The Clearing Corporation shall notify NSDL forthwith :

a) when it is being wound up;
b) upon its becoming aware of the admission of any petition for its winding up or attachment of its property;
c) on the convening of any meeting to consider a resolution for the winding up.

18. NSDL shall indemnify the Clearing Corporation and keep the Clearing Corporation fully and effectively indemnified on demand and without demur against any loss or damages to the securities, money, property and persons caused by negligence, act of omission or commission by NSDL or its employees and agents.

19. The Clearing Corporation shall indemnify NSDL and keep NSDL fully and effectively indemnified on demand and without demur against any loss or damages to the securities, money, property and persons caused by negligence, act of omission or commission by Clearing Corporation or its employees and agents.

20. Any declaration or other notice given by one party of this agreement to another in pursuance of this agreement shall be in writing and shall be legally effective only when it is delivered to the addressee by Registered letter, fax or telegram or by personal delivery duly acknowledged to the other party at the address first specified above.

21. NSDL shall keep strictly confidential any and all technical and business information including, but not limited to that which may be disclosed or confided to it by the Clearing Corporation, or which it may obtain from the Clearing Corporation in the course of performance of this agreement, and shall not disclose the same to any third party without prior approval of the Clearing Corporation.

22. The Clearing Corporation shall keep strictly confidential any and all technical and business information including, but not limited to that which may be disclosed or confided to it by NSDL, or which it may obtain from the Clearing Corporation in the course of performance of this agreement, and shall not disclose the same to any third party without prior approval of NSDL.

23. The Clearing Corporation and NSDL shall abide by the arbitration and conciliation procedure prescribed under the Byelaws of NSDL and that such procedure shall be applicable to any disputes between the Clearing Corporation and NSDL.

24. The Clearing Corporation and NSDL further agree that all claims, differences and disputes, arising out of or in relation to dealings on the Depository including any agreements, contracts and transactions made subject to the Bye-Laws or Business Rules of the Depository or with reference to anything incidental thereto or in pursuance thereof or relating to their validity, construction, interpretation, fulfillment or the rights, obligations and liabilities of the parties there to and including any question of whether such dealings, transactions, agreements and contracts have been entered into or not, shall be subject to the exclusive jurisdiction of the courts at Mumbai only.

25. The agreement may not be assigned by either party without the express prior written consent to the other party. Any purported assignment in contravention of the terms of this agreement shall be null and void.

26. The terms and provisions of this agreement are intended solely for the benefit of each party hereto and their respective successors or permitted assignees and it is not the intention of the parties to confer third party beneficiary rights upon any other person, including without limitation any clearing member or participant of NSDL.

27. The exercise of any right, remedy or option by a party to this agreement shall not be construed as a waiver of the right to exercise at the same time or thereafter any other right, remedy or any other option.

28. This agreement shall be effective as of the date it is executed by or on behalf of both parties.

29. This agreement may be terminated by either party by giving notice in writing to the other party of such intent to terminate the agreement at least six months prior to the planned date of such termination.

30. Not withstanding such termination of such agreement the representations, rights and obligations under the clauses pertaining to the indemnification, secrecy records and arbitration shall survive and continue to be binding on the parties in respect of transactions effected during the period when such agreement was effective.

IN WITNESS WHEREOF the Clearing Corporation and the Depository has caused thesepresents to be executed as of the day and year first above written.

Signed and delivered by

_____ _____

(for and on behalf of the Clearing Corporation) Witness

Signed and delivered by

_____ _____

(for and on behalf of the Depository) Witness

ANNEXURE F

TRIPARTITE AGREEMENT BETWEEN THE CLEARING HOUSE, THE EXCHANGE AND NATIONAL SECURITIES DEPOSITORY LIMITED

This Tripartite Agreement made and entered into at Mumbai on this _____day of _____

BETWEEN

_____, having its registered office at hereinafter called "the Clearing House"(which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assignees) of the FIRST PART ;

AND

_____, a stock exchange recognized under the provisions of the Securities Contracts (Regulation) Act, 1956, having its registered office at _____hereinafter called "the Exchange"(which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assignees) of the SECOND PART ;

AND

The National Securities Depository Limited, a company registered under the Companies Act, 2013 and having its registered office at 4th Floor 'A' Wing, Trade World, Kamala Mills Compound, SenapatiBapat Marg, Lower Parel, Mumbai 400 013 hereinafter called "NSDL" (which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assignees) of the THIRD PART

Witnesseth

WHEREAS

1. The Clearing House has been engaged by the Exchange for conducting the activity of clearing and settlement of trades done on the Exchange.
2. The Clearing House is in the process of establishing a settlement mechanism by which deals by its Clearing Members in securities held through NSDL are settled through NSDL and for this purpose desires to establish an interface with NSDL.
3. NSDL is willing to establish an interface with the Clearing House to undertake the job of settlement as envisaged on the terms and conditions mutually agreed upon by the Clearing House, the Exchange and NSDL and the parties thereto are desirous of entering into an agreement to record the terms and conditions so agreed upon.

NOW THEREFORE in consideration of the Clearing House, the Exchange and NSDL having agreed to establish interface and give mutually agreed services, all the parties to this Agreement hereby covenant and agree as follows :

1. The Clearing House not being an agent of NSDL, NSDL shall not be responsible for any act of omission or commission of the Clearing House, save and except the obligations of NSDL to the Clearing House under this agreement.

2. The Clearing House agrees to comply with the provisions of the Depositories Act, 1996, Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, Bye-laws and Business Rules of NSDL and any orders, notices or directions issued there under to the extent applicable.

3. The Clearing House shall be bound by any amendment to the Bye-laws and Business Rules of NSDL with respect to any transaction occurring subsequent to the time of such amendment. NSDL shall give reasonable notice of any such amendments, orders, notices or directions issued there under to the Clearing House prior to the implementation. Such amendments shall take effect as if it were originally a part of the Bye-laws and Business Rules of NSDL. The Bye-laws and Business Rules of NSDL shall always prevail.

4. Any amendments to the Rules, Bye-laws and Regulations of the Exchange shall not be contrary to or inconsistent with NSDL's Bye-laws, Business Rules, notices and directions as may be in force from time to time and no such amendments shall affect any rights of NSDL under this agreement.

5. The Clearing House shall be solely responsible for all instructions to NSDL to debit or credit the accounts of the members of Clearing House (hereinafter called "the Clearing Member") and the Clearing House. The instructions given by the Clearing House shall be deemed to be given by the Exchange. NSDL shall be responsible to give effect to such instructions of debit and credit in such accounts in such form and manner as may be mutually agreed upon. The instructions given by the Clearing House shall be deemed to be given by the Exchange. Such instructions shall imply that all necessary payments or other operating guidelines for all transfer instructions have been complied with and it is made clear that the Exchange guarantees that such payments have been effected before such instructions are given. The Exchange guarantees clearance and payments of all transactions in regard to which instructions have been given.

   Provided further that such instructions shall be issued in conformity with the provisions of the Bye-laws and Business Rules of NSDL. NSDL shall have no liabilities for errors made by the Clearing House. The Exchange and the Clearing House shall indemnify and keep indemnified NSDL harmless from all claims and consequences of NSDL's compliance with such instructions.

6. The Clearing House and the Exchange shall be solely responsible to confirm payments, wherever applicable, in accordance with the Exchange's Rules, Bye-laws and Regulations, for any securities transferred by NSDL on the basis of instructions from the Clearing House. The confirmations given by the Clearing House shall be deemed to be given by the Exchange. NSDL shall not be liable for losses as a result of failure of the Clearing House or the Exchange to make payment to the Clearing Members or the failure of the Clearing Members to make payments to its clients and the Exchange shall indemnify and keep indemnified NSDL harmless for any claims or consequences of such failure.

7. All instructions given by the Clearing House for debit and credit of accounts of the Clearing Members shall be deemed to have been given under the authority of the Exchange and on behalf of the Clearing Members.

8. The Clearing House and the Exchange agree that under no circumstances unwinding of transactions effected for debit or credit of accounts of the Clearing Members shall be asked for once the instructions for credit of accounts of the Clearing Members are given.

9. The Clearing House and NSDL shall establish a continuous electronic means of communication with each other, and NSDL shall provide necessary manuals and procedural guidelines, if any, from time to time to the Clearing House , as is necessary for effective, and prompt conduct of the business relating to depository operations. The Clearing House shall maintain such systems, procedures, means of communication, adequate infrastructure, hardware, software, security devices and back-up facilities for the purpose of operation of the depository system as may be prescribed by NSDL.

10. The Clearing House shall pay such fees and charges, if any, as may be mutually agreed between NSDL and the Clearing House from time to time. Such agreement shall be deemed to be confirmed by the Exchange.

11. NSDL shall intimate the Clearing House of the list of securities admitted to the Depository to be held in dematerialised form and any additions or deletions made to such list on a timely basis in such form and manner as may be mutually agreed upon.

12. NSDL shall allocate unique identity codes to the Clearing House to facilitate identification of the Clearing House in respect of the transactions on the depository system.

13. The Clearing House shall allocate unique identity codes to the Clearing Members to facilitate interface with NSDL which shall be used by NSDL for effecting settlement as per instructions of the Clearing House.

14. The Clearing House shall intimate NSDL of the settlement schedule and any changes therein on a timely basis in such form and manner as may be mutually agreed upon which shall be adhered to by NSDL for effecting settlement of transactions as per the instructions of the Clearing House.

15. The Clearing House and NSDL shall from time to time mutually draw up a time schedule for data transfer between each other and shall comply with the time schedule.

16. The Clearing House shall maintain records of all transactions effected through NSDL and shall provide on demand to NSDL any information relating to transaction that the Clearing Members may have under the depository system.

17. NSDL shall maintain records of all transactions effected through NSDL and shall provide on demand to the Clearing House any information relating to transaction that the Clearing Members may have under the depository system.

18. The Clearing House and NSDL shall preserve the records of all data for a period of eight years.

19. The Clearing House shall notify NSDL forthwith :

    a) when it is being wound up;
    b) upon its becoming aware of the admission of any petition for its winding up or attachment of its property;
    c) on the convening of any meeting to consider a resolution for the winding up.

20. NSDL shall indemnify the Clearing House and keep the Clearing House fully and effectively indemnified on demand and without demur against any loss or damages to the securities, money, property and persons caused by negligence, act of omission or commission by NSDL or its employees and agents.

21. The Clearing House and the Exchange shall indemnify NSDL and keep NSDL fully and effectively indemnified on demand and without demur against any loss or damages to the securities, money, property and persons caused by negligence, act of omission or commission by them or their employees and agents.

22. Any declaration or other notice given by one party of this agreement to another in pursuance of this agreement shall be in writing and shall be legally effective only when it is delivered to the addressee by Registered letter, fax or telegram or by personal delivery duly acknowledged to the other party at the address first specified above or by electronic data transfer.

23. NSDL shall keep strictly confidential any and all technical and business information including, but not limited to that which may be disclosed or confided to it by the Clearing House and/ or the Exchange, or which it may obtain from the Clearing House and/or the Exchange in the course of performance of this agreement, and shall not disclose the same to any third party without prior approval of the Clearing House and the Exchange save and except as may be required (i) by law, (ii) by any order of a court, tribunal, board or other Governmental or statutory authority, (iii) in order to protect its interests and/or (iv) to such of its employees, officers, directors and lawyers as may be required in order to enable them to effectively perform their functions.

24. The Clearing House and the Exchange shall keep strictly confidential any and all technical and business information including, but not limited to that which may be disclosed or confided to it by NSDL, or which it may obtain from the NSDL in the course of performance of agreement, and shall not disclose the same to any third party without prior approval of NSDL save and except as may be required (i) by law, (ii) by any order of a court, tribunal, board or other Governmental or statutory authority, (iii) in order to protect its interests and/ or (iv) to such of its employees, officers, directors and lawyers as may be required in order to enable them to effectively perform their functions.

25. The Clearing House and NSDL shall abide by the arbitration and conciliation procedure prescribed under the Bye-laws of NSDL and that such procedure shall be applicable to any disputes between the Clearing House and NSDL.

26. The Clearing House and NSDL further agree that all claims, differences and disputes, arising out of or in relation to dealings on the Depository including any agreements, contracts and transactions made subject to the Bye-laws or Business Rules of the Depository or with reference to anything incidental thereto or in pursuance thereof or relating to their validity, construction, interpretation, fulfilment of the rights, obligations and liabilities of the parties thereto and including any question of whether such dealings, transactions, agreements and contracts have been entered into or not, shall be subject to the above arbitration clause and exclusive jurisdiction of the courts at Mumbai only.

27. The agreement may not be assigned by any party without the express prior written consent of the other parties. Any purported assignment in contravention of the terms of this agreement shall be null and void.

28. The terms and provisions of this agreement are intended solely for the benefit of each party hereto and their respective successors or permitted assignees and it is not the intention of the parties to confer any third party beneficiary rights upon any other person, including without limitation any Clearing Member or Participant of NSDL.

29. The exercise of any right, remedy or option by a party to this agreement shall not be construed as a waiver of the right to exercise at the same time or thereafter any other right, remedy or any other option.

30. This agreement shall be effective as of the date it is executed by or on behalf of all parties.

31. This agreement may be terminated by any party by giving notice in writing to the other parties of such intent to terminate the agreement at least six months prior to the planned date of such termination.

32. Notwithstanding such termination of such agreement the representations, rights and obligations accrued under this agreement and those pertaining to the indemnification, secrecy records and arbitration shall survive and continue to be binding on the parties in respect of transactions effected during the period when such agreement was effective.

33. Notwithstanding anything contained in this agreement, it is hereby agreed by and between the parties that it shall be the responsibility of the Exchange to ensure that all payments by and between the Clearing Members, or their agents, clients are effected and neither NSDL nor the Clearing House shall be liable in this regard.

IN WITNESS WHEREOF the Clearing House, the Exchange and NSDL has caused these presents to be executed as of the day and year first above written.

Signed and delivered by

_____ _____

(for and on behalf of the Clearing House) Witness

Signed and delivered by

_____ _____

(for and on behalf of the Exchange) Witness

Signed and delivered by

_____ _____

(for and on behalf of NSDL) Witness

ANNEXURE G

TRIPARTITE AGREEMENT BETWEEN THE CLEARING HOUSE, THE EXCHANGE AND NATIONAL SECURITIES DEPOSITORY LIMITED

This Tripartite Agreement made and entered into at Mumbai on this _____day of _____
.

BETWEEN

_____, having its registered office at _____
_____hereinafter called "the Clearing House" (which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assignees) of the FIRST PART;

AND

_____, a stock exchange recognised under the provisions of the Securities Contracts (Regulation) Act, 1956, having its registered office at hereinafter called "the Exchange" (which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assignees) of the SECOND PART;

AND

National Securities Depository Limited, a company registered under the Companies Act, 2013 and having its registered office at Trade World, 4th Floor, 'A' Wing, Kamala Mills Compound, SenapatiBapat Marg, Lower Parel, Mumbai 400 013 hereinafter called "NSDL" (which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assignees) of the THIRD PART

Witnesseth

WHEREAS

1. The Clearing House has been engaged by the Exchange for conducting the activity of clearing and settlement of trades done on the Exchange.

2. The Clearing House is in the process of establishing a settlement mechanism by which deals by the Members/Dealers of the Exchange (hereinafter referred to as "Clearing Members") in securities held through NSDL are settled through NSDL and for this purpose desires to establish an interface with NSDL.

3. NSDL is willing to establish an interface with the Clearing House to undertake the job of settlement as envisaged on the terms and conditions mutually agreed upon by the Clearing House, the Exchange and NSDL and the parties thereto are desirous of entering into an agreement to record the terms and conditions so agreed upon.

NOW THEREFORE in consideration of the Clearing House, the Exchange and NSDL having agreed to establish interface and give mutually agreed services, all the parties to this Agreement hereby covenant and agree as follows:

1. The Clearing House not being an agent of NSDL, NSDL shall not be responsible for any act of omission or commission of the Clearing House, save and except the obligations of NSDL to the Clearing House under this agreement.

2. The Clearing House and the Exchange agrees to comply with the provisions of the Depositories Act, 1996, Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, Bye-laws and Business Rules of NSDL and any orders, notices or directions issued there under to the extent applicable.

3. The Clearing House and the Exchange shall be bound by any amendment to the Bye-laws and Business Rules of NSDL with respect to any transaction occurring subsequent to the time of such amendment. NSDL shall give reasonable notice of any such amendments, orders, notices or directions issued there under to the Clearing House and the Exchange prior to the implementation. Such amendments shall take effect as if it were originally a part of the Bye-laws and Business Rules of NSDL. The Bye-laws and Business Rules of NSDL shall always prevail.

4. Any amendments to the Rules, Bye-laws and Regulations of the Exchange shall not be contrary to or inconsistent with NSDL's Bye-laws, Business Rules, notices and directions as may be in force from time to time and no such amendments shall affect any rights of NSDL under this agreement.

5. The Clearing House shall be solely responsible for all instructions to NSDL to debit or credit the accounts of the Clearing Members and the Clearing House. NSDL shall be responsible to give effect to such instructions of debit and credit in such accounts in such form and manner as may be mutually agreed upon. The instructions given by the Clearing House shall be deemed to be given by the Exchange. Such instructions shall imply that all necessary payments or other operating guidelines for all transfer instructions have been complied with and it is made clear that the Exchange guarantees that such payments have been effected before such instructions are given. The Exchange guarantees clearance and payments of all transactions in regard to which instructions have been given.

   Provided further that such instructions shall be issued in conformity with the provisions of the Bye-laws and Business Rules of NSDL. NSDL shall have no liabilities for errors made by the Clearing House. The Exchange and the Clearing House shall indemnify and keep indemnified NSDL harmless from all claims and consequences of NSDL's compliance with such instructions.

6. The Clearing House and the Exchange shall be solely responsible to confirm payments, wherever applicable, in accordance with the Exchange's Rules, Bye-laws and Regulations, for any securities transferred by NSDL on the basis of instructions from the Clearing House. The confirmations given by the Clearing House shall be deemed to be given by the Exchange. NSDL shall not be liable for losses as a result of failure of the Clearing House or the Exchange to make payment to the Clearing Members or the failure of the Clearing Members to make payments to its clients and the Exchange shall indemnify and keep indemnified NSDL harmless for any claims or consequences of such failure.

7. All instructions given by the Clearing House for debit and credit of accounts of the Clearing Members shall be deemed to have been given under the authority of the Exchange and on behalf of the Clearing Members.

8. The Clearing House and the Exchange agree that under no circumstances unwinding of transactions effected for debit or credit of accounts of the Clearing Members shall be asked for once the instructions for credit of accounts of the Clearing Members are given.

9. The Clearing House and NSDL shall establish a continuous electronic means of communication with each other, and NSDL shall provide necessary manuals and procedural guidelines, if any, from time to time to the Clearing House, as is necessary for effective and prompt conduct of the business relating to depository operations. The Clearing House shall maintain such systems, procedures, means of communication, adequate infrastructure, hardware, software, security devices and back-up facilities for the purpose of operation of the depository system as may be prescribed by NSDL.

10. The Clearing House shall pay such fees and charges, if any, as may be mutually agreed between NSDL and the Clearing House from time to time. Such agreement shall be deemed to be confirmed by the Exchange.

11. NSDL shall intimate the Clearing House of the list of securities admitted to the Depository to be held in dematerialised form and any additions or deletions made to such list on a timely basis in such form and manner as may be mutually agreed upon.

12. NSDL shall allocate unique identity codes to the Clearing House to facilitate identification of the Clearing House in respect of the transactions on the depository system.

13. The Clearing House shall allocate unique identity codes to the Clearing Members to facilitate interface with NSDL which shall be used by NSDL for effecting settlement as per instructions of the Clearing House.

14. The Clearing House shall intimate NSDL of the settlement schedule and any changes therein on a timely basis in such form and manner as may be mutually agreed upon which shall be adhered to by NSDL for effecting settlement of transactions as per the instructions of the Clearing House.

15. The Clearing House and NSDL shall from time to time mutually draw up a time schedule for data transfer between each other and shall comply with the time schedule.

16. The Clearing House and the Exchange shall maintain records of all transactions effected through NSDL and shall provide on demand to NSDL any information relating to transaction that the Clearing Members may have under the depository system.

17. NSDL shall maintain records of all transactions effected through NSDL and shall provide on demand to the Clearing House and the Exchange any information relating to transaction that the Clearing Members may have under the depository system.

18. The Clearing House and the Exchange and NSDL shall preserve the records of all data for a period of eight years.

19. The Clearing House shall notify NSDL forthwith :

a) when it is being wound up;

b) upon its becoming aware of the admission of any petition for its winding up or attachment of its property;

c) on the convening of any meeting to consider a resolution for the winding up.

20. NSDL shall indemnify the Clearing House and the Exchange and keep the Clearing House and the Exchange fully and effectively indemnified on demand and without demur against any loss or damages to the securities, money, property and persons caused by negligence, act of omission or commission by NSDL or its employees and agents.

21. The Clearing House and the Exchange shall indemnify NSDL and keep NSDL fully and effectively indemnified on demand and without demur against any loss or damages to the securities, money, property and persons caused by negligence, act of omission or commission by them or their employees and agents.

22. Any declaration or other notice given by one party of this agreement to another in pursuance of this agreement shall be in writing and shall be legally effective only when it is delivered to the addressee by Registered letter, fax or telegram or by personal delivery duly acknowledged to the other party at the address first specified above or by electronic data transfer.

23. NSDL shall keep strictly confidential any and all technical and business information including, but not limited to that which may be disclosed or confided to it by the Clearing House and/ or the Exchange, or which it may obtain from the Clearing House and/or the Exchange in the course of performance of this agreement, and shall not disclose the same to any third party without prior approval of the Clearing House and the Exchange save and except as may be required (i) by law, (ii) by any order of a court, tribunal, board or other Governmental or statutory authority, (iii) in order to protect its interests and/or (iv) to such of its employees, officers, directors and lawyers as may be required in order to enable them to effectively perform their functions.

24. The Clearing House and the Exchange shall keep strictly confidential any and all technical and business information including, but not limited to that which may be disclosed or confided to it by NSDL, or which it may obtain from the NSDL in the course of performance of agreement, and shall not disclose the same to any third party without prior approval of NSDL save and except as may be required (i) by law, (ii) by any order of a court, tribunal, board or other Governmental or statutory authority, (iii) in order to protect its interests and/ or (iv) to such of its employees, officers, directors and lawyers as may be required in order to enable them to effectively perform their functions.

