Circular No.: NSDL/POLICY/2022/053 April 08, 2022

Subject: Operational guidelines w.r.t. Mode of Operation in joint demat accounts

Attention of Participants is invited to NSDL circular nos. NSDL/POLICY/2022/025 dated February 28, 2022 regarding amendment to Bye Laws and Business Rules, NSDL/POLICY/2022/008 dated January 13, 2022 and NSDL/POLICY/2021/105 dated October 09, 2021 regarding changes in File Formats with respect to DPM Version Release 7.5.

In this regard, all Participants are hereby requested to take note of the following operational guidelines for necessary implementation of amendment to Bye Laws and Business Rules w.r.t. mode of operation in joint demat accounts.

1. All the demat account holders having joint accounts may opt for any one of the following modes of operation of the account by submitting a specific instruction at the time of demat account opening or at a later date duly signed by all the demat account holders:

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

   Here the survivor(s) means the surviving holder(s) of the joint demat account.

2. The mode of operation mentioned in Point No. 1 above may be used only for the following transactions:

   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.

   However, for all other transactions at joint demat account level, the mode of operation shall be as specified at point 1 (i)

3. All existing joint demat account holders may also opt for one of the modes of operation mentioned at Point No. 1.

4. Where the demat account holders have opted for operation by any one holder or survivor(s), the instructions above should be duly signed by any one of the holders or survivor(s) of the joint demat account.

5. With regard to all transactions undertaken in the demat account mentioned in point no. 2, signature of one of the demat account holders as per the mandate of operation given by the joint account holders shall discharge the Participant in full vis-a-vis all demat account holders.

6. Each demat 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).

7. Any demat account holder may opt out from the facility as mentioned at point no 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'.

8. In case of a joint demat account, all communications shall be sent to the first holder and shall be deemed to have been duly sent to all demat account holders. Participant shall be given 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.

9. Salient features of mode of operation in NSDL system is enclosed as **Annexure 1**.

Further, the required changes in NSDL system w.r.t deletion of name of the deceased account holder(s) in joint demat accounts will be informed separately.

Participants are requested to take note of the above and inform their clients suitably.

For and on behalf of

National Securities Depository Limited

Arockiaraj
Manager

Enclosed : One

FORTHCOMING COMPLIANCE			
Particulars	**Deadline**	**Manner of sending**	**Reference**
Investor Grievance Report (Monthly)	By 10th of the following month.	Through e-PASS	Circular No. NSDL/POLICY/2015/0096 dated October 29, 2015
Artificial Intelligence /Machine Learning Reporting Form (if offering or using such technologies as defined) (Quarterly)	By 15th of the following month.	Through e-PASS	1. Circular No. NSDL/POLICY/2019/0016 dated March 27, 2019 2. Circular No. NSDL/POLICY/2021/0102 dated October 04, 2021
Cyber Security & Cyber Resilience framework of Depository Participants (Quarterly)	By 15th of the following month	Through e-PASS	1. Circular No. NSDL/POLICY/2019/0039 dated July 9, 2019. 2. Circular No. NSDL/POLICY/2020/0069 dated May 15, 2020
Tariff Sheet (yearly)	April 30th every year	By email at dpfees@nsdl.co.in	1.Circular No. NSDL/POLICY/2006/0064 dated December 26, 2006. 2.Circular No. NSDL/POLICY/2007/0003 dated January 8, 2007
Internal/ Concurrent Audit Report (October - March)	May 15th every year	Through e-PASS	Circular No.: NSDL/POLICY/2022/049 dated April 01, 2022
Risk Assessment Template (October - March)	April 30th every year.	Through e-PASS	Circular No. NSDL/POLICY/2018/0050 dated September 25, 2018
Reporting of status of the alerts generated by Participants- (Quarterly)	Within 15 days from end of the quarter	Through e-PASS	1. Circular No. NSDL/POLICY/2021/0072 dated July 15, 2021 2. Circular No.: NSDL/POLICY/2022/001 dated January 03, 2022

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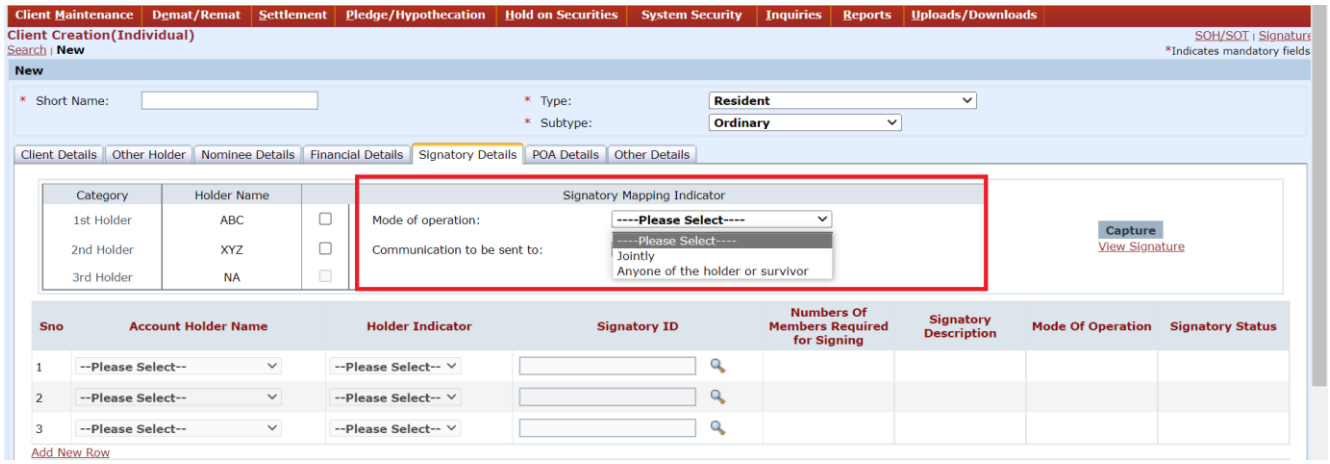
Annexure 1

Salient feature of mode of operation

Screens at the time of Creation of Joint Account under Individual category.

1. In case of Joint Demat Account holders, Participants should select