25. The Clearing House, the Exchange and NSDL shall abide by the arbitration and conciliation procedure prescribed under the Bye-laws of NSDL and that such procedure shall be applicable to any disputes between the Clearing House and NSDL.

26. The Clearing House, the Exchange and NSDL further agree that all claims, differences and disputes, arising out of or in relation to dealings on the Depository including any agreements, contracts and transactions made subject to the Bye-laws or Business Rules of the Depository or with reference to anything incidental thereto or in pursuance thereof or relating to their validity, construction, interpretation, fulfilment of the rights, obligations and liabilities of the parties thereto and including any question of whether such dealings, transactions, agreements and contracts have been entered into or not, shall be subject to the above arbitration clause and exclusive jurisdiction of the courts at Mumbai only.

27. The agreement may not be assigned by any party without the express prior written consent of the other parties. Any purported assignment in contravention of the terms of this agreement shall be null and void.

28. The terms and provisions of this agreement are intended solely for the benefit of each party hereto and their respective successors or permitted assignees and it is not the intention of the parties to confer any third party beneficiary rights upon any other person, including without limitation any Clearing Member or Participant of NSDL.

29. The exercise of any right, remedy or option by a party to this agreement shall not be construed as a waiver of the right to exercise at the same time or thereafter any other right, remedy or any other option.

30. This agreement shall be effective as of the date it is executed by or on behalf of all parties.

31. This agreement may be terminated by any party by giving notice in writing to the other parties of such intent to terminate the agreement at least six months prior to the planned date of such termination.

32. Notwithstanding such termination of such agreement the representations, rights and obligations accrued under this agreement and those pertaining to the indemnification, secrecy records and arbitration shall survive and continue to be binding on the parties in respect of transactions effected during the period when such agreement was effective.

IN WITNESS WHEREOF the Clearing House, the Exchange and NSDL has caused these presents to be executed as of the day and year first above written.

Signed and delivered by

_____ _____

(for and on behalf of the Clearing House) Witness

Signed and delivered by

_____ _____

(for and on behalf of the Exchange) Witness

Signed and delivered by

_____ _____

(for and on behalf of NSDL) Witness

ANNEXURE H

AGREEMENT BETWEEN THE EXCHANGE AND NATIONAL SECURITIES DEPOSITORY LIMITED

This Agreement made and entered into at Mumbai on this _____ day of _____

BETWEEN

_____ , a stock exchange recognised under the provisions of the Securities Contracts (Regulation) Act, 1956, having its registered office at hereinafter called "the Exchange"(which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assignees) of the PART ONE;

AND

National Securities Depository Limited, a company registered under the Companies Act, 2013 and having its registered office at 4th Floor 'A' Wing, Trade World, Kamala Mills Compound, SenapatiBapat Marg, Lower Parel, Mumbai 400 013 hereinafter called "NSDL" (which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assignees) of the OTHER PART

Witnesseth

WHEREAS

1. The Exchange conducts the activity of clearing and settlement of trades done on the Exchange.

2. The Exchange is in the process of establishing a settlement mechanism by which deals by its Clearing Members in securities held through NSDL are settled through NSDL and for this purpose desires to establish an interface with NSDL.

3. NSDL is willing to establish an interface with the Exchange to undertake the job of settlement as envisaged on the terms and conditions mutually agreed upon by the Exchange and NSDL and the parties thereto are desirous of entering into an agreement to record the terms and conditions so agreed upon.

NOW THEREFORE in consideration of the Exchange and NSDL having agreed to establish interface and give mutually agreed services, both the parties to this Agreement hereby covenant and agree as follows:

1. The Exchange not being an agent of NSDL, NSDL shall not be responsible for any act of omission or commission of the Exchange, save and except the obligations of NSDL to the Exchange under this agreement.

2. The Exchange agrees to comply with the provisions of the Depositories Act, 1996, Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, Bye-laws and Business Rules of NSDL and any orders, notices or directions issued there under to the extent applicable.

3. The Exchange shall be bound by any amendment to the Bye-laws and Business Rules of NSDL with respect to any transaction occurring subsequent to the time of such amendment. NSDL shall give reasonable notice of any such amendments, orders, notices or directions issued there under to the Exchange prior to the implementation. Such amendments shall take effect as if it were originally a part of the Bye-laws and Business Rules of NSDL. The Bye-laws and Business Rules of NSDL shall always prevail.

4. Any amendments to the Rules, Bye-laws and Regulations of the Exchange shall not be contrary to or inconsistent with NSDL's Bye-laws, Business Rules, notices and directions as may be in force from time to time and no such amendments shall affect any rights of NSDL under this agreement.

5. The Exchange shall be solely responsible for all instructions to NSDL to debit or credit the accounts of the members of Exchange (hereinafter called "the Clearing Member") and the Exchange. NSDL shall be responsible to give effect to such instructions of debit and credit in such accounts in such form and manner as may be mutually agreed upon. Such instructions shall imply that all necessary payments or other operating guidelines for all transfer instructions have been complied with and it is made clear that the Exchange guarantees that such payments have been effected before such instructions are given. The Exchange guarantees clearance and payments of all transactions in regard to which instructions have been given.

   Provided further that such instructions shall be issued in conformity with the provisions of the Bye-laws and Business Rules of NSDL. NSDL shall have no liabilities for errors made by the Exchange. The Exchange shall indemnify and keep indemnified NSDL harmless from all claims and consequences of NSDL's compliance with such instructions.

6. The Exchange shall be responsible to confirm payments, wherever applicable, in accordance with the Exchange's Rules, Bye-laws and Regulations, for any securities transferred by NSDL on the basis of instructions from the Exchange. NSDL shall not be liable for losses as a result of failure of the Exchange to make payment to the Clearing Members or the failure of the Clearing Members to make payments to their clients and the Exchange shall indemnify and keep indemnified NSDL harmless for any claims or consequences of such failure.

7. All instructions given by the Exchange for debit and credit of accounts of the Clearing Members shall be deemed to have been given under the authority of and on behalf of the Clearing Members.

8. The Exchange agrees that under no circumstances unwinding of transactions effected for debit or credit of accounts of the Clearing Members shall be asked for once the instructions for credit of accounts of the Clearing Members are given.

9. The Exchange and NSDL shall establish a continuous electronic means of communication with each other, and NSDL shall provide necessary manuals and procedural guidelines, if any, from time to time to the Exchange, as is necessary for effective and prompt conduct of the business relating to depository operations. The Exchange shall maintain such systems, procedures, means of communication, adequate infrastructure, hardware, software, security devices and back-up facilities for the purpose of operation of the depository system as may be prescribed by NSDL.

10. The Exchange shall pay such fees and charges, if any, as may be mutually agreed between NSDL and the Exchange from time to time.

11. NSDL shall intimate the Exchange of the list of securities admitted to the Depository to be held in dematerialised form and any additions or deletions made to such list on a timely basis in such form and manner as may be mutually agreed upon.

12. NSDL shall allocate unique identity codes to the Exchange to facilitate identification of the Exchange in respect of the transactions on the depository system.

13. The Exchange shall allocate unique identity codes to the Clearing Members to facilitate interface with NSDL which shall be used by NSDL for effecting settlement as per instructions of the Exchange.

14. The Exchange shall intimate NSDL of the settlement schedule and any changes therein on a timely basis in such form and manner as may be mutually agreed upon which shall be adhered to by NSDL for effecting settlement of transactions as per the instructions of the Exchange.

15. The Exchange and NSDL shall from time to time mutually draw up a time schedule for data transfer between each other and shall comply with the time schedule.

16. The Exchange shall maintain records of all transactions effected through NSDL and shall provide on demand to NSDL any information relating to transaction that the Clearing Members may have under the depository system.

17. NSDL shall maintain records of all transactions effected through NSDL and shall provide on demand to the Exchange any information relating to transaction that the Clearing Members may have under the depository system.

18. The Exchange and NSDL shall preserve the records of all data for a period of eight years.

19. The Exchange shall notify NSDL forthwith :

    a) when it is being wound up;
    b) upon its becoming aware of the admission of any petition for its winding up or attachment of its property;
    c) on the convening of any meeting to consider a resolution for the winding up.

20. NSDL shall indemnify the Exchange and keep the Exchange fully and effectively indemnified on demand and without demur against any loss or damages to the securities, money, property and persons caused by negligence, act of omission or commission by NSDL or its employees and agents.

21. The Exchange shall indemnify NSDL and keep NSDL fully and effectively indemnified on demand and without demur against any loss or damages to the securities, money, property and persons caused by negligence, act of omission or commission by them or their employees and agents.

22. Any declaration or other notice given by one party of this agreement to another in pursuance of this agreement shall be in writing and shall be legally effective only when it is delivered to the addressee by Registered letter, fax or telegram or by personal delivery duly acknowledged to the other party at the address first specified above or by electronic data transfer.

23. NSDL shall keep strictly confidential any and all technical and business information including, but not limited to that which may be disclosed or confided to it by the Exchange, or which it may obtain from the Exchange in the course of performance of this agreement, and shall not disclose the same to any third party without prior approval of the Exchange save and except as may be required (i) by law, (ii) by any order of a court, tribunal, board or other Governmental or statutory authority, (iii) in order to protect its interests and/or (iv) to such of its employees, officers, directors and lawyers as may be required in order to enable them to effectively perform their functions.

24. The Exchange shall keep strictly confidential any and all technical and business information including, but not limited to that which may be disclosed or confided to it by NSDL, or which it may obtain from the NSDL in the course of performance of agreement, and shall not disclose the same to any third party without prior approval of NSDL save and except as may be required (i) by law, (ii) by any order of a court, tribunal, board or other Governmental or statutory authority, (iii) in order to protect its interests and/or (iv) to such of its employees, officers, directors and lawyers as may be required in order to enable them to effectively perform their functions.

25. The Exchange and NSDL shall abide by the arbitration and conciliation procedure prescribed under the Bye-laws of NSDL and that such procedure shall be applicable to any disputes between the Exchange and NSDL.

26. The Exchange and NSDL further agree that all claims, differences and disputes, arising out of or in relation to dealings on the Depository including any agreements, contracts and transactions made subject to the Bye-laws or Business Rules of the Depository or with reference to anything incidental thereto or in pursuance thereof or relating to their validity, construction, interpretation, fulfilment of the rights, obligations and liabilities of the parties thereto and including any question of whether such dealings, transactions, agreements and contracts have been entered into or not, shall be subject to the above arbitration clause and exclusive jurisdiction of the courts at Mumbai only.

27. The agreement may not be assigned by any party without the express prior written consent of the other party. Any purported assignment in contravention of the terms of this agreement shall be null and void.

28. The terms and provisions of this agreement are intended solely for the benefit of each party hereto and their respective successors or permitted assignees and it is not the intention of the parties to confer any third party beneficiary rights upon any other person, including without limitation any Clearing Member or Participant of NSDL.

29. The exercise of any right, remedy or option by a party to this agreement shall not be construed as a waiver of the right to exercise at the same time or thereafter any other right, remedy or any other option.

30. This agreement shall be effective as of the date it is executed by or on behalf of both parties.

31. This agreement may be terminated by either party by giving notice in writing to the other party of such intent to terminate the agreement at least six months prior to the planned date of such termination.

32. Notwithstanding such termination of such agreement the representations, rights and obligations accrued under this agreement and those pertaining to the indemnification, secrecy records and arbitration shall survive and continue to be binding on the parties in respect of transactions effected during the period when such agreement was effective.

IN WITNESS WHEREOF the Exchange and NSDL has caused these presents to be executed asof the day and year first above written.

Signed and delivered by

_____ _____

(for and on behalf of the Exchange) Witness

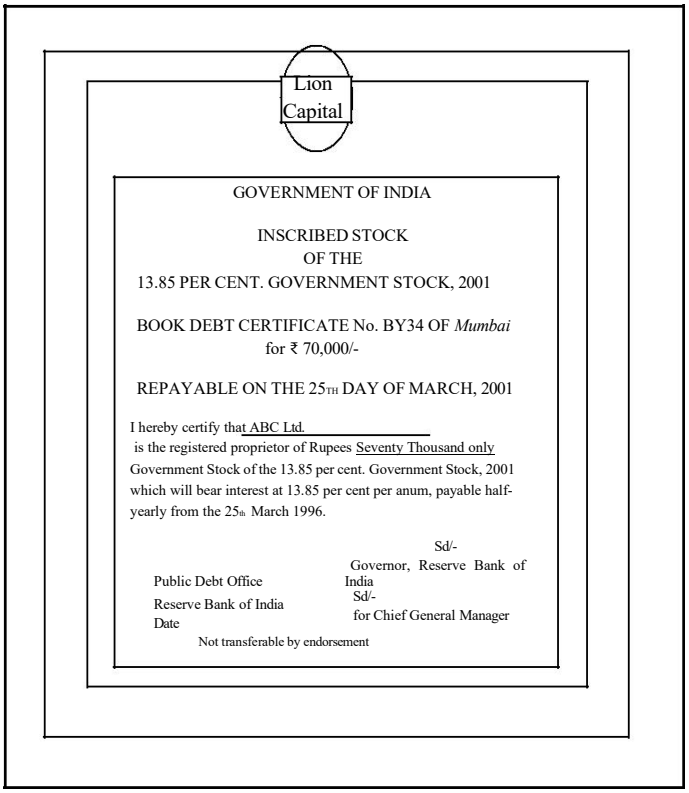
Signed and delivered by

_____ _____

(for and on behalf of NSDL) Witness

ANNEXURE I

Proforma of Government Securities Certificate


Lion Capital

GOVERNMENT OF INDIA

INSCRIBED STOCK
OF THE
13.85 PER CENT. GOVERNMENT STOCK, 2001

BOOK DEBT CERTIFICATE No. BY34 OF *Mumbai*
for ₹ 70,000/-

REPAYABLE ON THE 25TH DAY OF MARCH, 2001

I hereby certify that ABC Ltd.
is the registered proprietor of Rupees Seventy Thousand only Government Stock of the 13.85 per cent. Government Stock, 2001 which will bear interest at 13.85 per cent per anum, payable half-yearly from the 25th March 1996.

Sd/-
Governor, Reserve Bank of India

Public Debt Office
Reserve Bank of India
Date

Sd/-
for Chief General Manager

Not transferable by endorsement

Rules regarding Inscribed Stock (Book Debt) of Government of India

Loans .....

PRE-PRINTED RULES

MEMORANDUM OF TRANSFERS

Number	Date of Transfer	Name(s) of Transferee(s)	Initials	Signature of Manager/ Asst. Gen, Manager
	DD MM YYYY	Tendered for Cancellation and credit to SGL A/c No. SG020196 of National Securities Depository Limited, Mumbai		

ANNEXURE J

TRANSACTION STATEMENT

Depository Participant's Name [DP ID :]
DP Address

Date	DD	MM	YYYY

Transactions	***From Date :***	***To Date :***

Client ID		**Category**		**Status**	
Name(s) of Holders					
Address					
Pin Code					
ISIN			**Security Name**		

Transaction Type

Date	Transactions No.	Description	Credit	Debit	Balance
XXXXXX	Opening Balance				XXXXXX
XXXXXX	Closing Balance				XXXXXX

_____
Depository Participant's Seal & Initials

Annexure K

Rights and Obligations of the Beneficial Owner and Depository Participant General Clause

1. The Beneficial Owner and the Depository participant (DP) shall be bound by the provisions of the Depositories Act, 1996, SEBI (Depositories and Participants) Regulations, 2018, Rules and Regulations of Securities and Exchange Board of India (SEBI), Circulars/Notifications/Guidelines issued there under, Bye Laws and Business Rules/Operating Instructions issued by the Depositories and relevant notifications of Government Authorities as may be in force from time to time.

2. The DP shall open/activate demat account of a beneficial owner in the depository system only after receipt of complete Account opening form, KYC and supporting documents as specified by SEBI from time to time.

Beneficial Owner information

3. The DP shall maintain all the details of the beneficial owner(s) as mentioned in the account opening form, supporting documents submitted by them and/or any other information pertaining to the beneficial owner confidentially and shall not disclose the same to any person except as required by any statutory, legal or regulatory authority in this regard.

4. The Beneficial Owner shall immediately notify the DP in writing, if there is any change in details provided in the account opening form as submitted to the DP at the time of opening the demat account or furnished to the DP from time to time.

Fees/Charges/Tariff

5. The Beneficial Owner shall pay such charges to the DP for the purpose of holding and transfer of securities in dematerialized form and for availing depository services as may be agreed to from time to time between the DP and the Beneficial Owner as set out in the Tariff Sheet provided by the DP. It may be informed to the Beneficial Owner that "no charges are payable for opening of demat accounts"

6. In case of Basic Services Demat Accounts, the DP shall adhere to the charge structure as laid down under the relevant SEBI and/or Depository circulars/ directions/notifications issued from time to time.

7. The DP shall not increase any charges/tariff agreed upon unless it has given a notice in writing of not less than thirty days to the Beneficial Owner regarding the same.

Dematerialization

8. The Beneficial Owner shall have the right to get the securities, which have been admitted on the Depositories, dematerialized in the form and manner laid down under the Bye Laws, Business Rules and Operating Instructions of the depositories.

Separate Accounts

9. The DP shall open separate accounts in the name of each of the beneficial owners and securities of each beneficial owner shall be segregated and shall not be mixed up with the securities of other beneficial owners and/or DP's own securities held in dematerialized form.

10. The DP shall not facilitate the Beneficial Owner to create or permit any pledge and /or hypothecation or any other interest or encumbrance over all or any of such securities submitted for dematerialization and/or held in demat account except in the form and manner prescribed in the Depositories Act, 1996, SEBI (Depositories and Participants) Regulations, 2018 and Bye-Laws/Operating Instructions/Business Rules of the Depositories.

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. [246E]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".

[247]Statement of account

14. A Participant shall provide statement of account to a Client in such form and manner and at such time as agreed with the Client and as may be specified by SEBI/depository.

15. If the balance in the account has become Nil during the year, Participant shall send one holding statement annually to such Client through email and shall resume sending the transaction statement as and when there is a transaction in the account. In case of account which has a credit balance but no transaction during the year, an half yearly statement of holdings shall be sent to the Client through email.

16. The DP may provide the services of issuing the statement of demat accounts in an electronic mode if the Beneficial Owner so desires. The DP will furnish to the Beneficial Owner the statement of demat accounts under its digital signature, as governed under the Information Technology Act, 2000. However if the DP does not have the facility of providing the statement of demat account in the electronic mode, then the Participant shall be obliged to forward the statement of demat accounts in physical form. A Participant shall provide statement of account in an electronic mode, to the Client under its digital signature, as governed under the Information Technology Act, 2000. If the Participant does not have the facility of providing the statement of account in the electronic mode, the Participant shall forward the statement of account in physical form.

17. In case of Basic Services Demat Accounts, the DP shall send the transaction statements as mandated by SEBI and/or Depository from time to time.

Manner of Closure of Demat account

18. 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.

19. [248]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 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.

Default in payment of charges

20. In event of Beneficial Owner committing a default in the payment of any amount provided in Clause 5 & 6 within a period of thirty days from the date of demand, without prejudice to the right of the DP to close the demat account of the Beneficial Owner, the DP may charge interest at a rate as specified by the Depository from time to time for the period of such default.

21. In case the Beneficial Owner has failed to make the payment of any of the amounts as provided in Clause 5&6 specified above, the DP after giving two days notice to the Beneficial Owner shall have the right to stop processing of instructions of the Beneficial Owner till such time he makes the payment along with interest, if any.

Liability of the Depository

22. As per Section 16 of Depositories Act, 1996,

1. Without prejudice to the provisions of any other law for the time being in force, any loss caused to the beneficial owner due to the negligence of the depository or the participant, the depository shall indemnify such beneficial owner.

2. Where the loss due to the negligence of the participant under Clause (1) above, is indemnified by the depository, the depository shall have the right to recover the same from such participant.

Freezing/ Defreezing of accounts

23. 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.

24. 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.

25. [246F]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.

Redressal of Investor grievance

26. The DP shall redress all grievances of the Beneficial Owner against the DP within a period of thirty days from the date of receipt of the complaint.

Authorized representative

27. If the Beneficial Owner is a body corporate or a legal entity, it shall, along with the account opening form, furnish to the DP, a list of officials authorized by it, who shall represent and interact on its behalf with the Participant. Any change in such list including additions, deletions or alterations thereto shall be forthwith communicated to the Participant.

Law and Jurisdiction

28. In addition to the specific rights set out in this document, the DP and the Beneficial owner shall be entitled to exercise any other rights which the DP or the Beneficial Owner may have under the Rules, Bye Laws and Regulations of the respective Depository in which the demat account is opened and circulars/notices issued there under or Rules and Regulations of SEBI.

29. The provisions of this document shall always be subject to Government notification, any rules, regulations, guidelines and circulars/ notices issued by SEBI and Rules, Regulations and Bye-laws of the relevant Depository, where the Beneficial Owner maintains his/ her account, that may be in force from time to time.

30. The Beneficial Owner and the DP shall abide by the arbitration and conciliation procedure prescribed under the Bye-laws of the depository and that such procedure shall be applicable to any disputes between the DP and the Beneficial Owner.

31. Words and expressions which are used in this document but which are not defined herein shall unless the context otherwise requires, have the same meanings as assigned thereto in the Rules, Bye-laws and Regulations and circulars/notices issued there under by the depository and /or SEBI.

32. Any changes in the rights and obligations which are specified by SEBI/Depositories shall also be brought to the notice of the clients at once.

33. If the rights and obligations of the parties hereto are altered by virtue of change in Rules and regulations of SEBI or Bye-laws, Rules and Regulations of the relevant Depository, where the Beneficial Owner maintains his/her account, such changes shall be deemed to have been incorporated herein in modification of the rights and obligations of the parties mentioned in this document.

[246E]Inserted w.e.f. June 23, 2026
[246E]Inserted w.e.f. June 23, 2026
[247]Amended w.e.f. February 03, 2026. Prior to the amendment it read as follows:
Statement of account
13.The DP shall provide statements of accounts to the beneficial owner in such form and manner and at such time as agreed with the Beneficial Owner and as specified by SEBI/depository in this regard.
14.However, if there is no transaction in the demat account, or if the balance has become Nil during the year, the DP shall send one physical statement of holding annually to

such BOs and shall resume sending the transaction statement as and when there is a transaction in the account.
15.The DP may provide the services of issuing the statement of demat accounts in an electronic mode if the Beneficial Owner so desires. The DP will furnish to the Beneficial Owner the statement of demat accounts under its digital signature, as governed under the Information Technology Act, 2000. However if the DP does not have the facility of providing the statement of demat account in the electronic mode, then the Participant shall be obliged to forward the statement of demat accounts in physical form.

[248] Amended w.e.f. March 23, 2026. Prior to the amendment it read follows:
18.Based on the instructions of the Beneficial Owner, the DP shall initiate the procedure for transferring such security balances or rematerialize such security balances within a period of thirty days as per procedure specified from time to time by the depository.
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

Annexure L

FORM 1

COMPUTATION OF NETWORTH

Sr. No.	Particulars	Current Year (₹)	Previous Year (₹)
	Paid-up Capital + Free Reserves – Share Application Money (total reserves less Revaluation Reserves and Specified Reserves) Less:		
A	Accumulated Losses		
B	Receivable (more than 6 months old)		
C	Receivable from Group Companies		
D	Intangible Assets		
E	Preliminary and Preoperative expenses not written off		
F	Value of Stock Exchange Card		
G	Loan in excess of value of Pledged Securities		
H	Loan in excess of value of Pledged Assets		
I	Investment in Group Companies		
J	Loans and advances to group Companies		
K	Statutory Contingent Liabilities		

Notes:

1. Details of item mentioned under Sr. no. C, F, G, H, I, J and K shall be provided as annexure to the certificate.
2. In case of statutory contingent liabilities, only 50% of the liabilities shall be deducted.
3. In case of Bank DPs, if provisions for NPAs have been made as per RBI guidelines and Auditor's certificate to this effect has been provided, no deduction to be made for receivables more than six months old.
4. Security-wise details of all investments (quoted as well as unquoted securities) shall be provided as annexure to the certificate.

The applicant for Participant ship should submit a certificate of Net worth computed in accordance with these guidelines from the Chartered Accountant in the following format:

CERTIFICATE FOR PARTNERSHIP FIRMS

This is to certify that the Networth of M/s _____ as on _____ as per the statement of computation of even date annexed to this report is Rupees _____ only.

It is further certified that the computation of Networth based on my/ our scrutiny of the books of accounts, records and documents is true and correct to the best of my/our knowledge and as per information provided to my/our satisfaction.

Place:

Date:

For (Name of Accounting Firm)

Name of Partner

Chartered Accountant

Membership Number

CERTIFICATE FOR INDIVIDUALS

This is to certify that the Networth of Mr/Ms _____ as on _____ as per the statement of computation of even date annexed to this report is Rupees _____ only.

It is further certified that the computation of Networth based on my/ our scrutiny of the books of accounts, records and documents is true and correct to the best of my/our knowledge and as per information provided to my/our satisfaction.

Place:

Date:

For (Name of Accounting Firm)

Name of Partner

Chartered Accountant

Membership Number

CERTIFICATE FOR CORPORATES

This is to certify that the Networth of _____
as on _____as per the statement of computation of even date annexed to this report is Rupees _____only.

It is further certified that the computation of Networth based on my/ our scrutiny of the books of accounts, records and documents is true and correct to the best of my/our knowledge and as per information provided to my/our satisfaction.

Place:

Date:

For (Name of Accounting Firm)

Name of Partner

Chartered Accountant

Membership Number

FORM 2

DP Logo	FORM 2 - CONVERSION REQUEST FORM FOR MUTUAL FUND/ ALTERNATIVE INVESTMENT FUND UNITS REPRESENTED BY STATEMENT OF ACCOUNT Instructions: (1) To be submitted in duplicate for acknowledgment. (2) In case the space is found to be insufficient, an annexure containing the said details in the same format may be attached.	NSDL Technology, Trust & Reach

Participant Name Participant Address									Serial No.								
									DP ID	I	N						
Date	D	D	M	M	Y	Y	Y	Y	Client ID								

I/We request you to convert the following units represented by statement of account issued by the Issuer into my/our aforementioned account as per the details given below:

Tick Any One

☐ All Folios as per My NSDL Consolidated Account Statement

CRN (to be filled by DP)

☐ Folio Based Conversion

Sr. No	Mutual Fund/ Alternative Investment Fund Name	Folio Number	CRN (to be filled by DP)

☐ ISIN Based Conversion

Sr. No	Folio Number	ISIN	Security Description	Fill Any One		CRN (to be filled by DP)
				All Quantity	Specific Quantity	
				ALL		
				ALL		
				ALL		
				ALL		

Declaration: I/We hereby declare that the above mentioned units/folio are registered in my/our name and are not already dematerialised and no certificates have been issued against these units/ units held in these folios. I/We also hereby declare that the units requested by me/us for conversion into dematerialised form are free from any lien or charge or encumbrance and represent the bonafide units of the Issuer to the best of my/our knowledge and belief.

Signature(s)	Sole/First Holder	Second Holder	Third Holder

FORM 3

Reconversion Request Form for conversion of Mutual Fund Units held in Dematerialised form to Statement of Account form (*Pre-printed serial nos.*)

To	**Date**	**DD**	**MM**	**YYYY**
DP Name (Pre Printed)				
DP ID (Pre Printed)				
DP Address (Pre Printed)				

I/We hereby declare that the below mentioned account may be debited to the extent of my/our reconversion request and equivalent units into Statement of Account form be issued for the same. I/We hereby declare that the below mentioned units are registered in the name(s) of below mentioned person(s).

Client Details									
Client ID									
Name of the Account Holder(s)	**Sole/First Holder**								
	Second Holder								
	Third Holder								

Details of Units :

Mutual Fund Name	

Free Units ☐ **Locked - in Units** ☐

Sr. No.	**ISIN**	**Unit Description**	**Quantity**	**Details of Lock-in (if applicable)**		**Reconversion request number (RRN) (To be filled in by Participant)**
				Reason	**Release Date**	

Notes :

1. In case the space is found to be insufficient, an annexure containing the said details in the same format may be attached.

2. Please use separate form for free units and locked-in units

Authorised Signatory(ies)

Holder(s)	**Signature(s)**
Sole/ First Holder	
Second Holder	
Third Holder	

Participant Authorisation

Received the above mentioned Units for reconversion into Statement of Account form:

Client Details									
Client ID									
Name of the Account Holder(s)	**Sole/First Holder**								
	Second Holder								
	Third Holder								

The application form is verified with the details of the Client account and certify that the application form is in order. The account has sufficient balances to accept the reconversion request as requested. It is also certified that the Clients' signatures are verified and found in order.

Date:

Forwarded by (Name of the Official) : **(Participant's Stamp)**

Signature:

Acknowledgment

Participant's Name, Address and ID (*pre-printed serial no.*)

We hereby acknowledge the receipt of a reconversion request for _____ (*quantity*) of Mutual fund units of _____ (*security details*) from _____ (*Name*) having Client ID _____surrendered on _____(*date*) to be delivered in the form of Mutual Fund units represented by Statement of Account.

(Participant's Stamp and Signature)

FORM 4

Participant's Name, Address & DP ID

(pre-printed)

DEMATERIALISATION REQUEST FORM

DRN

(to be filled-in by the DP) _____

Serial No. (Pre Printed) Date : _____

I/We request you to dematerialise the enclosed certificates into my/our account as per the details given below:

Client ID												
Sole/First Holder Name												
Second Holder Name												
Third Holder Name												
Type of Scrutiny	Equity / Others (please specify)											
Quantity to be dematerialised (in figures)												
(in words)												
Face Value												
ISIN (To be filled up by the DP)	I	N										

Details of Securities :

₹ Free Securities			**₹ Locked-in Securities**		
Folio No	**Certificate Nos.**		**Distinctive Nos.**		**Quantity**
	From	**To**	**From**	**To**	

Total No. of Certificates : _____

Details of Locked-in Securities:

Lock-in Reason	
Lock-in Release Date	

(In case the space is found to be insufficient, an annexure containing the certificate details in the same format may be attached. Please use separate form for free securities and locked-in securities)

Declaration

I/We hereby declare that the above mentioned securities are registered in my/our name. The original certificates are hereby surrendered by me/us for dematerialisation. I/We also hereby declare that the securities surrendered by me/us for dematerialisation are free from any lien or charge or encumbrance and represents the bonafide securities of the company to the best of my/our knowledge and belief.

Holder(s)	Signature(s)
Sole/ First Holder	
Second Holder	
Third Holder	

Participant Authorisation

We have received the above-mentioned securities for dematerialisation. The application form is verified with the certificates surrendered for dematerialisation and we certify that the application form is in accordance with the details mentioned in the enclosed certificates. It is also certified that the holders of the securities have beneficiary account with us in the same name(s).

Name of the Executive :

Signature : **Participant's Stamp & Date**

Acknowledgement

Serial No. (pre-printed)

We hereby acknowledge the receipt of _____shares/units/bonds/ debentures of _____ surrendered for dematerialisation by Mr/Ms/M/s _____ _____having Client ID _____ .

.

Date : **Participant's Stamp & Signature**

[245A]FORM 4.1

Issuer / Registrar and Transfer Agent Name
Issuer / Registrar and Transfer Agent Address
Registrar and Transfer Agent ID

DEMATERIALISATION CONVERSION REQUEST FORM

Date : _____

I/We request you to provide following service and dematerialize the securities into my/our account as per the details given below:

Service Request	Tick the relevant
Issue of duplicate security certificate	
Claim from unclaimed suspense account	
Renewal / Exchange of securities certificate	
Endorsement	
Sub-division / Splitting of security certificates	
Consolidation of security certificates / folios	
Transmission	
Transposition	
Any other services (Please specify)	

DP ID												
Client ID												
Sole/First Holder Name												
Second Holder Name												
Third Holder Name												
Type of Security	Equity / Others (please specify)											
Quantity to be dematerialised (in figures)												
(in words)												
Face Value												
ISIN (To be filled up by the Issuer / R&T Agent)	I	N										

Details of Securities:

Folio No	**Certificate Nos.**		**Distinctive Nos.**		**Quantity**
	From	**To**	**From**	**To**	

Declaration

I/We hereby declare that I/We are the registered owner / claimant of the above-mentioned securities. The original certificates are hereby surrendered by me/us for dematerialisation. I/We also hereby declare that the securities surrendered by me/us for dematerialisation are free from any lien or charge or encumbrance and represents the bonafide securities of the company to the best of my/our knowledge and belief.

Holder(s)	Signature(s)
Sole/ First Holder	
Second Holder	
Third Holder	

Participant Authorisation

We have verified and certify that the holders of the beneficiary account with us are held in the same name(s) with the above conversion request for dematerialisation

Name of the Executive:
Signature: Participant's Stamp & Date

Acknowledgement

Serial No. (pre-printed)

We hereby acknowledge the receipt of service request for _____shares/units/bonds/ debentures of _____ for conversion into dematerialisation by Mr/Ms/M/s _____ _____having DP ID_____ and Client ID _____.

.

Date : **Issuer / R&T Agent Stamp & Signature**

[245A]Inserted w.e.f. April 24, 2026

FORM 5

SHARE APPLICATION FORM

Application form for equity shares for the Indian Public (Please read instructions carefully before filling up this form)

THE ABC COMPANY LIMITED

Reg. office : First Floor , Victoria Bldg., S.A.Brelvi Road, Fort, Mumbai - .

The ABC Company Limited (hereinafter referred to as "The Company") was incorporated on, etc., etc.

Equity Opens on	**:**	**Monday, 13th May 1996**
Earliest Closing	**:**	**Friday, 17th May 1996**
Issue closing not later than	**:**	**Thursday, 23rd May 1996**

Serial No. : 0252185

Broker's stamp & code	Sub-broker's stamp & code	Bank's stamp	Bank's serial no.	Registrar's serial no.

Public issue of 18,00,000 equity shares of ₹ 10 each for cash at par aggregating to ₹180 Lakhs.	Application must be for a minimum of 500 Equity shares & in multiples of 100 thereafter.	
Cheques /DD/Stock invest must be drawn in favour of company from the account of the first/sole applicant.	Amount payable per equity share on application @ ₹5/- per share.	
Please write the application no. on the reverse of the Cheque /DD/Stock invest.	No. of equity Shares applied for	Amount payable on Application
	500 600 800 1000	2500 3000 4000 5000

To
The Board of Directors,
ABC COMPANY LIMITED
First Floor, Victoria Bldg.,
S. A. Brelvi Road, Fort, Mumbai

Dear Sirs,

On the basis of the company's prospectus I/we hereby apply to you for allotment to me/ us of the equity shares stated below, out of the above issue. The amount payable on application as shown below is remitted herewith. I/we hereby agree to accept the equity shares applied for or for lesser number as may be allotted to me etc.

No. of Shares Applied	Amount Paid (₹)	Cash	Instrument No.
In figures	In figures	Cheque	Date of Issue
In Words	In Words	Demand Draft	Drawn on (Bank)
		Stock Invest	Branch

Sole/First Applicant	Name Surname	Date	Occupant of first applicant
Name in full (Mr. /Mrs. / Miss./ Ms.)		Age	1. Service 2. Business 3. Student 4. Housewife 5. Professional 6. Farmer 7. Others
Address		Status (Please tick) Individual ₹ Ltd. Co. ₹ Others ₹	
Father's / Husband's Name			
Second Applicant			Age :
Third Applicant			Age :

Option for receipt of allotted securities (Please Tick)	
Physical ₹	Electronic (Depository) ₹
In case of Electronic (Depository) : Name of Depository : Name of Depository Participant : Account Number : _____	

Investor's bank particulars for refund		Specimen Signature	PAN / GIR No.	Circle/ Ward/ District
SB a/c No.	Sole/ First Applicant			
Bank	Second Applicant			
Branch	Third Applicant			

THE ABC COMPANY LIMITED

Reg. office: First Floor, Victoria Bldg., S. A. Brelvi Road, Fort, Mumbai – **Serial No. : 0252185**

Acknowledgment slip (To be filled in by the first applicant) **Date :**

Received From	Equity shares applied for		Amount Paid		Cash (___/)	Bank Stamp & Signature
Address _____ _____ _____	In figures	In Words	In figures	In words	Cheque / DD/ Stock Invest No.	Dated _____
Pin code					Drawn On _____ _____	

For electronic holdings Account No. _____ Name of the Depository Name of the DP	All future communication in connection with the application should be addressed to the registrars to the issue quoting the full name of the First/sole applicant, application sr. no., of equity shares applied for, Date & name of the bank branch where the application was submitted, at the following address : In House Share Registry, First Floor, Victoria Bldg, S. A. Brelvi Road, Fort, Mumbai.	(Cheques/ DD/ Stock invest are subject to realization)

Notes :-

1. For subscription in electronic form, names in the share application form should be identical to those appearing in the account details in the depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the depository.
2. Share application forms for part subscription in electronic form and part in physical form will be treated as invalid and rejected.
3. This IPO form may not be complete in all respects.

Additions made to the existing share application form are shown in shaded area.

FORM 6

REMATERIALISATION REQUEST FORM
(pre-printed serial nos.)

PARTICIPANT NAME	
DEPOSITORY PARTICIPANT - ID	
RRN	DATE

I/We hereby declare that the below mentioned account may be debited to the extent of my/our rematerialisation request and equivalent certificates be issued for the same. I/We hereby declare that the below mentioned person(s) are the beneficial owners of the securities mentioned.

Account No.	
Account Holder Name	
No. of Securities to be Rematerialised : (Nos.)	
(in words)	
Lot Type Requested	Market Lot / Jumbo
Name of the Security	
Name of Issuing Company	
Face Value	
ISIN	

The rematerialisation request is for locked shares Yes/ No

Quantity :

Lock In Reason :

Lock In Release Date : (dd-mm-yyyy)

Address : (to be filled in only if change in address is to be recorded)

Pin

Authorised Signature(s)

Name Signature

First/ Sole Holder

Second Holder

Third Holder

Participant Authorisation

Received the above mentioned securities for rematerialisation from :

Account No.	
ISIN	
Date	
Account No.	
Name of the first Holder	

The application form is verified with the details of the beneficial owner's account and certify that the application form is in order. The account has sufficient balances to accept the rematerialisation as requested. It is also certified that the beneficial owners signatures are verified and found in order. The other details of the beneficial owners as extracted from the records are enclosed.

Forwarded by : (Seal)

Signature : (Name of the Executive)

(to be printed from the system)

Remat Request No.

Status : **Sub-Status :** **(Occupation) :**

In Case of Individuals

Name(s) in full	
First/ Sole Holder	
Second Holder	
Third Holder	

In case of Corporates

Name

Full Address

	Pin

Tax Information

PAN/GIR No. Circle/Ward/ District

Sole / First Applicant

Second Applicant

Third Applicant

Residential Status : Resident/NRI

In case of NRI Holding

Indian Address																				
Foreign Address																				
Nationality																				
RBI Approval No.												Date								
Bank Account No.																				

Lock in Reason :

Lock in Release Date (dd-mm-yyyy)

Acknowledgement

Participant's Name Address and ID (pre-printed serial No.)

We hereby acknowledge the receipt of a rematerialisation request for _____no. of shares of _____(security details) from_____(Name) holding a/c no. _____surrendered on _____(date) to be delivered in market lots / jumbo lots of _____certificates.

Participant's Signature (Seal)

FORM 7

REPURCHASE / REDEMPTION FORM

Participant's Name, Address & DP ID

(Pre-printed)

Serial No (Pre Printed) Date : _____

I/We offer the below mentioned securities for repurchase/ redemption and declare that my/our account be debited by the number of securities to the extent of my/our repurchase/ redemption request and make the payment as per the bank account details available in the depository system. I/We hereby declare that the below mentioned person(s) are the beneficial owners of the securities mentioned.

Client ID								
Sole / First Holder Name								
Second Holder Name								
Third Holder Name								
Type of Security	*MF Units / Others (please specify)*							

ISIN	**Mutual Fund / Issuer Name**	**All Units/No. of Units/Amount (₹) (Please mention as applicable)**	**RRN (Repurchase / Redemption Request Number) (To be filled in by Participant)**
		Units	
		Amount	
		Units	
		Amount	
		Units	
		Amount	

Note : 1. In case the space is found to be insufficient, a duly signed annexure containing therefore said details in the same format may be attached.

2. If 'Units' and 'Amount' both are mentioned, the request will be processed based on the 'Units'

3. 'All' and 'Amount based' options are available only for redemption requests.

Holder (s)	**Signature(s)**
First/ Sole Holder	
Second Holder	
Third Holder	

Acknowledgement

Serial No (pre-printed)

We hereby acknowledge the receipt of following request(s) for repurchase / redemption from Mr/Ms/M/s _____having DP ID _____ and Client ID _____.

ISIN	Mutual Fund / Issuer Name	All Units/No. of Units/Amount (₹) (Please mention as applicable)
		Units
		Amount
		Units
		Amount
		Units
		Amount

Name of the Official : **Participant's Stamp & Date**

Signature :

FORM 8

ISIN CONVERSION FORM

(pre-printed serial nos.)

PARTICIPANT NAME																									
DEPOSITORY PARTICIPANT - ID																									
ICFN										DATE			/			/									

I/We wish to convert my/our securities from ISIN _____ to ISIN _____. I/We hereby authorise my/our account to be debited under the ISIN _____ and receive credit under ISIN _____.

Account No.																														
Account Holder Name																														
No. of Securities to be Converted : (in figures)																														
(in words)																														
(Integers)																														
And																														
(Fractions)																														

Specimen Signature(s)

	Name	Signature
First/Sole Holder		
Second Holder		
Third Holder		

Participant Authorisation

Received request for ISIN Conversion from :

Account No.																									
From ISIN																									
To ISIN																									
Date																									
Name of the first Holder																									

The application form is verified with the details of the beneficial owner's account and certified that the application form is in order . The account has sufficient balances to accept the ISIN Conversion Request. It is also certified that the beneficial owners signatures are verified and found in order. The other details of the beneficial owners as extracted from the records are enclosed.

Forwarded by : Name

Signature (Seal)

Acknowledgment

Participant's Name Address and ID **(pre-printed serial No.)**

We hereby acknowledge the receipt of ISIN Conversion request for _____no. of Securities from _____(Name) holding a/c no. _____.

From ISIN												
To ISIN												

Participant's Signature (Seal)

Date :

246AA **FORM 9**

ACCOUNT OPENING FORM
(*FOR INDIVIDUALS*)

Participant Name (DP ID ____) Address (Pre-printed)	**Client –ID** (To be filled by Participant)

I/We request you to open a depository account in my/our name as per the following details: (*Please fill all the details in CAPITAL LETTERS only*) **Date** D D M M Y Y Y Y

A) Details of Account holder(s):

Account holder(s)	Sole/ First Holder		Second Holder		Third Holder	
Name						
PAN						
Occupation *(please tick any one and give brief details)*	☐ Private Sector	☐ Agriculturist	☐ Private Sector	☐ Agriculturist	☐ Private Sector	☐ Agriculturist
	☐ Public Sector	☐ Retired	☐ Public Sector	☐ Retired	☐ Public Sector	☐ Retired
	☐ Government Service	☐ Housewife	☐ Government Service	☐ Housewife	☐ Government Service	☐ Housewife
	☐ Business	☐ Student	☐ Business	☐ Student	☐ Business	☐ Student
	☐ Professional	☐ Others (Please specify; _____	☐ Professional	☐ Others (Please specify; _____	☐ Professional	☐ Others (Please specify; _____
Brief details:						

B) For Association of Persons (AOP), Partnership Firm, Unregistered Trust, etc., although the account is opened in the name of the natural persons, the name & PAN of the Association of Persons (AOP), Partnership Firm, Unregistered Trust, etc., should be mentioned below:

a) Name		b) PAN	

C) **Type of account**

☐ Ordinary Resident ☐ NRI-Repatriable ☐ NRI-Non Repatriable
☐ Qualified Foreign Investor ☐ Foreign National
☐ Margin ☐ Others (Please specify) _____ ☐ Promoter

D) **Gross Annual Income Details**

Income Range per annum (please tick any one)

☐ Below ` 1 lac ☐ ` 1- 5 lac ☐ ` 5- 10 lac

☐ ` 10- 25 lac ☐ More than ` 25 lac

E) **In case of NRIs/ Foreign Nationals**

RBI Approval Reference Number	
RBI Approval date	D D M M Y Y Y Y

F) **Bank details**

1	Bank account type ☐ Savings Account ☐ Current Account ☐ Others (Please specify)_____	
2	Bank Account Number	
3	Bank Name	

| | | |

J)	[244]**Nomination Option** (Refer Note 8 for joint accounts)	
	☐ I/We wish to make a nomination. **[** ***Details are provided in Nomination Form as prescribed by SEBI*** **]**	☐ I/We wish to opt out of a nomination. **[** ***Declaration Form opting out of nomination as prescribed by SEBI*** **]**

K	**Mode of Operations for Joint Accounts**	
	☐ Jointly	☐ Anyone of the holder or survivor(s)
	If Mode of Operation for Joint Account is chosen as anyone of the holder or survivor(s), only specified operations such as transfer of securities including Inter-Depository Transfer, pledge / hypothecation / margin pledge / margin re-pledge (creation, closure and invocation and confirmation thereof as applicable) of securities and freeze/unfreeze of account and / or securities and / or specific number of securities will be permitted.	

Declaration

The rules and regulations of the Depository and Depository Participants pertaining to an account which are in force now have been read by me/us and I/we have understood the same and I/we agree to abide by and to be bound by the rules as are in force from time to time for such accounts. I/we hereby declare that the details furnished above are true and correct to the best of my/our knowledge and belief and I/we undertake to inform you of any changes therein, immediately. In case any of the above information is found to be false or untrue or misleading or misrepresenting, I am/ we are aware that I/we may be held liable for it. In case non-resident account, I/we also declare that I/we have complied and will continue to comply with FEMA regulations. I/we acknowledge the receipt of copy of the document, "Rights and Obligations of the Beneficial Owner and Depository Participant".

Name(s) of holder(s)		**Signature(s) of holder**
Sole/ First Holder/ Guardian (in case sole holder is minor) (Mr./Ms.)		X
Second Holder (Mr./Ms.)		X
Third Holder (Mr./Ms.)		X

Notes :

1. All communication shall be sent at the address of the Sole/First holder only.
2. Thumb impressions must be attested by witness or a Magistrate or a Notary Public or a Special Executive Magistrate.
3. Signatures other than English or Hindi or any of the other language not contained in the 8th Schedule of the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate.
4. The nomination and Declaration form may be signed using e-Sign facility or wet signature and in these cases, witness will not be required.
5. For receiving Statement of Account in electronic form:
   I. Client must ensure the confidentiality of the password of the email account.
   II. Client must promptly inform the Participant if the email address has changed.
   III. Client may opt to terminate this facility by giving 10 days prior notice. Similarly, Participant may also terminate this facility by giving 10 days prior notice.
6. [245]In case of joint account, on death of any of the joint account holders, the surviving account holder(s) has to inform Participant about the death of account holder(s) with required documents for deletion of name of the deceased account holder(s) in the demat account .
7. In case if 'first holder' is selected, the communication will be sent as per the preference mentioned at Sr. No. 4. In case 'All joint account holders' is opted, communication to first holder will be sent as per the preference mentioned at Sr. No. 4 and communication to other holders will be in electronic mode. The default option will be communication to 'first holder', if no option selected.
8. [246]In case of joint account, the option to select 'Choice of Nomination' i.e. I/We wish to make a nomination or I/We wish to opt out of a nomination is not mandatory.
9. Strike off whichever is not applicable.

= = = =

[246AC] FORM 11

ACCOUNT OPENING FORM

(*FOR NON-INDIVIDUALS*)

Participant Name (DP ID ____) Address (Pre-printed)	**Client –ID** (To be filled by Participant)

We request you to open a depository account in our name as per the following details: (*Please fill all the details in CAPITAL LETTERS only*) **Date** D D M M Y Y Y Y

A) Details of Account holder(s):

	Name	PAN
Sole/ First Holder		
Second Holder		
Third Holder		

B) **Type of account**

☐ Body Corporate ☐ FI ☐ FII
☐ Qualified Foreign Investor ☐ Mutual Fund ☐ Trust
☐ Bank ☐ CM ☐ HUF
☐ Other (Please specify)

C) For Partnership Firm, Unregistered Trust, Association of Persons (AOP) etc., although the account is opened in the name of the partner(s), trustee(es) etc., the name & PAN of the Partnership Firm, Unregistered Trust, Association of Persons (AOP) etc., should be mentioned below:

c) Name | d) PAN

D) Income Details (please specify)

[246AD]Income Range per annum	and	Networth
☐ Below 1 Lac		Amount (`)_____
☐ ` 1 -5 Lacs		As on (date) D D M M Y Y Y Y
☐ ` 5 – 10 Lacs		(Networth should not be older than 1 year)
☐ 10 – 25 Lacs		
☐ 25 Lacs – 1 Crore		
☐ More than 1 Crore		

E) **In case of FIIs/Others (as may be applicable)**

RBI Approval Reference Number	
RBI Approval date	D D M M Y Y Y Y
SEBI Registration Number (for FIIs)	ren leas

F) **Bank details**

1	Bank account type ☐ Savings Account ☐ Current Account Others ☐ (Please specify)	
2	Bank Account Number	
3	Bank Name	

	4	Branch Address										
			City/town/ village		PIN Code							
			State		Country							
	5	MICR Code										
	6	IFSC										

G)	Please tick, if applicable, for any of your authorized signatories/Promoters/Partners/Karta/Trustees/whole time directors:	☐ Politically Exposed Person (PEP) ☐ Related to a Politically Exposed Person (PEP)

H) **Clearing Member Details** (to be filled up by Clearing Members only)

1	Name of Stock Exchange	
2	Name of Clearing Corporation/ Clearing House	
3	Clearing Member ID	
4	SEBI Registration Number	
5	Trade Name	
6	CM-BP-ID **(to be filled up by Participant)**	

I) **Standing Instructions**

1	We authorise you to receive credits automatically into our account.	☐ Yes ☐ No
2	Account to be operated through Power of Attorney (PoA)	☐ Yes ☐ No
3	Account to be operated through Demat Debit and Pledge Instruction (DDPI)	☐ Yes ☐ No

4 **SMS Alert facility**

Sr. No.	Holder	Yes	No
1	Sole/First Holder	☐	☐
2	Second Holder	☐	☐
3	Third Holder	☐	☐

5	Mode of receiving Statement of Account [Tick any one]	☐ Physical Form ☐ Electronic Form [*Read Note 3 and ensure that email ID is provided in KYC Application Form*].

6. ☐ **Standing Instruction Indicator for Auto Pledge Confirmation**

The Pledger /pledgee hereby undertake as follows:

a) The pledger and pledgee undertake to abide with the provisions of the Indian Contract Act, 1872, the Depositories Act, SEBI Regulations, circulars, and bye-laws in force from time to time, as may be applicable.

b) The pledgee undertakes to provide reasonable notice to the pledger and comply with the requirements of Section 176 and 177 of the Indian Contract Act, 1872

K) **List of family members (Separate Annexure maybe used in case number of members is higher)**

Sr No.	Name of Coparcener/Member	Gender	Date of Birth	Relation with Karta	Whether Coparcener/ Member (please specify)

Declaration

The rules and regulations of the Depository and Depository Participants pertaining to an account which are in force now have been read by us and we have understood the same and we agree to abide by and to be bound by the rules as are in force from time to time for such accounts. We hereby declare that the details furnished above are true and correct to the best of our knowledge and belief and we undertake to inform you of any changes therein, immediately. In case any of the above information is found to be false or untrue or misleading or misrepresenting, we are aware that we may be held liable for it. I/we acknowledge the receipt of copy of the document, "Rights and Obligations of the Beneficial Owner and Depository Participant".

Authorised Signatories (Enclose a Board Resolution for Authorised Signatories. In case of HUF details of Karta to be given)

Sole/First Holder	**Name**	**Signature(s)**
First Signatory/Karta of HUF		X
Second Signatory		X
Third Signatory		X
Other Holders		
Second Holder		X
Third Holder		X

Mode of Operation for Sole/First Holder (In case of joint holdings, all the holders must sign. In case of HUF this is not applicable)	
☐ Any one singly	
☐ Jointly by	
☐ As per resolution	
☐ Others (please specify)	

Notes:

1. In case of additional signatures, separate annexures should be attached to the application form.
2. Thumb impressions and signatures other than English or Hindi or any of the other language not contained in the 8th Schedule of the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate.
3. For receiving Statement of Account in electronic form:
   I. Client must ensure the confidentiality of the password of the email account.
   II. Client must promptly inform the Participant if the email address has changed.
   III. Client may opt to terminate this facility by giving 10 days prior notice. Similarly, Participant may also terminate this facility by giving 10 days prior notice.
4. Strike off whichever is not applicable.

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FORM 12

FORM 12 - DELIVERY INSTRUCTIONS BY CLIENT

DP LOGO DP NAME	**Instructions:** (1) Submit two copies of DIS - Participant's copy (*to be retained by Participant*) and Client's copy (*for acknowledgment*). (2) In case of joint holdings, all joint holders must sign. (3) Please strike off unused rows. (4) For Off – market trades, please mention reason code from the list given at reverse side of cover page (5) Please write correct ISIN and Quantity (both in figures and words).	NSDL Technology, Trust & Reach

I/ We hereby request you to debit my / our account as per following details	Serial No.	Pre-printed

DP ID	Pre –printed	Client ID	Pre-printed/ Pre-stamped	Date	D D	M M	Y Y Y Y

(*Fill up the relevant box and strike off whichever is not applicable*)

For Market Trades (*Receiver Details*)	
CM-BP-ID	IN
CM Name	
Client UCC	
TM ID	
Exchange Name	
Market Type	☐ Early pay-in
Settlement No.	

O R

For Off - Market Trades (*Receiver Details*)			
DP-ID	IN		
DP Name			
Client ID			
Reason Code	Reason / Purpose	Consideration (in Rs.)	
Refer instruction no. 4	Specify for reason code 99 (others)	Mandatory for reason code 1 (off-market sale)	

Sr. No.	ISIN	Security Name	Quantity (*in figures*)	Quantity (*in words*)	Instruction No. (*to be filled by DP*)
1	IN				
2	IN				
3	IN				
4	IN				
5	IN				

No. (count) of ISINs to be transferred		Phone No.		Execution Date	D D	M M	Y Y Y Y

1._____ **2.**_____

3._____

Authorised Signatory (ies)

Date and Time of Receipt and DP Stamp with Signature	Instruction will be accepted by DP at 'Client's risk' without any liability / claim in following cases: a) Non-pay in (Off-market) related instruction received on the day of execution. b) Pay-in (Market) instruction received after 4 p.m. on the previous day of the settlement date.

To be filled by DP			
Maker	Checker	Additional Checker (*if applicable*)	Remarks (*For High value transactions/Dormant accounts if any*)

This DIS is issued by <DP Name>. If found, please return to <DP name> at <DP Address>

FORM 13

DP LOGO DP NAME	**FORM 13 DELIVERY INSTRUCTIONS BY POWER OF ATTORNEY / DEMAT DEBIT AND PLEDGE INSTRUCTION HOLDER ON BEHALF OF CLIENTS** **Instructions:** (1) Submit two copies of DIS - Participant's copy (*to be retained by Participant*) and Client's copy (*for acknowledgment*). (2) In case of joint holdings, all joint holders must sign. (3) Please strike off unused rows. (4) For Off – market trades, please mention reason code from the list given at reverse side of cover page (5) Please write correct ISIN and Quantity (both in figures and words).	NSDL Technology, Trust & Reach

I/ We hereby request you to debit my / our account as per following details:				Serial No	Pre-printed
DP ID	Pre –printed	POA/DD PI ID	Pre-printed/ Pre-stamped	Date	D D M M Y Y Y Y

(*Fill up the relevant box and strike off whichever is not applicable*)

For Market Trades (*Receiver Details*)								
CM-BP-ID	IN							
CM Name								
Market Type		☐ Early pay-in						
Settlement No.								

O R

For Off - Market Trades (*Receiver Details*)								
DP-ID	IN							
DP Name								
Client ID								
Reason Code	Reason / Purpose			Consideration (in Rs.)				
Refer instruction no. 4	Specify for reason code 99 (others)			Mandatory for reason code 1 (off-market sale)				

Sr. No.	Source Client ID	Client UCC	TM ID	Exchange Name	ISIN	Security Name	Quantity (*in figures*)	Quantity (*in words*)	Instruction No. (*to be filled by DP*)
1					IN				
2					IN				
3					IN				
4					IN				
5					IN				

No. (count) of ISINs to be transferred		Phone no.		Execution Date	D D M M Y Y Y Y

1._____ 2._____ 3._____

Authorised Signatory (ies)

Date and Time of Receipt and DP Stamp with Signature	Instruction will be accepted by DP at 'Client's risk' without any liability / claim in following cases: a) Non-pay in (Off-market) related instruction received on the day of execution. b) Pay-in (Market) instruction received after 4 p.m. on the previous day of the settlement date.

To be filled by DP

	Maker	Checker	Additional Checker (*if applicable*)	Remarks (*For High value transactions/Dormant accounts if any*)

This DIS is issued by <DP Name>. If found, please return to <DP name> at <DP Address>

FORM 14

Participant Name, Address & DP ID
(Pre-Printed)

RECEIPT INSTRUCTION

Serial No. (Pre-printed)
Client ID. (Pre-stamped)

I/We hereby request you to **Credit** my/our account as per the following details:

(To be filled in if deliverer is a **Clearing Member**)

CM-BP-ID	I	N						
CM Name								

(To be filled in for **Market Trades**)

Market Type						
Settlement No.						

(To be filled in if Deliverer is a **Client**)

DP-ID	I	N						
DP Name								
Client ID								

ISIN	Security Name	Quantity (In Figures)	Instruction No. (to be filled by DP)

Execution Date _____

Participant Stamp, Date & Time **Authorised Signatory(ies)**

Instructions:

1. To be submitted in duplicate for acknowledgement.
2. In case of joint holdings, all holders must sign.

[246A]FORM 15

FORM 15 - INTER-DEPOSITORY DELIVERY INSTRUCTIONS

DP LOGO DP NAME	**Instructions:** (1) Submit two copies of DIS - Participant's copy (*to be retained by Participant*) and Client's copy (*for acknowledgment*). (2) In case of joint holdings, all joint holders must sign. (3) Please strike off unused rows. (4) Please mention reason code from the list given at reverse side of cover page. Not required in case of Source account is a Clearing Member. (5) Please write correct ISIN and Quantity (both in figures and words). (6) Applicable for off-market transfer to Retail Direct Gilt (RDG) A/c and please mention the 12-digit RDG A/c number in Client ID column.	NSDL Technology, Trust & Reach

I/ We hereby request you to debit my / our account as per following details:	Serial No.	Pre-printed

DP ID	Pre –printed	Client ID	Pre-printed/ Pre-stamped	Date	D D	M M	Y Y Y Y

Target details **[Depository – ID : IN000026] / RDG A/c number Refer Instruction 6]**			
Client ID			
Client UCC		Exchange Name	
TM ID			
Settlement details			

Reason Code	Reason / Purpose	Consideration (in Rs)
Refer instruction no. 4	Specify for reason code 99 (others)	Mandatory for reason code 1 (off-market sale)

To be filled if the Source account is a Clearing Member		
Market Type		
	☐ Early pay-in	
Settlement No.		

Sr. No.	ISIN	Security Name	Quantity (in figures)	Quantity (in words)	Instruction No. (*to be filled by DP*)
1	IN				
2	IN				
3	IN				
4	IN				
5	IN				

No. (count) of ISINs to be transferred		Phone no.		Execution Date	D D	M M	Y Y Y Y

1._____ **2.**_____ **3.**_____

Authorised Signatory (ies)

Date and Time of Receipt and DP Stamp with Signature	Instruction will be accepted by DP at 'Client's risk' without any liability / claim in following cases: a) Non-pay in (Off-market) related instruction received on the day of execution. b) Pay-in (Market) instruction received after 4 p.m. on the previous day of the settlement date.

To be filled by DP

	Maker	Checker	Additional Checker (*if applicable*)	Remarks (*For High value transactions/Dormant accounts if any*)

This DIS is issued by <DP Name>. If found, please return to <DP name> at <DP Address>

[246A] amended w.e.f. June 23, 2026

[246B]FORM 16

DP LOGO DP NAME	**FORM 16 - INTER-DEPOSITORY DELIVERY INSTRUCTIONS BY POA / DDPI HOLDER** **Instructions:** (1) Submit two copies of DIS - Participant's copy (*to be retained by Participant*) and Client's copy (*for acknowledgment*). (2) In case of joint holdings, all joint holders must sign. (3) Please strike off unused rows. (4) Please mention reason code from the list given at reverse side of cover page. Not required in case of Source account is a Clearing Member. (5) Please write correct ISIN and Quantity (both in figures and words). (6) Applicable for off-market transfer to Retail Direct Gilt (RDG) A/c, and please mention the 12-digit RDG A/c number in client ID column.	NSDL Technology, Trust & Reach

I/ We hereby request you to debit my / our account as per following details:	Serial No.	Pre-printed

DP ID	Pre –printed	POA / DDPI ID	Pre-printed/ Pre-stamped	Date	D	D	M	M	Y	Y	Y	Y

Target details **[Depository – ID : IN000026] / RDG A/c number Refer Instruction 6]**		
Client ID		
Settlement details		Early pay-in

Reason Code	Reason / Purpose	Consideration (in Rs)
Refer instruction no. 4	Specify for reason code 99 (others)	Mandatory for reason code 1 (off-market sale)

To be filled if the Source account is a Clearing Member	
Market Type	
Settlement No.	

Sr. No.	Source Client ID	Client UCC	TM ID	Exchange Name	ISIN	Security Name	Quantity (in figures)	Quantity (in words)	Instruction No. (*to be filled by DP*)
1					IN				
2					IN				
3					IN				
4					IN				
5					IN				

No. (count) of ISINs to be transferred		Phone no.		Execution Date	

1._____ 2._____ 3._____

Authorised Signatory (ies)

Date and Time of Receipt and DP Stamp with Signature	Instruction will be accepted by DP at 'Client's risk' without any liability / claim in following cases: a) Non-pay in (Off-market) related instruction received on the day of execution. b) Pay-in (Market) instruction received after 4 p.m. on the previous day of the settlement date.

To be filled by DP

	Maker	Checker	Additional Checker (*if applicable*)	Remarks (*For High value transactions/Dormant accounts if any*)

This DIS is issued by <DP Name>. If found, please return to <DP name> at <DP Address>

[246B] amended w.e.f. June 23, 2026

FORM 17

Participant Name, Address & DP ID.

(Pre-printed)

INTER-DEPOSITORY RECEIPT INSTRUCTIONS

Serial No. (Pre-printed)

Client ID. (Pre-stamped) Date _____

I/We hereby request you to **credit** my /our account as per the following details :

Market Type : _____ (To be filled if the deliverer is a Clearing Member)						Settlement No.							
Target Depository - ID		ISIN	Security Name	Quantity (In figures)	Quantity (In Words)	Instrument No.	Reason / Purpose (*) (#)		Consideration (*)				
Target Client - ID	Target Settlement Details												

Execution Date _____

Participant Stamp, Date & Time Authorised Signatory(ies)

Instructions:

1. To be submitted in duplicate for acknowledgement
2. (*) – This Information is required only if Target Client ID is a Beneficiary Owner.
3. (#) – Like Gift, Donation, etc.

Participant's copy / Client's copy

FORM 18 - DELIVERY - OUT INSTRUCTIONS FOR PAY-IN BY CLEARING MEMBER

DP LOGO
DP NAME

Instructions: (1) Submit two copies of DIS - Participant's copy (to be retained by Participant) and Client's copy (for acknowledgment). (2) Irreversible delivery-out instructions are instructions which cannot be cancelled once effected. (3) Use separate forms for reversible delivery-out instructions and irreversible delivery-out instructions. (4) In case it is not explicitly mentioned that it is an irreversible delivery-out instruction, it will be assumed to be a reversible delivery-out instruction. (5) Please strike off unused rows. (6) Please write correct ISIN and Quantity (both in figures and words).

NSDL Technology, Trust & Reach

I/ We request to debit my/our CM account as per following details: | Serial No. | Pre-printed

DP ID | Pre-printed | Client ID | Pre-printed/ Pre-stamped | Date | D D M M Y Y Y Y

Instruction Type (*Please tick in only one of the boxes as applicable*) ☐ Reversible ☐ Irreversible | Name of Clearing Corporation

Market Type | Settlement No.

Sr. No.	ISIN	Security Name	Quantity (*in figures*)	Quantity (*in words*)	Instruction No. (*to be filled by DP*)
1	IN				
2	IN				
3	IN				
4	IN				
5	IN				

No. (count) of ISINs to be transferred | Phone no. | Execution Date D D M M Y Y Y Y

1._____ 2._____ 3._____

Authorised Signatory (ies)

Date and Time of Receipt and DP Stamp with Signature

Pay-in (Market) instruction received after 4 p.m. on the previous day of the settlement date will be accepted by DP at 'Client's risk' without any liability / claim.

To be filled by DP

Maker | Checker

This DIS is issued by <DP Name>. If found, please return to <DP name> at <DP Address>

FORM 19

DP LOGO DP NAME	**FORM 19 - INTER-SETTLEMENT INSTRUCTIONS BY CLEARING MEMBER** **Instructions:** (1) Submit two copies of DIS - Participant's copy (*to be retained by Participant*) and Client's copy (*for acknowledgment*). (2) Please strike off unused rows. (3) Please write correct ISIN and Quantity (both in figures and words).	NSDL Technology, Trust & Reach

I/ We hereby request you to move securities in my/our account as per the following details: | Serial No. | Pre-printed

DP ID	Pre –printed	Client ID	Pre-printed/ Pre-stamped	Date	D D M M Y Y Y Y

From			To	
Market Type		☐ Early Pay-in	Market Type	
Settlement No.			Settlement No.	

Sr. No.	Client UCC	TM ID	Exchange Name	Client PAN	ISIN	Security Name	Quantity (in figures)	Quantity (in words)	Instruction No. (To be filled by DP)
1					IN				
2					IN				
3					IN				
4					IN				
5					IN				

No. (count) of ISINs to be transferred | Phone no. | Execution Date D D M M Y Y

1._____ **2.**_____ **3.**_____

Authorised Signatory (ies)

To be filled by DP

Date and Time of Receipt and DP Stamp with Signature	Pay-in (Market) instruction received after 4 p.m. on the previous day of the settlement date will be accepted by DP at 'Client's risk' without any liability / claim.	
	Maker	Checker

This DIS is issued by <DP Name>. If found, please return to <DP name> at <DP Address>

CONTENT TO BE PRINTED ON REVERSE SIDE OF COVER PAGE OF DIS BOOKLET

Go Green Initiative: Save paper and time by availing hassle free NSDL e-services

1. **IDeAS**: Use IDeAS facility to view your holdings and transactions in demat account online.
2. **SPEED-e**: Use SPEED-e facility to submit delivery instructions directly on internet.

Ask your DP or visit https://eservices.nsdl.com/ for details on above.

FORM 20

Participant's copy / Client's copy

FORM 20 - POOL TO POOL INSTRUCTIONS BY CLEARING MEMBER

DP LOGO
DP NAME

Instructions: (1) Submit two copies of DIS - Participant's copy (*to be retained by Participant*) and Client's copy (*for acknowledgment*). (2) Please strike off unused rows. (3) Please write correct ISIN and Quantity (both in figures and words).

NSDL Technology, Trust & Reach

I/ We request to **debit** my/our CM account as per following details:

Serial No.	Pre-printed

DP ID	Pre –printed	Client ID	Pre-printed/ Pre-stamped	Date	D D	M M	Y Y Y Y

From			To		
Market Type		☐ Early Pay-in	Market Type		
Settlement No.			Settlement No.		
			CM-BP-ID	IN	

Sr. No.	Client UCC	TM ID	Exchange Name	Client PAN	ISIN	Security Name	Quantity (in figures)	Quantity (in words)	Instruction No. (To be filled by DP)
1					IN				
2					IN				
3					IN				
4					IN				
5					IN				

No. (count) of ISINs to be transferred		Phone no.		Execution Date	D D M M Y Y Y Y

1._____ **2.**_____ **3.**_____

Authorised Signatory (ies)

Date and Time of Receipt
and
DP Stamp with Signature

Pay-in (Market) instruction received after 4 p.m. on the previous day of the settlement date will be accepted by DP at 'Client's risk' without any liability / claim.

To be filled by DP

Maker	Checker

This DIS is issued by <DP Name>. If found, please return to <DP name> at <DP Address>

13 CM

19 CM

CONTAIN TO BE PRINTED ON REVERSE SIDE OF COVER PAGE OF DIS BOOKLET

Go Green Initiative: Save paper and time by availing hassle free NSDL e-services.

1. **IDeAS**: Use IDeAS facility to view your holdings and transactions in demat account online.
2. **SPEED-e**: Use SPEED-e facility to submit delivery instructions directly on internet.

Ask your DP or visit https://eservices.nsdl.com/ for details on above.

FORM 21

Participant Name, Address & DP ID.
(Pre-printed)

CM POOL TO CM POOL RECEIPT INSTRUCTIONS BY CLEARING MEMBERS

Serial No. (Pre-printed) Date : _____

Client ID. (Pre-stamped)

I/We hereby request you to credit my/our account as per the following details :

To		From	
Market Type		Market Type	
Settlement No.		Settlement No.	
		CM-BP-ID	

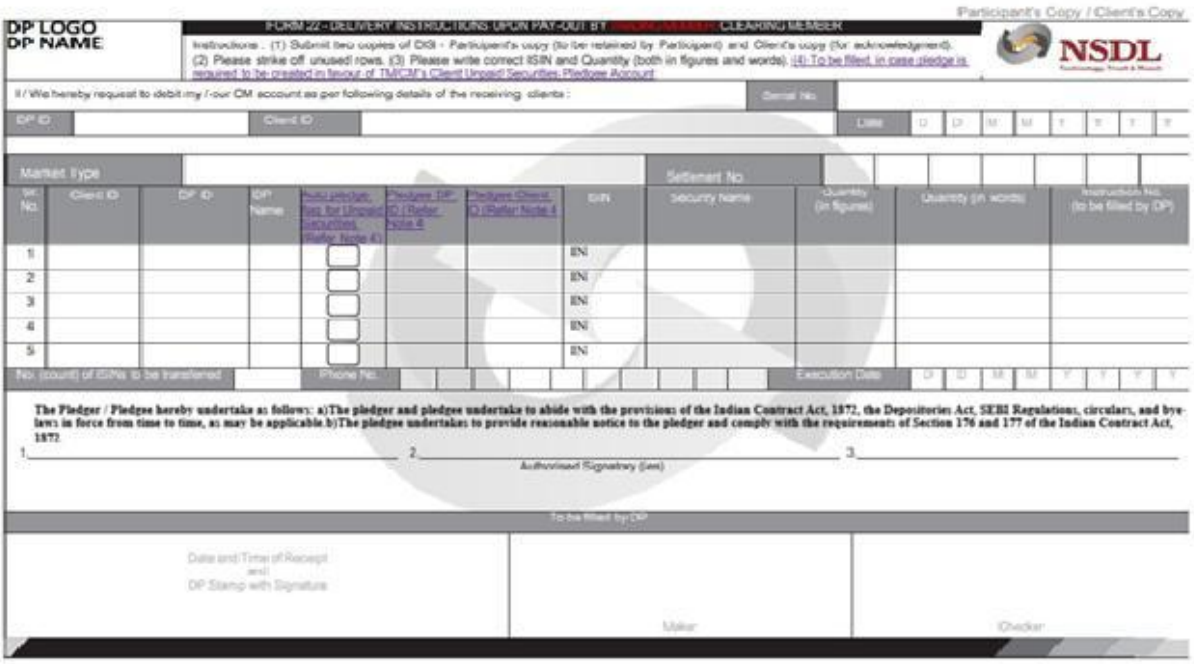
ISIN	Security Name	Quantity (In Figures)	Quantity (In Words)	Instruction No. (To be filled by DP)

Execution Date :_____

Participant Stamp, Date & Time **Authorised Signatory(ies)**

Instructions: To be submitted in duplicate for acknowledgement

FORM 22[246BB]



Participant's Copy / Client's Copy

DP LOGO
DP NAME

FORM 22 - DELIVERY INSTRUCTIONS UPON PAY-OUT BY [redacted] CLEARING MEMBER

Instructions : (1) Submit two copies of DSI - Participant's copy (to be retained by Participant) and Client's copy (for acknowledgment). (2) Please strike off unused rows. (3) Please write correct ISIN and Quantity (both in figures and words). (4) To be filled, in case pledge is required to be created in favour of TM/CM's Client Unpaid Securities Pledgee Account

NSDL

If / We hereby request to debit my / our CM account as per following details of the receiving clients :

Serial No.

DP ID | Client ID | Date D D M M Y Y Y Y

Market Type | Settlement No.

Sr. No.	Client ID	DP ID	DP Name	Auto pledge (Yes for Unpaid Securities Refer Note 4)	Pledgee DP ID (Refer Note 4)	Pledgee Client ID (Refer Note 4)	ISIN	Security Name	Quantity (in figures)	Quantity (in words)	Instruction No. (to be filled by DP)
1				☐			IN				
2				☐			IN				
3				☐			IN				
4				☐			IN				
5				☐			IN				

No. (count) of ISINs to be transferred | Phone No. | Execution Date D D M M Y Y Y Y

The Pledger / Pledgee hereby undertake as follows: a)The pledger and pledgee undertake to abide with the provisions of the Indian Contract Act, 1872, the Depositories Act, SEBI Regulations, circulars, and bye-laws in force from time to time, as may be applicable.b)The pledgee undertakes to provide reasonable notice to the pledger and comply with the requirements of Section 176 and 177 of the Indian Contract Act, 1872

1. _____ 2. _____ 3. _____

Authorised Signatory (ies)

To be filled by DP

Date and Time of Receipt and DP Stamp with Signature | Maker | Checker

[246BB] Inserted w.e.f September 09, 2026

newly inserted part "The Pledger /Pledgee hereby undertake as follows:

a) The pledger and pledgee undertake to abide with the provisions of the Indian Contract Act, 1872, the Depositories Act, SEBI Regulations, circulars, and bye-laws in force from time to time, as may be applicable.

b) The pledgee undertakes to provide reasonable notice to the pledger and comply with the requirements of Section 176 and 177 of the Indian Contract Act, 1872"

above authorised signatory

FORM 23

Participant's Name, Address & DP ID (pre-printed)

DEMATERIALISATION REQUEST FORM FOR GOVERNMENT SECURITIES

Serial No. (Pre Printed) Date : _____

DRN:_____

I/We request you to dematerialise Government Securities into my/our account as per the details given below:

Tick (✓) whichever is applicable

A	Submit Physical Government Securities to NSDL	
B	Value Free Transfer of Government Securities to NSDL SGL II	

Client ID								
Sole/First Holder Name								
Second Holder Name								
Third Holder Name								
Face Value of Securities (in ₹) to be Dematerialised / Transferred								
(in figures)								
(in words)								
Nomenclature of the Security								
Loan Code*								
ISIN*	I	N						
Issued by PDO (In case of Physical Certificate)								

*To be filled by the DP / in consultation with the DP

Details of Securities :

Sr. No.	*Certificate No.*	*Face Value*

(In case the space is found to be insufficient, an annexure containing the certificate details in the same format may be attached.

Declaration

Part A: Applicable when Physical Securities are submitted

I/We hereby declare that the above mentioned person(s) are the bonafide beneficial owners of the above mentioned securities. I/We also hereby declare that the securities submitted by me/us for dematerialisation are free from any lien or charge or encumbrance and represent bona fide Government Securities to the best of my/our knowledge and belief.

I/We am/are also submitting an attested Form of Transfer favouring "National Securities Depository Limited". This is being done to facilitate a credit in the SGL Constituent Account of NSDL and should not in anyway be construed as an intention of the person(s) mentioned below to sell the securities to NSDL.

Part B: Applicable for Value Free Transfer of Government Securities to NSDL SGL II

I/We hereby declare that the above mentioned person(s) are the bonafide beneficial owners of the above mentioned securities.

I/We am/are submitting **request letter for Inter SGL Transfer for dematerialisation**. This is being done to facilitate a credit in the SGL Constituent Account of NSDL and does not in anyway constitute a sale of the securities to NSDL.

Authorised Signature(s)

Holder(s)	Signature(s)
Sole/First Holder	
Second Holder	
Third Holder	

Participant Authorisation

The application form is verified with the certificates surrendered for dematerialisation / **request letter for Inter SGL Transfer** and we certify that the application form is in accordance with the details mentioned in the enclosed certificates / **request letter for Inter SGL Transfer**. It is also certified that the holders of the securities have beneficiary account with us in the same name(s).

Name of the Executive :

Signature : **Participant's Stamp & Date**

Acknowledgment

Participant's Name, Address & DP ID
(pre-printed)
Serial No. (pre-printed)

We hereby acknowledge the receipt of certificate(s) / **request letter for Inter SGL Transfer for dematerialisation of** _____ Face Value of _____ _____ (description of securities) surrendered for dematerialisation by Mr/Ms/M/s _____ having Client ID _____.

Date : **Participant's Stamp & Signature**

FORM 24

FORM OF TRANSFER

Transfer Index Regn. No	

I / We* _____

_____(transferor/s)

do hereby assign and transfer my/our * interest or share in the Inscribed Stock certificate No. _____ of _____ Percent Government Loan of _____ amounting to₹ _____ being the amount/a portion of the stock for ₹_____as specified on the face of this instrument together with the accrued interest thereon to_____(transferee/s) his/her/their * executors, administrators or assigns, and I/We * _____ do freely accept the Stock certificate number to the extent it has been transferred to me/us.*

I/We*_____

[Transferee (s)]

hereby request that on my / our * being registered as the holder/s of the stock transferred to me / us * the above Stock Certificate to the extent it has been transferred to me / us * may be renewed in my / our * name(s) / converted in my/our * name(s).

@ I / We *_____

_____(transferor/s)

hereby request that on the above transferee (s) being registered as the holder/s of the Stock hereby transferred to him/them *, the aforesaid Stock Certificate to the extent it has not been transferred to him / them * may be renewed in my/our * name(s).

As Witness, our hand the _____ day of_____two thousand and _____

Signed by the above named transferor in the	Signature of transferor _____
presence of ** _____	Address _____
Signed by the above-named transferee in the	_____
presence of ** _____	Signature of transferee _____
	Address _____
	_____

* Delete whichever is not applicable

@ This paragraph is to be used only when a portion of the Certificate is transferred.

** ** Signature, occupation and address of witness. Witness should be different for transferor and transferee.

Transferred

S/c. Issued No/s._____dated _____Manager, Reserve Bank of India _____

FORM 25

Participant's Name, Address & DP ID
(pre-printed)

REMATERIALISATION REQUEST FORM FOR GOVERNMENT SECURITIES

Serial No. (Pre Printed) DATE : _____

RRN : _____

I/We request you to dematerialise Government Securities from my/our account as per the details given below:

Tick (✓) whichever is applicable

A	Convert to Physical Government Securities	
B	Transfer of Government Securities from NSDL SGL II	

Part A : I/We hereby declare that the below mentioned account may be debited to the extent of my/our rematerialisation request and equivalent certificates be issued for the same. I/We hereby declare that the below mentioned person(s) are the beneficial owners of the securities mentioned.

Part B: I/We hereby declare that the below mentioned account may be debited to the extent of my/our rematerialisation request and equivalent securities be credited to my SGL account maintained with another eligible entity. I/We hereby declare that the below mentioned person(s) are the beneficial owners of the securities mentioned.

I/We am/are submitting request letter for inter SGL transfer for rematerialisation with Transferee details duly filled in.

This is being done to facilitate a debit in my SGL Constituent Account of NSDL.

Client ID												
Sole/First Holder Name												
Second Holder Name												
Third Holder Name												
Face Value of Securities (in ₹) to be Dematerialised / Transferred (in figures)												
(in words)												
Nomenclature of the Security												
Loan Code*												
ISIN*	I	N										

*To be filled by the DP / in consultation with the DP

(For Part A only)
Total No. of Certificates _____

No. of Certificates	Denomination	Amount (₹)
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
	GRAND TOTAL	_____

Authorised Signature(s)

Holder(s)	Signature(s)
Sole/First Holder	
Second Holder	
Third Holder	

Participant Authorisation

The application form is verified with the details of the beneficial owner's account and certify that the application form is in order. The account has sufficient balances to accept the rematerialisation as requested. It is also certified that the beneficial owners signatures are verified and found in order.

The other details of the beneficial owners as extracted from the records are enclosed.

Name of the Executive :
Signature : Participant's Stamp & Date

Acknowledgment

Participant's Name, Address & DP ID (pre-printed)
Serial No. (pre-printed)

We hereby acknowledge the receipt of a rematerialisation request (Part A/ Part B) for _____

Face Value of _____(description of securities)

from Mr/Ms/M/s _____

having Client ID _____

Date : **Participant's Stamp & Signature**

FORM 26

Participant's Name, Address & DP ID (pre-printed)

INTER SGL TRADES (Sale Instruction) Government Securities debited from NSDL SGL-II (To be used for sale of Government Securities to other eligible SGL entity)

Serial No. (Pre-Printed) Date : _____

*RRN : _____

Client ID								
Sole/First Holder Name								
Second Holder Name								
Third Holder Name								
Face Value of Securities Sold (in words)								
(in figures)								
Nomenclature of the Security								
Loan Code*								
ISIN*	I	N						

* To be filled by the DP / in consultation with the DP

Buyer SGL Name :

Buyer's SGL A/c Number :

RBI Current A/c No. of the Buyer :

Transaction Details

(i) Sale date as per contract :

(ii) Sale price of the security in percent :

(iii) Total cost of Security sold :
[(ii)/100 x Face value]

(iv) (+) Accrued interest on securities :

(v) (-) Income -tax :

(vi) Other payments, if any (+/-) :

(vii) For Buyer : Broker Code _____ Brokerage Amount _____

(viii) For Seller : Broker Code _____ Brokerage Amount _____

Amount of consideration to be transferred (in words) **Amount in figures**

Rupees _____ _____

Authorised Signature(s)

Holder(s)	Signature(s)
Sole/First Holder	
Second Holder	
Third Holder	

DP Authorisation

Name of the Executive :

Signature : Participant's Stamp & Date

To be filled in duplicate for acknowledgement

FORM 27

Participant's Name, Address & DP ID (pre-printed)

INTER SGL TRADES (Purchase Instruction)

Government Securities credited from NSDL SGL-II

(To be used for Purchase of Government Securities from other eligible SGL entity)

Serial No. (Pre-Printed) Date : _____

*DRN : _____

Client ID								
Sole/First Holder Name								
Second Holder Name								
Third Holder Name								
Face Value of Securities Purchased (in words) (in figures)								
Nomenclature of the Security								
Loan Code*								
ISIN*	I	N						

* To be filled by the DP / in consultation with the DP

Seller SGL Name :

Seller's SGL A/c Number :

RBI Current A/c No. of the Seller :

Transaction Details

(i) Sale date as per contract :

(ii) Sale price of the security in percent :

(iii) Total cost of Security sold :
[(ii)/100 x Face value]

(iv) (+) Accrued interest on securities :

(v) (-) Income -tax :

(vi) Other payments, if any (+/-) :

(vii) For Buyer : Broker Code _____ ₹ Brokerage Amount _____

(viii) For Seller : Broker Code _____ ₹ Brokerage Amount _____

Amount of consideration to be transferred (in words) **Amount in figures**

Rupees _____ _____

Mode of Payment _____ _____

Authorised Signature(s)

Holder(s)	Signature(s)
Sole/First Holder	
Second Holder	
Third Holder	

DP Authorisation

Name of the Executive :

Signature : Participant's Stamp & Date

To be filled in duplicate for acknowledgement

[246BC] FORM 28

Pre-printed Serial No.

PLEDGE/HYPOTHECATION FORM

Participant Name
Participant ID
Participant Address

Please tick in any **one** of the boxes as may be applicable	
₹ Create the pledge/hypothecation	₹ Confirm the creation of pledge/hypothecation
₹ Close the pledge/hypothecation	₹ Confirm the closure of pledge/hypothecation
₹ Invoke the pledge/hypothecation	₹ Confirm the invocation of pledge/hypothecation
₹ Unilateral closure the pledge/hypothecation	

Date		Instrumentation Type (Pledge / Hypothecation)	
Client ID	**Prestamped**	Counterparty Pledgor/pledge Client ID	
Client Name		Counterparty Pledgor/pledge Name	
Agreement No. (as provided by pledge)		Counterparty Pledgor/pledge DP ID	
Closure Date		Counterparty Pledgor/pledge DP Name	

Sr. No.	ISIN	Security Name	Reasons & Release date for locked-in securities (if any)	Quantity (in figures) (Refer Instruction No. 2)	Quantity (in words) (Refer Instruction No. 2)	Pledge Order No. (Refer Instruction No. 3)	Reasons for rejections (if any) (To be filled in at the time of confirmation)

The Pledger / Pledgee hereby undertake as follows:

a) The pledger and pledgee undertake to abide with the provisions of the Indian Contract Act, 1872, the Depositories Act, SEBI Regulations, circulars, and bye-laws in force from time to time, as may be applicable.

b) The pledgee undertakes to provide reasonable notice to the pledger and comply with the requirements of Section 176 and 177 of the Indian Contract Act, 1872.

Execution Date : _____ Authorised Signatory(ies)

Instructions:

1. To be submitted in duplicate for acknowledgement.
2. Pledged Quantity, Closure Quantity or the Invoked Quantity to be mentioned as the case may be.
3. Pledge Order No. to be filled in by the client (except at the time of creation of pledge to be filled in by the participant).
4. Locked-in securities cannot be invoked before the lock-in release date.
5. Strike out whichever is not applicable.

[246BC] Inserted w.e.f September 09, 2026

FORM 29

Erroneous Transfer Form

No.	Details	Description
1.	Request by:	Name of Participant (DP)/ Clearing corporation (CC) /CH: DP/CCID:
2.	Mistake is on the part of :	₹ Client ₹ DP/CC/CH
3.	Details of Client or Clearing Member from whose account the erroneous instruction was given	DP ID : Client ID : Client Name : CM BP ID:
4.	Details of securities erroneously transferred	ISIN 1 : Company 1 Name : Quantity : ISIN 2 : Company 2 Name : Quantity : ISIN 3 : Company 3 Name : Quantity : etc.,.
5.	Details of Client to whose account securities were erroneously transferred:	DP ID : Client ID :
6.	Date of erroneous transfer of securities	
7.	Details of Client or Clearing Member to whose account securities were to be transferred	DP ID : Client ID : CM BP ID: Client Name :
8.	Whether **indemnity** as per Annexure LC has been executed by the Participant (given to NSDL):	₹ Yes ₹ No ₹ Annexure LC has already been furnished vide our letter ref. No. _____ dated _____

1. I / We request NSDL to initiate preventive measures to restrain the person mentioned in (5) above from transferring and/or creating any interest/rights/ encumbrance in favour of any third person(s) with respect to the securities mentioned in (4) above within which (name of DP) shall undertake to furnish the supporting documents evidencing the erroneous transaction as per the procedure prescribed by the NSDL.
2. I /we hereby certify that the information furnished at nos. 1 to 8 above are true and correct as per my/ our knowledge based on the official records of the transaction and that no part of it is false.

Date :

Signature :
Name :
Designation :

Notes:

1. This Annexure shall be submitted on the letter head of the Depository Participant.
2. This Annexure shall be signed by the Compliance Officer of the Depository Participant.

Format for Erroneous Transfer Indemnity

(To be stamped as per Stamp Act).

Ref. No. _____ Dated. _____

To.

_____

National Securities Depository Ltd.
4th Floor, Trade World, 'A' Wing,
Kamala Mills Compound, Senapati
Bapat Marg, Lower Parel, Mumbai
400 013.

Dear Sir,

1. In consideration of NSDL having at the request of _____(name of DP) agreeing to initiate the preventive measures to restrain the transferee (receiving client) from transferring or creating any interest/ rights/ encumbrance in favour of any third person(s) with respect to the securities that have been transferred erroneously / wrongly (hereinafter referred to as the said "securities") by the transferor (Our Client), We, _____ (name and address of DP) hereby guarantee to NSDL the payment against any and all claims, demands, proceedings, losses, damages, costs, charges, expenses and actions of any kind which may arise against or incurred or suffered by NSDL whether jointly or severally with any person on account of or by reason of or in consequence of NSDL having initiated the preventive measures to restrain the transferee from transferring or creating any interest/rights/ encumbrance with respect to the said securities on account of any claim being made against NSDL, and its successor(s) and established by any person or persons found to have suffered damages / losses on account of the preventive measures initiated by NSDL.

2. Notwithstanding anything contained herein, this guarantee is executed in favour of NSDL, in addition to the Rights and Obligations arising out of the provisions of Law or any contractual obligations of the transferor in favour of _____ (name of the DP) and NSDL; and the same shall remain in force till NSDL is relieved and discharged from all liabilities arising out of the said preventive measures initiated by NSDL with respect to the said securities.

3. This guarantee shall be a continuing guarantee to cover all such requests that we as a Depository Participant may make to NSDL, with respect to all such erroneous / wrong transfer(s) of securities that may be made by our client(s) (transferor(s)) and shall remain operative in respect of each of the obligations, liabilities or commitments of _____ (Name of DP) severally and may be enforced as such in the discretion of NSDL, as if each of the obligations, liabilities or commitments had been separately guaranteed by _____ (Name of DP). The guarantee shall not be considered as cancelled or in anyway effected on either the transferor ceasing to be our client or on account of any demand being raised by NSDL and shall continue and remain in operation in respect of all subsequent obligations, liabilities or commitments of _____ (Name of DP) on any demand being raised but our liability there under shall not under any circumstances exceed the sum / amount that NSDL may have to incur in making payments to any person or persons found to have suffered damages / losses on account of the said preventive measures initiated by NSDL or in defending any such Claims, Complaints, Applications, Suit / Case filed by any person before any Court, Tribunal or any Statutory Authority.

4. This guarantee shall not be affected by any change in the constitution of _____(Name of DP) and it shall remain in force notwithstanding and forbearance or indulgence that may be shown by NSDL to_____(Name of DP).

5. We, _____ (name of DP), undertake to pay the amount hereby guaranteed within _____ days of being served a written notice at the following address delivered by hand

   or

registered post or by speed post or courier requiring the payment of the amount guaranteed failing which NSDL may charge interest **@ 24% p.a.** for such period of delay.

6. We, _____ (name of DP) undertake not to revoke this guarantee except with the previous consent of NSDL in writing.

Yours Faithfully,

For _____(name of DP)

( )

Name &

Designation

Compliance Officer/ Company Secretary/ Director/ Managing Director

[246C]FORM 30
TRANSMISSION FORM

Date D D M M Y Y Y Y

To,
Name of Participant
Address of Participant

I/We, the undersigned, being the

Executor(s) of the Will	☐	Legal heir(s)	☐
Administrator(s) of the Estate	☐	Joint holder(s)	☐
Successor(s) to the Estate	☐	Nominee	☐

of Mr./Mrs./Ms. _____, Mr./Mrs./Ms. _____ and Mr./Mrs./Ms. _____, the deceased, of which *nomination / Succession Certificate/ Probate of Will/ Will/ Letter of Administration/ Court Decree as may be applicable in terms of the Indian Succession Act, 1925 or Legal Heirship Certificate (or its equivalent Certificate) issued by competent Government Authority, was duly granted / issued to me / us on the _____ day of _____of _____hereby request you to register me/us as the beneficial owner(s) in respect of the securities standing in the name of the said deceased under Client ID _____DP ID_____.

I/We give hereunder the details of my/our account with a Participant to which the security balances are requested to be transmitted:

Name	Client ID	DP ID

List of Documents enclosed (for Individual accounts) (tick as applicable):

A	For surviving holder(s) in a joint account :	
	I	Self-attested copy of death certificate attested by the joint account holder(s) 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;
B	For nominee(s) of the deceased:	
	i.	Self-attestedcopy of death certificate attested by the nominee(s) subject to verification with the original or death certificate downloaded from the online portal of Government carrying digital/facsimile signature of the issuing authority;
	ii.	Self–attested copy of PAN card of the nominee(s); In case the account of the nominee(s) is not with the Participant, copy of Client Master Report of the account of the nominee(s);
	iii.	In case the account of the nominee(s) is not with the Participant, copy of Client Master Report of the account of the nominee(s) duly signed and stamped/ electronic copy of Client Master Report digitally signed by the Participant;
	iv.	In case the nominee is a minor, Copy of Birth Certificate;
	v.	In case of nominee being a minor / of unsound person, KYC of the Guardian of Minor / of unsound person;
C	For legal heir(s) or claimant(s), where deceased was a sole holder and no nomination or simultaneous passing away of joint holders without nomination in the account - Value of holding not exceeding Rs. 15,00,000 (Rupees Fifteen Lakhs) as on the date of application:	
	i.	Self-attested copy of the death certificate attested by the legal heirs (s) or claimant(s) subject to verification with the original, or death certificate downloaded from the online portal of Government carrying digital/facsimile signature of the issuing authority;
	ii.	Self–attested copy of PAN card of the legal heir(s) / claimant(s);
	iii.	In case the account of the legal heirs(s) / claimant(s) is/are not with the Participant, copy of Client Master Report of the account of the legal heirs(s) / claimant(s) duly signed and stamped/ electronic copy of Client Master Report digitally signed by the Participant;
	iv.	In case the claimant/legal heir is a minor, Copy of Birth Certificate;
	v.	In case of claimant being a minor / of unsound mind, KYC of the Claimant Guardian;
	vi.	A notarized affidavit, in the format provided in Form 30 from all legal heir(s)/ claimants made on non-judicial stamp paper of appropriate value, to the effect of identification and claim of legal ownership to the securities; However, in case the legal heir(s)/claimant(s) are named in any of the Succession Certificate or Probate of Will or Will or Letter of Administration as may be applicable in terms of Indian Succession Act, 1925 (39 of 1925), or Legal Heirship Certificate or its equivalent certificate issued by a competent Government Authority, an affidavit from such legal heir(s)/claimant(s) alone shall be sufficient;

	vii.	Copy of the Succession Certificate (in terms of the Indian Succession Act, 1925), evidencing rights of the legal heir(s) / claimant(s), attested by the legal heir(s) / claimant(s) subject to verification with the original or duly attested by a notary public or by a gazetted officer; OR Copy of Letter of Administration (in terms of the Indian Succession Act, 1925), evidencing rights of the legal heir(s) / claimant(s), attested by the legal heir(s) / claimant(s) subject to verification with the original or duly attested by a notary public or by a gazetted officer; OR Copy of Court Decree (in terms of the Indian Succession Act, 1925), evidencing rights of the legal heir(s) / claimant(s), attested by the legal heir(s) / claimant(s) subject to verification with the original or duly attested by a notary public or by a gazetted officer; OR Copy of Probate of Will* (in terms of the Indian Succession Act, 1925), evidencing rights of the legal heir(s) / claimant(s), attested by the legal heir(s) / claimant(s) subject to verification with the original or duly attested by a notary public or by a gazetted officer; *Probate of Will shall be only insisted on, if applicable in terms of Indian Succession Act, 1925 OR Copy of Will** (in terms of the Indian Succession Act, 1925), evidencing rights of the legal heir(s) / claimant(s), attested by the legal heir(s) / claimant(s) subject to verification with the original or duly attested by a notary public or by a gazetted officer shall be accompanied with a notarised Indemnity Bond from the legal heir(s) / claimant(s) to whom the securities are transmitted, made on non-judicial stamp paper of appropriate value in the format specified in Form 30; ** Will duly executed in terms of the Indian Succession Act, 1925 OR Copy of Legal Heirship Certificate (or its equivalent) issued by a Competent Government Authority duly attested by a Notary Public or by a Gazetted Officer or attested by the legal heir(s) / claimant(s) subject to verification with the original, and accompanied with (i) a notarized indemnity bond from the legal heir(s) /claimant(s) to whom the securities are transmitted, made on non-judicial stamp paper of appropriate value in the format specified in Form 30; and (ii) no objection from all the non-claimants stating that they have relinquished their rights to the claim for transmission of securities, duly attested by a notary public or by a gazetted officer in the format specified in Form 30
	viii.	In case of non-availability of documents mentioned in Para C - vii, the following shall be submitted along with other documents mentioned above;
	a.	Indemnity Bond (format enclosed) ;
	b.	No Objection Certificate(s) from all the legal heir(s) / non-claimants, clearly relinquishing their rights to the claim for transmission of securities (format enclosed) ; OR Copy of Family Settlement Deed duly executed by all legal heir(s) , duly attested by a notary public or by a gazetted officer [as an alternate to No objection certificate(s)]
D	For legal heir(s)/claimant(s) where the deceased was a sole holder and no nomination registered in the account or simultaneous passing away of joint holders without nomination- Value of holding exceeds Rs. 15,00,000 (Rupees Fifteen Lakhs) as on the date of application:	
	i.	Self-attested copy of the death certificate attested by the legal heirs(s) or claimant(s) 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;

ii. Self–attested copy of PAN of the legal heir(s) / claimant(s);

iii. In case the account of the legal heir(s) / claimant(s) is/are not with the Participant, copy of Client Master Report of the account of the legal heir(s) / claimant(s) duly signed and stamped/ electronic copy of Client Master Report digitally signed by the Participant;

iv. Copy of the Succession Certificate (in terms of the Indian Succession Act, 1925), evidencing rights of the legal heir(s) / claimant(s), attested by the legal heir(s) / claimant(s) subject to verification with the original or duly attested by a notary public or by a gazetted officer;

OR

Copy of Letter of Administration (in terms of the Indian Succession Act, 1925), evidencing rights of the legal heir(s) / claimant(s), attested by the legal heir(s) / claimant(s) subject to verification with the original or duly attested by a notary public or by a gazetted officer;

OR

Copy of Court Decree (in terms of the Indian Succession Act, 1925), evidencing rights of the legal heir(s) / claimant(s), attested by the legal heir(s) / claimant(s) subject to verification with the original or duly attested by a notary public or by a gazetted officer;

OR

Copy of Probate of Will* (in terms of the Indian Succession Act, 1925), evidencing rights of the legal heir(s) / claimant(s), attested by the legal heir(s) / claimant(s) subject to verification with the original or duly attested by a notary public or by a gazetted officer;

*Probate of Will shall be only insisted on, if applicable in terms of Indian Succession Act, 1925

OR

Copy of Will** (in terms of the Indian Succession Act, 1925), evidencing rights of the legal heir(s) / claimant(s), attested by the legal heir(s) / claimant(s) subject to verification with the original or duly attested by a notary public or by a gazetted officer shall be accompanied with a notarised Indemnity Bond from the legal heir(s) / claimant(s) to whom the securities are transmitted, made on non-judicial stamp paper of appropriate value in the format specified in Form 30;

** Will duly executed in terms of Indian Succession Act, 1925

OR

Copy of Legal Heirship Certificate (or its equivalent) issued by a Competent Government Authority duly attested by a Notary Public or by a Gazetted Officer or attested by the legal heir(s) / claimant(s) subject to verification with the original, and accompanied with (i) a notarized indemnity bond from the legal heir(s) /claimant(s) to whom the securities are transmitted, made on non-judicial stamp paper of appropriate value in the format specified in Form 30; and (ii) no objection from all the non-claimants stating that they have relinquished their rights to the claim for transmission of securities, duly attested by a notary public or by a gazetted officer in the format specified in Form 30;

v. In case the claimant/legal heir is a minor, Copy of Birth Certificate;

vi. In case of claimant being a minor / of unsound mind, KYC of the Guardian of minor / of unsound person;

vii. A notarized affidavit, in the format provided in Form 30 from all legal heir(s)/ claimants made on non-judicial stamp paper of appropriate value, to the effect of identification and claim of legal ownership to the securities;

Provided that, in case the legal heir(s)/claimant(s) are named in any of the Succession Certificate or Probate of Will or Will or Letter of Administration as may be applicable in terms of Indian Succession Act, 1925 (39 of 1925), or Legal Heirship Certificate or its equivalent certificate issued by a competent Government Authority, an affidavit from such legal heir(s)/claimant(s) alone shall be sufficient;

Declaration:

(*Applicable only for legal heir(s)/ claimant(s) where deceased was a sole holder and no nomination in the account or simultaneous passing away of joint holders without nomination - Value of holding exceeding / not exceeding Rs. 15,00,000 (Rs. Fifteen Lakhs) as on the date of application*)

We declare that the below mentioned person(s) are the only legal heir(s) /claimant(s) of the deceased and there are no other legal heir(s)/claimant(s). Of these, as specified below, some/all of them are legal heir(s) / non-claimant(s) and some of them have given a No Objection Certificate relinquishing their rights on the securities held in the aforesaid Beneficial Owner account in favour of other legal heir(s)/claimant(s). Details are given below:

Sr. No.	Name of the legal heir(s)	Specify whether a legal heir(s) / claimant(s) given a No Objection Certificate

Declaration:

(Applicable only if transmission of securities in case of nomination)

(a) I / We are receiving the assets of the deceased's demat account as a trustee to his / her legal heir(s).

(b) I / We shall extend all co-operation in transferring such assets to the legal heir(s) either suo moto or when approached by the latter.

(c) The Participant legally and validly discharged upon transmission of assets to the nominee(s). In case I / We fail to discharge my / our liability, or if there is any dispute between me / us and the legal heir(s) of the deceased, then the Participant or NSDL, shall not be party to such disputes.

Signatures:

Sr. No.	**Name of claimant**	**Signature of claimant**

Notes: 1. This request form should be signed by the surviving joint holder(s)/ legal heir(s)/ claimant(s)/ nominee, as the case may be.

2. * Strike off whichever is not applicable.

[246C] Amended w.e.f. April 16, 2026

(To be executed on a non-judicial stamp of appropriate value and Notarized)

Individual Affidavits to be given by ALL the Legal Heirs OR Legal Heirs named in Succession Certificate*/ Probate of Will*/ Will*/ Letter of Administration*/ Legal Heirship Certificate*(or its equivalent certificate)*/Court Decree*

(For Transmission of securities on death of Sole Holder where NO NOMINATION has been registered)

Each Deponent (legal heir) shall sign separate Affidavits.

☐ I,_____Son / daughter of _____residing at _____ _____do hereby solemnly affirm and state on oath as follows.

That Mr. /Mrs _____@ ("the deceased holder") held securities in his / her name as single holder in Beneficial Owner account [Client ID._____] with (name of the of the Participant) having DP ID. [____] :

☐ That the aforesaid deceased holder died *intestate* leaving behind him/her, the following persons as the only surviving heirs as per the Succession Certificate/ Legal Heirship Certificate(or its equivalent certificate)/Court Decree dated _____/ according to the Law of Intestate Succession by which he/she was governed at the time of his/her death and without registering any nominee. *

OR

☐ That the aforesaid deceased holder died leaving behind the following persons as the legatees as per the Will/ Probated Will/ Letter of Administration dated _____and without registering any nominee. *

A copy of the **Succession Certificate*/ Probate of Will*/ Will*/ Letter of Administration*/ Legal Heirship Certificate*(or its equivalent certificate)*/ Court Decree*** is attached herewith.

	Name of the Legal Heir(s)	**Address and contact details**	**Age**	**Relation with the Deceased**
1)				
2)				
3)				

That among the aforesaid legal heirs, Master/ Kum._____aged ___ years is a minor and is being represented by Mr./Ms. _____[$] being his / her father / mother / legal guardian.

Signature of the Deponent:

X_____

VERIFICATION

I hereby solemnly affirm and state that what is stated herein above is true and correct and nothing has been concealed therein and that we / I am competent to contract and entitled to rights and benefits of the abovementioned securities of the deceased.

Solemnly affirmed at Signature of the Deponent: X_____

Signed before me

Place: _____

Date : _____

X ----------

Signature of Notary with Official Seal of Notary& Regn. No.

** strikeout whichever is not applicable*

\# = *Name of the legal heir* @ = *Name of the deceased security holder*

$ = *Name of the Guardian*

Note: ***To be executed in the presence of a Public Notary* / Gazetted Officer**

Bond of Indemnity to be furnished jointly by all Legal Heir(s) including the Claimant(s)
(To be submitted on Non-judicial Stamp Paper of appropriate value)

[For Transmission of Securities on death of Sole Securities' Holder, where no nomination has been registered]

I/We do hereby solemnly affirm and state on oath as follows:

That Mr. /Ms. _____Name of the deceased holder_____ was holding the securities in Beneficial Owner account Client ID.[_____] with [name of the Participant] having DP ID. [_____] :

That the aforesaid deceased holder died *intestate* on _____, without registering any nominee, leaving behind him/her the following persons as the only surviving legal heirs, according to the laws of intestate succession applicable to him/her by which he/she was governed at the time of his/her death.

Name of the Legal Heir(s)/Claimant(s)	**Address and contact details**	**Age**	**Relationship with the Deceased**
1			
2			
3			
4			

OR

That the aforesaid deceased holder died on _____, without registering any nominee, leaving behind him/her the following persons as the only surviving legal heirs, according to the laws of testamentary succession.

Name of the Legal Heir(s)/Claimant(s)	Address and contact details	Age	Relationship with the Deceased
1			
2			
3			

Therefore, I/We, the Legal Heir(s)/Claimant(s) and deponent(s) herein has/have, approached _____(Name of the Participant) with a request to transmit the aforesaid securities in the name of the undersigned Mr. /Ms. [Name(s) of the legal heir(s) / claimant(s)]_____[#], on my/our behalf, without insisting on production of a Succession Certificate / Probate of Will / Letter of Administration or any Court order, for which we execute an indemnity as is herein contained and on relying on the information herein given by us, believing the same to be true.

In consideration therefore of my/our request to transfer/transmit the above said securities to the name of the undersigned Mr. /Ms. [Name(s) of the legal heir(s)/claimant(s)] [#],

I/We hereby jointly and severely agree and undertake to indemnify and keep indemnified, saved, defended, harmless, [Name of the Participant] and NSDL and its successors and assigns for all time hereafter against all losses, costs, claims, actions, demands, risks, charges, expenses, damages, etc., whatsoever which they may suffer and/or incur by reason of transferring the said securities as herein above mentioned, at my/our request to the undersigned Mr./Ms. [Name(s) of the legal heir(s)/claimant(s)]_____#, without insisting on production of a Succession Certificate / Probate of Will / Letter of Administration or any Court order.

IN WITNESS WHEREOF the said 1) Mr. /Ms. _____(Name and signature of the witness) _____

And 2) Mr. /Ms. _____ Name and signature of the witness _____ #, have hereunto set their respective hands and seals this day of _____. Signed and delivered by the said legal heir/s.

Name the Legal Heirs	Signature of the Legal Heirs
1	X
2	X
3	X

(*) = Name of the deceased security holder (#) = Name of the claimant/s

Signed before me

at: _____

on: _____

Signature of Notary

Official stamp & seal of the Notary & Regn. No.:

Note: ***To be executed in the presence of a Public Notary*** **/ Gazetted Officer**

[To be submitted in non-judicial stamp paper of appropriate value]

No-Objection Certificate from the Legal Heir(s)
for Transmission of Securities in favour of the Claimant(s) wherein the Sole Holder is deceased and no nomination has been registered

DECLARATION

I / We, the legal heir(s) of late Mr. / Ms_____(name of the deceased holder) declare as follows –

(i) That the above named deceased holder was holding securities in his / her name as single holder in Beneficial Owner account Client ID.[_____] with [name of the Participant] having DP ID. [____]:

(ii) That the deceased had died intestate on D D / M M / Y Y Y Y .and without registering any nominee.

(iii) That the following Claimant(s) has / have applied for the transmission of the aforesaid securities:

Name of the Claimant(s)	Address and contact details	Age	Relationship with the deceased
1)			
2)			
3)			

(iv) That I / We are the legal heir(s) of the deceased holder, apart from the Claimant(s)who has/ have applied for transmission of the aforesaid securities and our details are as follows:

Name of the Legal Heir(s)	Address and contact details	Age	Relationship with the deceased
1)			
2)			
3)			

(v) I / we hereby declare that, I / we do not desire to make any claim in respect of the title to the aforesaid securities held by the deceased and I / we hereby wilfully relinquish &

renounce all my /our rights in respect of the aforesaid securities and shall have no legal claim upon said securities in future.

(vi) Accordingly, I / we declare that I / we have NO OBJECTION WHATSOEVER in _____(Name of the Participant) transmitting the aforesaid securities in favour of the Claimant(s) Mr. / Ms. _____.

(vii) I / we hereby state that whatever is stated herein above are true to the best of my/our knowledge and nothing has been concealed therein.

Name(s) and Signature(s) of Legal Heir(s) who are Non – Claimant(s):

1) _____
2) _____
3) _____

VERIFICATION

We hereby solemnly affirm and state that what is stated herein above is true to our knowledge and nothing has been concealed therein and that we are competent to contract and entitled to rights and benefits of the above mentioned securities.

Solemnly affirmed at _____

Deponent(s) (1)_____(2)_____(3)_____

FORM 31

TRANSPOSITION FORM

(for transposition and demat cases)

Date	D	D	M	M	Y	Y	Y	Y

To,
Name of Participant
Address of Participant

We, the undersigned, being the joint holder(s) of securities of (Name of the Company) wish to have our holdings transposed in the following order in which we have an account with you. We are also submitting the certificate(s) along with DRF for dematerialisation.

Names on the certificate of security:

Name	Signature(s)

Details of our client account:

DP ID	Client ID	Names of the account holders

Note: Separate Transposition form should be filled by the joint holders for securities having distinct ISINs

[246D]FORM 31.1

Issuer / Registrar and Transfer Agent Name
Issuer / Registrar and Transfer Agent Address
Registrar and Transfer Agent ID

TRANSPOSITION FORM ALONGWITH DEMATERIALISATION CONVERSION REQUEST

(for transposition and demat cases)

Date	D	D	M	M	Y	Y	Y	Y

We, the undersigned, being the joint holder(s) of securities of (Name of the Company) wish to have our holdings transposed in the following order in which we have a demat account. We are also submitting the DCRF for dematerialisation.

Names on the certificate of security:

Name	Signature(s)

Details of our client account:

DP ID	Client ID	Names of the account holders

Note: Separate Transposition form should be filled by the joint holders for securities having distinct ISINs

[246D] Inserted w.e.f. April 24, 2026

FORM 32

FORM FOR TRANSMISSION ALONGWITH DEMATERIALISATION

To,
Participant's Name, Address & DP ID
(pre-printed)

Date : _____

I/We, the undersigned, being the joint holders of the following securities along with Mr./Mrs. Ms. _____ (*name of the deceased*) wish to have the name of the deceased deleted from the security certificates. A 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 and the dematerialisation request form along with the physical certificates are enclosed. I/We request you to process the same and advise the Issuer/R & T Agent accordingly. The details are given below:

Client ID								
Company Name								
Type of Security Equity/Others (please specify)								
Quantity								
(in figures)								
(in words)								

Sr. No.	Name of the survivor(s)	Signature(s)
1.		
2.		
3.		

(to be filled -in by the Participant)

ISIN*	I	N										
Dematerialisation Request No. (DRN) of the dematerialisation request												

Instructions :

1. Separate forms should be filled up for each ISIN by the survivor(s).
2. Each form should be accompanied by a 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.

[246E]Form 32.1

Issuer / Registrar and Transfer Agent Name
Issuer / Registrar and Transfer Agent Address
Registrar and Transfer Agent ID

FORM FOR TRANSMISSION ALONGWITH DEMATERIALISATION CONVERSION REQUEST

Date : _____

I/We, the undersigned, being the joint holders of the following securities along with Mr./Mrs. Ms. _____(*name of the deceased*) wish to have the name of the deceased deleted from the security certificates. A 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 and the dematerialisation request form along with the physical certificates are enclosed. I/We request you to process the same. The details are given below:

DP ID								
Client ID								
Company Name								
Type of Security Equity/Others (please specify)								
Quantity								
(in figures)								
(in words)								

Sr. No.	Name of the survivor(s)	Signature(s)
1.		
2.		
3.		

(to be filled -in by the Issuer / its R&T Agent)

ISIN*	I	N										
Dematerialisation Conversion Request No. (DCRN) of the dematerialisation request												

Instructions :

1. Separate forms should be filled up for each ISIN by the survivor(s).
2. Each form should be accompanied by a 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.

[246E]Inserted w.e.f. April 24, 2026

Form 33

APPLICATION FOR FREEZING/UNFREEZING OF AN ACCOUNT AND/OR ISIN AND/OR SPECIFIC NUMBER OF SECURITIES

To **DP Name (Pre printed)** **DP ID (Pre printed)** **DP Address (Pre Printed)**	**Date**	**DD**	**MM**	**YYYY**

1. I/We request you as follows:	Type of Instruction (Please tick any one)	
	Freeze	
	Unfreeze	

2. Client ID								

3. Execution Date (date of freeze / unfreeze)	**DD**	**MM**	**YYYY**

4. Account level	Tick any one		Instruction No. (To be filled by DP)
	For debit only	For debit and credit	

5. ISIN Level	Sr. No.	ISIN	Security Description	Tick any one		Instruction No. (To be filled by DP)
				For debit only	For debit and credit	

6. Quantity Level (For debit only)	Sr. No.	ISIN	Security Description	Quantity	Instruction No. (To be filled by DP)

1 _____, 2 _____, 3 _____

Authorised Signatory(ies)

Participant Stamp, Date & Time

Instructions:

1. Tick at 4, 5 and/or 6 above, as may be applicable
2. Separate forms should be filled-in for freeze and unfreeze.
   Please strike off as N.A. wherever not applicable

FORM 34

APPLICATION FOR CLOSING AN ACCOUNT

(For Beneficiary Account only)

Date	D	D	M	M	Y	Y	Y	Y

To,

DP Name:

DP Address:

DP ID:

1. I / We hereby request you to close my/our account with you as per following details:

Name of the holder(s)	
Sole/ First Holder	
Second Holder	
Third Holder	

2. **Reason/s for Closure of depository account** _____

3. **Client ID** (of account to be closed)

4. **Please tick the applicable option(s)**

☐**Option A** [There are no balances / holdings in this account]											
☐ **Option B** [Transfer the balances /holdings In this account as per details given]	☐Transfer to my / our own account (Provide target account details and enclose Client Master Report of Target Account) ☐ Transfer to any other account (Submit duly filled Delivery Instruction Slip signed by all holders)	**Target Account Details**									
		☐NSDL	DP ID								
		☐CDSL	Client ID								
☐ **Option C** [Rematerialise / Reconvert (Submit duly filled Remat / Reconversion Request Form-for mutual fund units)]											

5. **Signatures**

Sole//First Holder	
Second Holder	
Third Holder	

==========

Acknowledgement																	
We hereby acknowledge the receipt of your request for closing the following Account subject to verification:																	
DP ID									Client ID								
Name of Sole/First Holder																	
Name of Second Holder																	
Name of Third Holder																	
Signature of the Authorised Signatory **Date**									**Seal/Stamp of Participant**								

FORM 35

APPLICATION FOR CLOSING AN ACCOUNT
(For Clearing Member Account only)

Date	D	D	M	M	Y	Y	Y	Y

To,

DP Name:

DP Address:

DP ID:

1. I / We hereby request you to close my/our account with you as per following details:

Name of the Clearing Member								
Client ID								
DP ID	I	N						
CM-BP ID								
CC-CM ID								

2. Reason for Closure
(Please tick)

☐ Shifting of Account

☐ Others

(Please specify _____)

Note for Participant:
In accordance with stipulated procedure for Account Shifting of Clearing Member, if the reason for closure is "Shifting of Account," Participant must close account in the DPM System only after receipt of confirmation from NSDL

3. Signature(s)

Name of the Authorised Signatories	**Signature(s)**

==========

Acknowledgment																
We hereby acknowledge the receipt of your request for closing the following Account subject to verification:																
DP ID									Client ID							
CM-BP-ID									CC-CM-ID							
Name of Cleaning Member																
Signature of the Authorised Signatory **Date**									**Seal/Stamp of Participant**							

[246F]FORM 36

DP LOGO
DP NAME

FORM 36 – COMBINED DELIVERY INSTRUCTIONS BY CLIENT

Instructions: (1) Submit two copies of DIS - Participant's copy (*to be retained by Participant*) and Client's copy (*for acknowledgment*). (2) In case of joint holdings, all joint holders must sign. (3) Please strike off unused rows. (4) For Off– market trades and Inter Depository Instructions, please mention reason code from the list given at reverse side of cover page (5) Please write correct ISIN and Quantity (both in figures and words). (6) Applicable for off-market transfer to Retail Direct Gilt (RDG) A/c and please mention the 12-digit RDG A/c number in DP ID & Client ID column.

NSDL Technology, Trust & Reach

I/ We hereby request you to debit my / our account as per following details | Serial No. | Pre-printed

DP ID	Pre –printed	Client ID	Pre-printed/ Pre-stamped	Date	D	D	M	M	Y	Y	Y	Y

(*Please tick any one and fill up the relevant box. Strike off whichever is not applicable*)

☐ For Market Trades (*Receiver Details*)

CM-BP-ID	IN							
CM Name								
Client UCC								
TM ID								
Exchange Name								
Market Type		☐ Early pay-in						
Settlement No.								

☐ For Off - Market Trades (*Receiver Details*)

☐ Inter Depository Instructions (*Receiver Details*) RDG A/c number (Refer instruction 6)

DP-ID								
Client ID								

DP Name*For transfer to RDG A/c mention –"RBI Gilt"

Reason Code	Reason / Purpose	Consideration (in Rs.)
Refer instruction no. 4	Specify for reason code 99 (others)	Mandatory for reason code 1 (off-market sale)

Settlement details | *For Inter Depository Instructions*

Sr. No.	ISIN	Security Name	Quantity (*in figures*)	Quantity (*in words*)	Instruction No. (*to be filled by DP*)
1	IN				
2	IN				
3	IN				
4	IN				

No. (count) of ISINs to be transferred | Phone No. | Execution Date | D | D | M | M | Y | Y | Y | Y

1._____ 2._____

3._____

Authorised Signatory (ies)

Date and Time of Receipt and DP Stamp with Signature

Instruction will be accepted by DP at 'Client's risk' without any liability / claim in following cases:
a) Non-pay in (Off-market) related instruction received on the day of execution.
b) Pay-in (Market) instruction received after 4 p.m. on the previous day of the settlement date.

To be filled by DP

Maker	Checker	Additional Checker (*if applicable*)	Remarks (*For High value transactions/Dormant accounts if any*)

This DIS is issued by <DP Name>. If found, please return to <DP name> at <DP Address>

[246F] amended w.e.f. June 23, 2026

[246G]FORM 37

DP LOGO DP NAME	**FORM 37 – COMBINED DELIVERY INSTRUCTIONS BY POA / DDPI HOLDER ON BEHALF OF CLIENT** **Instructions:** (1) Submit two copies of DIS - Participant's copy (*to be retained by Participant*) and Client's copy (*for acknowledgment*). (2) In case of joint holdings, all joint holders must sign. (3) Please strike off unused rows. (4) For Off– market trades and Inter Depository Instructions, please mention reason code from the list given at reverse side of cover page (5) Please write correct ISIN and Quantity (both in figures and words).(6) Applicable for off-market transfer to Retail Direct Gilt (RDG) A/c and please mention 12-digit RDG A/c number in DP ID & Client ID column	NSDL Technology, Trust & Reach

I/ We hereby request you to debit my / our account as per following details	Serial No.	Pre-printed

DP ID	Pre –printed	POA / DDPI ID	Pre-printed/ Pre-stamped	Date	D D	M M	Y Y Y Y

(*Please tick any one and fill up the relevant box. Strike off whichever is not applicable*)

☐ For Market Trades (*Receiver Details*)

CM-BP-ID	IN						
CM Name							
Market type		☐ Early pay-in					
Settlement No.							

☐ For Off - Market Trades (*Receiver Details*) ☐ Inter Depository Instructions (*Receiver Details*) RDG A/c (Instruction 6)

DP-ID								
Client ID								
DP Name For transfer to RDG A/c – RBI Gilt								

Reason Code	Reason / Purpose	Consideration (in Rs.)
Refer instruction no. 4	Specify for reason code 99 (others)	Mandatory for reason code 1 (off-market sale)
Settlement details	*For Inter Depository Instructions*	

Sr. No.	Source Client ID	Client UCC	TM ID	Exchange Name	ISIN	Security Name	Quantity (*in figures*)	Quantity (*in words*)	Instruction No. (*to be filled by DP*)
1					IN				
2					IN				
3					IN				
4					IN				

No. (count) of ISINs to be transferred		Phone No.		Execution Date	D D	M M	Y Y Y Y

1._____ 2._____ 3._____

Authorised Signatory (ies)

Date and Time of Receipt and DP Stamp with Signature	Instruction will be accepted by DP at 'Client's risk' without any liability / claim in following cases: a) Non-pay in (Off-market) related instruction received on the day of execution. b) Pay-in (Market) instruction received after 4 p.m. on the previous day of the settlement date.

To be filled by DP

	Maker	Checker	Additional Checker (*if applicable*)	Remarks (*For High value transactions/Dormant accounts if any*)

This DIS is issued by <DP Name>. If found, please return to <DP name> at <DP Address>

[246G] amended w.e.f. June 23, 2026

FORM 38

DPLOGO
DP NAME

FORM 38-ADDITIONAL FORM FOR OPENING SARAL ACCOUNT

NSDL
Technology, Trust & Reach

Participanl Name (DP ID _____j Address (Pre-printed)		Client -ID (To be filled by Participant)
I request you lo open a deposit0ry account in my name as per the detail, provided in SARAL AOF.		Date
A	Details or Account holder:	
	Name	
	PAN	
	Occupation (please tick any one and give brief details)	D Pri\lle Sec.or IDAgricul1uri1;.1 Public Sei:lor Rei;n,,J D Busines5 ID Student O Professional I D O<her, (P ... specify)
	Brief demils of OCCUJIILion:	
8	**Gross Annual Income Details**	
	Income Range per annum (please tick any one)	
	D Below Rs I Iac ID Rs 1- 5 lac D Rs 5- ID lac ID Rs 10- 25 lac ID More than Rs 25 lac	
C	Please tick, ir applicable: D Politically Exposed PerSon (PEP) D Related to a Politically Exposed Person (PEP)	
D	**SMS Alert faci.lity•:** D Yes D No (*Ensure that mobile no. i pnwided in SARAL applicruion fom1)	
E	**Nomination Option:** {# Ao:, per details given in ARAL application form.)	
	D I/We wish to make nomination# D I/We do not wish 10 make a nomination.	
f'	Correspondence/ residence address proof not available : If ye . Please tick D I c nfirm that my correspondence/ residence address as mentioned in the Account Opening Form i correct and ·ame shaII be used for any rurther communication addressed to me. In case of any change in aroresaid address, I hereby undertake lo intimute the new address within two weeks of such a change.	

Declaration

The Bye Laws a.nd Business Rules of NSDL and Depository Participants pertaining to an account which are in force now have been read by me/us and Uwe have understood the same and I/we agree to abide by and to be bound by the rules as are in force from time to rime for such accounts. I/we hereby declare that the demils fumished above are true and con-ect to the best of my/our knowledge and belief and I/we undertake to infonn you of any changes therein, immediately. In case any of the above infom1'uion is found to be false or untrue or misleading or misrepresenting, I am/ we are aware that I/we may be held liable for it. I/we acknowledge the receipt of copy of the document, "Rights and Obligations of the Beneficial Owner and Depository Participant",

Signature of holder	X

FORM 39

DP Logo	FORM 39 - HOLD ON SECURITIES FOR NON DISPOSAL UNDERTAKING/ AGREEMENT	NSDL

Participant Name Participant Address		Serial No. Date	

I/We request you to (Please tick in any **one** of the boxes as may be applicable)

☐ Create the Hold ☐ Release the Hold	☐ Confirm the Creation of Hold ☐ Confirm the Release of Hold ☐ Cancellation of the confirmation of Release of Hold

Details of Client in whose account the securities are held		Details of Other party in whose favor hold is crated	
DP ID		Other Party DP ID	
DP Name		Other Party DP Name	
Client ID		Other Party Client ID	
Client Name		Other Party Name	

To be filled in case of request of creation	Name of Company (if part of NDU)	
	Name of Promoters (if part of NDU)	
	NDU/ Agreement Reference Number	

Please tick in any **one** of the boxes as may be applicable for cooling period of release the hold. (If not ticked default cooling period will be 4 days)

☐ 2 days ☐ 3 days ☐ 4 days

Sr. No.	ISIN	Security Name	Quantity (In figures) (Refer Instruction No.2)	Quantity (In words) (Refer Instruction No. 2)	Hold DM Order No. (Refer Instruction No. 3)	Reasons for rejections (if any) (To be filled in at the time of Confirmation)

Execution Date

Please tick in case of request for creation hold

☐ I/we _____ <name of the other party> hereby authorise the Participant of the Client holding the securities on which hold is being created to access the my / authorized signatory(ies) signatures as recorded in my/our aforesaid Demat Account.

_____
Authorised Signatory(ies)

_____
Other Party Authorised Signatory(ies)

Signatures of both Client as well as other party are required in case of request of creation of hold and release hold to be submitted to the Participant of Client.

Instructions:

1. To be submitted in duplicate for acknowledgement.
2. Hold Quantity or Release Quantity to be mentioned as the case may be.
3. Hold DM Order No. to be filled by the client (except at the time of creation of hold to be filled in by the participant).
4. Strike out whichever is not applicable.

FORM 40

DP Logo	**FORM 40 - REQUEST FOR CHANGE OF NAME OF KARTA** (*to be given by new karta and other surviving members of HUF in the event of death of Karta)*	NSDL Technology, Trust & Reach

To,
<*Name of Participant*>
<*Address of Participant*>

Date	D	D	M	M	Y	Y	Y	Y
DP ID	I	N						
Client ID								
Name of HUF								

1	Name of Deceased Karta	
2	Death certificate of Karta is enclosed (*Original/ Notarized / attested by gazette officer/attested by New Karta subject to verification with the original/ death certificate downloaded from the online portal of Government carrying digital or facsimile signature of the issuing authority*) *[Please tick]*	☐
3	I/We intend to continue the HUF in its current status even after the sad demise of Karta *[Please tick]*	☐
4	I/We do not have any objection whatsoever in appoinitng new Karta as per following details *[Please tick]*	☐

5 Details of Newly Appointed Karta *(Please tick)*
☐ eldest coparcener ☐ a coparcener appointed by an agreement reached amongst all the coparceners

a) Name of New Karta			*Photograph of new Karta of HUF*
b) Date of Birth		c) Gender *(Please tick)*	
d) PAN		☐ Male ☐ Female	
e) Aadhaar			

6 We state that the below list of surviving members is complete and exhaustive, and does not leave out any member of the HUF. We confirm that this list is accurate in all respect whatsoever. We also state that all the information provided herein is complete and accurate in all respect and that all the members of the HUF are fully aware of the above request made to the Participant and there is no pending dispute, difference, objection or claim to the same among any of the members of the HUF in this regard.

List of Surviving members of HUF [*In case space for providing list of surviving member is not sufficient please use separate sheet*]

Sr. No.	**Name of Coparcener / Member**	**Date of Birth (DD/MM/YY)**	**Gender**	**Relation with Karta**	**Coparcener/ Member (please specify)**	**Signature & Date (in case of minor to be signed by Guardian)**
1						
2						
3						

7	Name of new Karta	Signature of New Karta

FORM 42

SIGNATURE VARIATION FORM
(to be submitted along with Demat Request Form)

Date								

To,
Participant's Name, Address and DP ID
(Pre-printed)

Client ID								
DRN No.	(to be filled by the DP)							

1. I/We wish to inform that my/our signature in the records of Issuer or RTA may vary from the signature as captured in my/our demat account (Details of which have been mentioned in Dematerialisation Request Form).
2. My/our signature/s might have changed/altered by passing of time and therefore I/we request you to forward this form to the Issuer/RTA alongwith the Demat Request Form to facilitate the Issuer/RTA to process the dematerialisation.

Signature details

	Signature with Issuer/RTA
First/Sole Holder	
Second Holder	
Third Holder	

[247A]Form 42.1

Issuer / Registrar and Transfer Agent Name
Issuer / Registrar and Transfer Agent Address
Registrar and Transfer Agent ID

SIGNATURE VARIATION FORM ALONGWITH DEMATERIALISATION CONVERSION REQUEST
(to be submitted along with Demat Conversion Request Form)

Date								

DP ID								
Client ID								
DCRN No.	(to be filled by the Issuer / its R&T Agent)							

1. I/We wish to inform that my/our signature in the records of Issuer or RTA may vary from the signature as captured in my/our demat account (Details of which have been mentioned in Dematerialisation Conversion Request Form).

2. My/our signature/s might have changed/altered by passing of time and therefore I/we request you to consider this form alongwith the Demat Conversion Request Form to facilitate process of the service request.

Signature details

	Signature with Issuer/RTA
First/Sole Holder	
Second Holder	
Third Holder	

[247A] Inserted w.e.f. April 24, 2026

[247BB]FORM 43

DP Logo	FORM 43 – MARGIN PLEDGE FORM	NSDL Technology, Trust & Reach

Participant Name Participant Address										Serial Number									
										Date	D	D	M	M	Y	Y	Y	Y
DP ID	I	N								Client ID	**Prestamped**								

I/We request you to execute margin pledge instructions as per following details. Further, I/we hereby give my/our express consent for re-pledge of the securities by the Trading Member to Clearing Member and further by the Clearing Member to the Clearing Corporation.

☐ Pledgor	☐ Pledgee
☐ Initiate Margin Pledge/Re-pledge ☐ Request Release of Margin Pledge/Re-Pledge ☐ Request Release Margin Pledge and early pay-in	☐ Confirm Margin Pledge/Re-Pledge Initiation Release Margin Pledge/Re-Pledge ☐ Release Margin Pledge and early pay-in ☐ Invoke Margin Pledge/Re-Pledge ☐ Invoke Margin Pledge and early pay-in Invoke Margin Pledge and redemption (Refer note 6)

Counterparty DP ID										Agreement No.									
Counterparty Client ID										Indicative Closure Date	D	D	M	M	Y	Y	Y	Y
Counterparty Client Name										Execution Date	D	D	M	M	Y	Y	Y	Y

Unique Client Code		Segment ID	
Trading Member Code/ID		Trading Member Name	
		Stock Exchange Name ID	
Clearing Member ID		Clearing Corporation Name/ID	
Settlement Number		Market Type	
CM BP ID		Other Settlement Details (Refer Instruction No. 5)	

Sr. No.	ISIN	Security Name	Lock-In Reason and Release Date (If Any)	Quantity (In Figures)	Quantity (In words)	Margin Pledge Order Number	Consideration Amount (₹) (*To be filled in case of Invocation*)

The Pledger/ Pledgee hereby undertake as follows: a) The pledger and pledgee undertake to abide with the provisions of the Indian Contract Act, 1872, the Depositories Act, SEBI Regulations, circulars, and bye-laws in force from time to time, as may be applicable. b) The pledgee hereby undertakes to provide reasonable notice to the pledger and comply with the requirements of Section 176 and 177 of the Indian Contract Act, 1872

1._____ **2.**_____ **3.**_____

Authorised Signatory(ies)

Instructions:

1. To be submitted in duplicate for acknowledgement.
2. Margin Pledge Order No. to be filled in by the client (except for margin pledge initiation - to be filled in by the Participant).
3. Locked-in securities cannot be invoked before the lock-in release date.
4. Strike out whichever is not applicable.
5. Applicable and mandatory if Clearing Member account with other depository. In such cases details of the CM BP ID, Clearing Corporation name/ID, Market Type and Settlement number details are not applicable.
6. Redemption is applicable for non-exchange traded units

[247B] Amended w.e.f. April 10, 2026
[247BB] Inserted w.e.f. September 09, 2026

[247CC]FORM 44

DP Logo	FORM 44 – RELEASE OF PLEDGE or INVOCATION/ RELEASE OF PLEDGE CUM TRANSFER FORM	NSDL Technology, Trust & Reach

Participant Name Participant Address									Serial Number								
									Date	D	D	M	M	Y	Y	Y	Y
DP ID	I	N							Client ID	**Prestamped**							

I/We request you to execute release of pledge or release of pledge/pledge invocation cum transfer instructions as per following details. Further, The Pledger/ Pledgee hereby undertake as follows: a) The pledger and pledgee undertake to abide with the provisions of the Indian Contract Act, 1872, the Depositories Act, SEBI Regulations, circulars, and bye-laws in force from time to time, as may be applicable. b) The pledgee undertakes to provide reasonable notice to the pledger and comply with the requirements of Section 176 and 177 of the Indian Contract Act, 1872

Execution Date	D	D	M	M	Y	Y	Y	Y

Pledgor DP ID								
Pledgor Client ID								

Client Name(s)

1) 2) 3)

☐ Request for Release of Pledge

☐ Request for Pledge Invocation cum transfer (early pay in)
☐ Request for Pledge Release cum transfer (early pay-in)

CM BP ID	
Market Type	
Settlement Number	
Client UCC	
Trading Member ID / Clearing Member ID	
Stock Exchange ID / Name	
Segment ID	
Other Settlement Details (Refer Instruction No. 5)	

Sr. No.	ISIN	Security Name	Quantity (In Figures) (Refer Instruction No. 2)	Quantity (In words) (Refer Instruction No. 2)	Pledge Order Number (Refer Instruction No. 3)	Consideration Amount (₹) (Refer Instruction No. 4)

1._____ 2._____ 3._____

Authorised Signatory(ies)

Instructions:

1. To be submitted in duplicate for acknowledgement.
2. Released Quantity or the Invoked Quantity to be mentioned as the case may be.
3. Pledge Order No. to be filled in by the Trading Member/Clearing Member.
4. To be provided in case of pledge invocation.
5. Applicable and mandatory if Clearing Member account with other depository. In such cases details of the CM BP ID, Market Type and Settlement number details are not applicable.
6. Strike out whichever is not applicable.

[247C] Amended w.e.f. April 10, 2026
[247CC] Inserted w.e.f. September 09, 2026

FORM 45

Participant's Name, Address & DP ID
(pre-printed)

DEPOSIT REQUEST FORM

DRN
(to be filled-in by the DP) _____

Serial No. (Pre Printed) Date :_____

I/We request you to create Electronic Gold Receipt (EGR), subject to deposit of Gold to the Vault Manager, to be registered in my/our name into my/our account as per the details given below:

DP ID								
Client ID								
Sole/First Holder Name								
Second Holder Name								
Third Holder Name								
Deposit unit (in grams)								
Trading unit (in grams)								
Purity	❑ 995 ❑ 999							
Total No. of Bar								
Total Weight of Gold to be Deposited in the recognized vault (in grams) (in figures)	*(in figures)* *(in words)*							
ISIN Description								
ISIN (To be filled in by the DP)	I	N						
Name of Vault Manager								
Location of Vault								
VMID (To be filled in by the DP)	V	M						

Details of Authorised Representative (if applicable):

Name	
PAN	
Address	
Mobile No.	

Email ID	

Declaration

I/We hereby declare that the above mentioned gold is owned in my/our name. Gold will be deposited in the recognised vault by me/us for creation of Electronic Gold Receipt (EGR). I/We also hereby declare that the gold to be deposited by me/us for EGR creation is free from any lien or charge or encumbrance to the best of my/our knowledge and belief.

Holder(s)	*Signature(s)*
Sole/First Holder	
Second Holder	
Third Holder	

Participant Authorisation

We have received the abovementioned request to create Electronic Gold Receipt (EGR), subject to deposit of gold to the vault manager. We certify that the application form is complete in all respect.

Name of the Executive :
Signature : **Participant's Stamp & Date**

==========

Acknowledgement

Serial No. (pre-printed)

We hereby acknowledge the receipt of deposit request form for _____no. of bar to be deposited in the recognised vault of Vault Manager _____for creation of EGR by Mr/Ms/M/s _____having Client Id _____.

Date : **Participant's Stamp & Signature**

FORM 46

WITHDRAWAL REQUEST FORM

(pre-printed serial nos.)

Participant Name																			
Depository Participant - ID																			
WRN									Date										

I/We hereby declare that the below mentioned account may be debited to the extent of my/our withdrawal request.
I/We hereby declare that the below mentioned person(s) are the beneficial owners of the securities mentioned.

Client ID	
Sole/First Holder Name	
Second Holder Name	
Third Holder Name	
Deposit unit (in grams)	
Trading unit (in grams)	
Purity	❑ 995 ❑ 999
Total weight of Gold to be withdrawn from the recognized vault (in grams)	*(in figures)* *(in words)*
ISIN Description	
ISIN (To be filled in by the DP)	
Name of Vault Manager	
Location of Vault	
VMID (To be filled in by the DP)	

Details of Authorised Representative (if applicable):

Name	
PAN	
Address	
Mobile No.	
Email ID	

The withdrawal request is for locked EGR: Yes/ No

Quantity	Lock in Reason	Lock in Release Date							
		D	D	M	M	Y	Y	Y	Y

Authorised Signatories:

Holder(s)	*Signature(s)*
Sole/First Holder	
Second Holder	
Third Holder	

Participant Authorisation

Received the abovementioned request for extinguishment of EGR, subject to withdrawal of Gold from the recognised vault

The application form is verified with the details of the beneficial owner's account and we certify that the application form is in order. The account has sufficient balances to accept the withdrawal as requested. It is also certified that the beneficial owners signatures are verified and found in order. The other details of the beneficial owners as extracted from the records are enclosed.

Forwarded by : (Seal)
Signature : (Name of the Executive)

Acknowledgment

Participant's Name Address and ID (pre-printed serial no.)

We hereby acknowledge the receipt of withdrawal request form for extinguishment of Electronic Gold Receipt (EGR), subject to withdrawal of Gold from the recognised vault, for _____ no. of units of _____ (security details) from _____ (Name) holding a/c no. _____from the recognised vault.

Participant's Signature (Seal)

Annexure N

Terms and Conditions to avail electronic facility provided by Depository for submission of instruction in electronic form to Participant

1. Definitions and Interpretation
   In this, words and expressions listed in this Clause shall carry the meaning assigned to them in this Clause:

i) "PIN" shall mean the Personal Identification Number, either assigned to the Client or chosen by the Client for its Digital Signature Certificate, which may be necessary for the Client to access electronic facility.

ii) "Possessed Object" shall mean such object which are capable of storing information and affixing digital signature and which may be used by the Client for authorising any instruction issued by the Client to the Participant through electronic facility.

iii) "Pre-notified Accounts" shall mean accounts of such type and number as to which NSDL may permit the Client to transfer securities from the Client's account, if the Client uses only Remembered Information for the purposes of accessing electronic facility.

iv) "Remembered Information" shall mean and include such confidential information such as password or such other information used for authentication of the Client while making use of electronic facility provided by Depository, as may be generated by the Client or changed from time to time.

v) "Electronic facility" shall mean the Internet-based common infrastructure facility provided by NSDL, which is being used by the Participant to accept instructions from the Client and to provide information about Client's account in relation to the operation of the Client's account.

2. The Client have an option of either having a Possessed Object for validation of the Client's access to electronic facility or generating the Client's own Remembered Information for validation of such access by the Client. Client shall abide by such measures as may be required to ensure the safety and security of the Client's access to and usage of electronic facility and instructions received from Participant or NSDL.

3. The Client agrees to take adequate safety measures for accessing electronic facility, including but not limited to:

a) In case the Client has opted for Remembered Information for access to electronic facility, the Client shall take all the necessary steps to ensure confidentiality and secrecy of the Client's Remembered Information used for authentication of the Client and shall not reveal the same to any employee, agent or official of the Participant or to any other person. The Client acknowledges that failure to adhere to safety and security measures prescribed by NSDL and the Participant could lead to a loss of confidentiality and secrecy of the Remembered Information, thereby exposing the Client to the risk of financial losses.

b) In case the Client has opted for the Possessed Object, for the purpose of identifying the Client in the process of authenticating the Client's access to electronic facility, the Client shall take all necessary steps to ensure that the Possessed Object is kept safely with itself and not to part with possession of the same to any third party. The Client shall also ensure that the safety instructions issued for the usage of the Possessed Object are strictly adhered to.

4. The Client acknowledges that in the interests of the security of the Client's usage of electronic facility, if the Client does not opt for Possessed Object as a means of authenticating the Client's access to electronic facility, the Client shall be entitled to transfer securities only to the Pre- notified Accounts. Further, the Client shall submit to the Participant an undertaking in the enclosed format from the holder of the pre-notified account.

5. The Client acknowledges that all instructions received by the Participant, authenticated pursuant to use of Remembered Information or Possessed Object shall be conclusive evidence of such instructions having been issued by the Client and shall be attributed to the Client. The Participant shall not be held liable for acting on the instructions so received.

6. If the Client has reason to believe that the confidentiality of the Remembered Information has been compromised or that the Possessed Object has been lost/ misplaced/ stolen, the Client shall intimate the Participant forthwith about such compromise or loss. The Participant shall take best efforts to forthwith disable the Client's access to electronic facility not later than one Working Day of receipt of such intimation from the Client. However, if any instructions are received prior to such disablement, the Participant shall not be liable for losses, if any, arising out of execution of such instructions.

7. The Client agrees that in the event of the Client desiring to operate any joint account through electronic facility, it shall be a condition precedent for usage of electronic facility that all the joint holders shall execute a Power of Attorney favouring any one individual who shall be deemed to be the user of the Remembered Information or the Possessed Object for access to electronic facility and issue of instructions to the Participant. The Client hereby ratifies and upholds all such instructions issued through electronic facility using such Remembered Information or Possessed Object, as the case may be. In the event the Client changes the holder of the power of attorney, the Client shall deposit the new power of attorney with the Participant and ensure that authority to access electronic facility is transferred from the old power of attorney holder to the new power of attorney holder. The usage of and access to electronic facility using the Remembered Information or Possessed Object, as the case may be, shall be deemed to have been made by the holder of the power of attorney at the time of such access and use.

8. The Client shall enter all its instructions in a timely manner to ensure that the same are capable of being received by the Participant by accessing electronic facility at least one clear Working Day prior to the execution date expected by the Client. (For e.g. if the execution date is on a Friday, the instructions must be received by electronic facility latest by Wednesday) The receipt of instructions by electronic facility shall be indicated by means of message receipt confirmation screen that shall be generated on the Client's computer screen, which shall be capable of being printed out for the Client's record. If the instructions are received through electronic facility before the aforesaid deadline, the Participant shall be fully responsible for executing the same within the prescribed deadline. If the instructions are received through electronic facility after the aforesaid deadline, the instructions may be executed by the Participant on a best-efforts basis, and the Participant shall not be liable for non-execution of the same. The Client further acknowledges that the Client shall not have any right to any claim against either the Participant or NSDL for losses, if any, incurred due to non-execution of such instructions received late and/or executed on a best-effort basis. In the event of any dispute relating to the date and time of receipt of the instructions on electronic facility, NSDL's records shall be conclusive evidence and the Parties agree that NSDL's decision on the same shall be final and binding on both Parties.

9. The Participant shall promptly inform the Client through electronic facility about the status of the instructions received through electronic facility, but in no case later than 12.00 noon of the next Working Day of execution date of instructions.

10. The Client may opt out from this facility at any time by giving a notice in writing or through electronic facility to the Participant. The Participant shall terminate the service within fifteen (15) days of receipt of such notice.

11. This facility unless opt out by Client earlier shall be deemed to be opt out immediately on closure of demat account.

12. The Client agrees to indemnify, keep indemnified and hold the Participant and NSDL harmless from any loss, damage, claim, suits, legal proceedings, investigations, expenses of every kind and any other liability whatsoever, including reasonable attorney's fees and fees of such experts as may be become necessary for NSDL and / or the Participant to engage, caused due to the availing of the services by the Client in any and all circumstances including without limitation, the following:
    a. Falsehood or misrepresentation of any nature by the Client (or any person acting on behalf of the Client);
    b. Failure to use a trustworthy system for access the electronic facility
    c. Failure to take the precautions necessary to prevent the compromise, loss, disclosure, modification, or unauthorised use of the Client's Remembered Information, Possessed Object or the private key used to execute the Client's digital signature

13. Notwithstanding anything contained herein, the Client recognises and acknowledges that the Participant may, in accordance with instructions received by the Participant from NSDL, prescribe such other security measures as it deems fit, in replacement of or supplementing the validation process through the use of Remembered Information or Possessed Objects, including without limitation the use of biometrics and such other methods as would validate the identity of the Client for access to the electronic facility. The Client agrees that a condition precedent for the Client's access to electronic facility is that the Client shall provide such information, data, and access to its representatives and personnel, as may be designated by the Client as the users of the electronic facility in order to enable Participant to generate such biometric criteria or other criteria in accordance with the security measures prescribed by Participant, in accordance with instructions received by the Participant from NSDL.

14. The Participant may withdraw the access of the Client to electronic facility at any time provided a notice of at least thirty (30) days is given to the Client. The Participant may suspend or terminate the service without prior notice if the Client has breached any of these terms and conditions or rights and obligation of demat account, or if the Participant learns of the death, bankruptcy, lunacy or loss of legal capacity of the Client.

15. Any dispute or difference between the Parties shall be resolved solely by means of reference to binding arbitration under the arbitration mechanism as provided in the Bye-Laws and Business Rules.

16. The above terms and conditions are in addition to and do not undermine in any manner whatsoever the terms and conditions forming a part of the rights and obligation of Participant and Client.

(Draft undertaking to be given on the letter head of the clearing member)

Date:

Name of the client
Address
Depository Account No.: (DP Id & Client Id)

Dear Sir/Madam,

We acknowledge your request to nominate our depository account as a pre-notified account for the purpose of receiving credits from your account. We have no objection for the same.

We agree that if any securities are moved to our accounts which are not due to us for any reasons including but not limited to an error or fraud, we undertake to immediately return the securities to you. The details of our account are as under:

CM-BP-Id	I	N						

Yours faithfully,

(Authorised Signatories)

To be signed by the Clearing Member

==========

I/We hereby nominate the above account holder as our pre-notified account where securities can be credited from my/our account using the common infrastructure through internet.

(Authorised Signatories)
To be signed by the Client

Annexure O

Terms and Conditions for electronic instructions received from the Client by the Trading Members and/or the Participants which are authenticated by the Participant and/or Trading Member and accepted by the Client on the Depository system

A. The Client availing this facility shall ensure that:-

i. The Client shall be required to be authenticated through remembered information along with OTP confirmation for each transaction processed through this facility. Client shall abide by such measures as may be required to ensure the safety and security of the Client's access to and usage of electronic facility and instructions received from Trading Member and / or Participant and / or NSDL.

ii. The Client agrees to take adequate safety measures for accessing electronic facility, including but not limited to taking all the necessary steps to ensure confidentiality and secrecy of the Client's Remembered Information and OTP received for authentication of the Client and shall not reveal the same and / or grant access to mobile number and / or email ID as recorded in demat account of the client, to any employee, agent or official of the Trading Member or Participant or to any other person. The Client acknowledges that failure to adhere to safety and security measures prescribed by NSDL, Participant and / or the Trading Member could lead to a loss of confidentiality and secrecy of the Remembered Information and OTP, thereby exposing the Client to the risk of financial losses.

iii. The Client acknowledges that all instructions received from the Client by the Depository through this facility and processed after remembered information and OTP based authentication on Depository platform and as per the Pre-Trade authorization / mandate as submitted by the client, shall be conclusive evidence of such instructions having been issued by the Client and shall be attributed to the Client. The Participant or Trading Member shall not be held liable for acting on the instructions so received.

iv. If the Client has reason to believe that the confidentiality of the Remembered Information or OTP or access to mobile number or email ID as recorded in demat account of the client, has been compromised, the Client shall intimate the Participant or Trading Member forthwith about such compromise or loss. The Participant or Trading Member shall take best efforts to forthwith disable the Client's access to electronic facility not later than one Working Day of receipt of such intimation from the Client. However, if any instructions are received prior to such disablement, the Participant shall not be liable for losses, if any, arising out of execution of such instructions.

v. The Client further acknowledges that the Client shall not have any right to any claim against either the Participant or NSDL for losses, if any, incurred due to non-execution of such instructions received late and/or executed on a best-effort basis. In the event of any dispute relating to the date and time of receipt of the instructions on electronic facility, NSDL's records shall be conclusive evidence and the Parties agree that NSDL's decision on the same shall be final and binding on both Parties.

vi. The Client may opt out from this facility at any time by giving a notice in writing or through electronic facility to the Trading Member, Participant or Depository. The Trading member, Participant shall terminate the service within fifteen (15) days of receipt of such notice.

vii. The Client agrees to indemnify, keep indemnified and hold the Participant and NSDL harmless from any loss, damage, claim, suits, legal proceedings, investigations, expenses of every kind and any other liability whatsoever, including reasonable attorney's fees and fees of such experts as may be become necessary for NSDL and / or the Participant to engage, caused due to the availing of the services by the Client in any and all circumstances including without limitation, the following:

  i. Falsehood or misrepresentation of any nature by the Client (or any person acting on behalf of the Client);
  ii. Failure to use a trustworthy system for access the electronic facility
  iii. Failure to take the precautions necessary to prevent the compromise, loss, disclosure, modification, or unauthorised use of the Client's Remembered Information, OTP or access to mobile number and / or email ID as recoreded in the demat account of the client

viii. Notwithstanding anything contained herein, the Client recognises and acknowledges that the Trading member/Participant may, in accordance with instructions received by the Trading Member/Participant from NSDL, prescribe such other security measures as it deems fit, in replacement of or supplementing the validation process through the use of Remembered Information or OTP, including without limitation the use of biometrics and such other methods as would validate the identity of the Client for access to the electronic facility. The Client agrees that a condition precedent for the Client's access to electronic facility is that the Client shall provide such information, data, and access to its representatives and personnel, as may be designated by the Client as the users of the electronic facility in order to enable Participant to generate such biometric criteria or other criteria in accordance with the security measures prescribed by Participant, in accordance with instructions received by the Participant from NSDL.

B. Trading Member availing this facility shall ensure that:

Mandate shall be required to be submitted by the client on the Depository platform as below:

a) The Mandate provided by client should:
   i. Be in favor of the concerned Trading Member / Participant only.
   ii. Not provide the authority to transfer the mandate in favor of any assignees of the concerned Trading Member / Participant.
   iii. Require the concerned Trading Member / Participant to return the securities to the client(s) that may have been received by them erroneously or those securities that it was not entitled to receive from the client(s).

   The Mandate provided by client shall not facilitate concerned Trading Member / Participant to do the following:
   i. Transfer of securities for off-market trades,
   ii. To executes trades in the name of client without client's consent,
   iii. To open an email ID on behalf of the client for receiving relevant communications,
   iv. Prohibit to issue DIS to beneficial owner,
   v. Prohibit client from operating the account.

b) The mandate should be received from client authorizing the concerned Participant / Trading Member to transfer specific securities for meeting on-market settlement obligation only.

c) Such mandate should necessarily pertain to a single settlement number / settlement date.

d) Client shall be required to authorize each mandate valid for a single settlement number/settlement date, by way of OTP and PIN /password, both generated at Depositories end.

e) Securities transferred on basis of mandate provided by client should be credited only to client's trading member pool account.

f) Mandate provided for multiple securities shall not lapse if a transaction is effected for one of the securities out of the multiple securities.

g) Only users who are authorized by Trading Member are redirected to the NSDL demat gateway.
Ensure to implement adequate cyber security measures to prevent any cyber attack and to comply with all the requirements prescribed by SEBI from time to time for Cyber Security and Cyber Resilience.

h) Ensure to implement adequate cyber security measures to prevent any cyber attack and to comply with all the requirements prescribed by SEBI from time to time for Cyber Security and Cyber Resilience.

i) In case of any grievances of clients arising out of using this facility, Trading Member shall be responsible to resolve such grievances in their capacity as a Trading Member/Clearing Member within a period of 15 days.

j) Trading Member shall ensure to provide separate digitally signed instructions for transfer/pledge of securities to Depository and will ensure to provide only those instructions pertaining to those transactions which have been authorised by the client through the NSDL Demat Gateway.

k) Trading Member agrees to pay the applicable fees and taxes for availing this service as notified by NSDL from time to time.

l) Trading Member shall abide by such procedures, processes and system upgradation requirements as may be necessary to avail / continue availing this facility.

m) Trading Member shall indemnify and keep indemnified NSDL and its Depository Participant for any losses which may arise to the clients due to the usage of this facility.

n) Trading Member shall be required to store and maintain the various logs generated by their systems and various sub-components including the IP address of the client as an audit trail of the client accessing their systems and the responses received from NSDL facility and undertake to make them available to NSDL/any statutory body or Police or court as and when required by the NSDL/any statutory body or Police or Court.

o) [248]Trading Member has enabled its client to revoke/cancel the mandate provided by them.

p) [249]The Participant or Trading Member shall take best efforts to forthwith disable the Client's access to the

electronic facility, no later than one Working Day from the receipt of such intimation from the Client. However, if any instructions are received prior to such disablement, the Participant or Trading Member shall not be liable for any losses arising out of the execution of such instructions.

C. Participant shall take note and ensure the following:-

a) The Participant may withdraw the access of the Client to electronic facility at any time provided a notice of at least thirty (30) days is given to the Client. The Participant may suspend or terminate the service without prior notice if the Client has breached any of these terms and conditions or rights and obligation of demat account, or if the Participant learns of the death, bankruptcy, lunacy or loss of legal capacity of the Client.
b) This facility unless opt out by Client earlier shall be deemed to be opt out immediately on closure of demat account.

D. General Terms & Conditions:

a) Any dispute or difference between the Parties, other than disputes between client and Trading Member to be settled through arbitration mechanism of the concerned Stock Exchange(s) and falling beyond the scope of the Depository,shall be resolved solely by means of reference to binding arbitration under the arbitration mechanism as provided in the Bye-Laws and Business Rules.
b) The above terms and conditions are in addition to and do not undermine in any manner whatsoever the terms and conditions forming a part of the rights and obligation of Participant and Client.

[248]Amended w.e.f. March 13, 2026. Prior to the approval it read as follows:
Trading Member has enabled its client to revoke / cancel the mandate provided by them. The Participant or Trading Member shall take best efforts to forthwith disable the Client's access to electronic facility not later than one Working Day of receipt of such intimation from the Client. However, if any instructions are received prior to such disablement, the Participant shall not be liable for losses, if any, arising out of execution of such instructions.

[249]Inserted w.e.f. March 13, 2026.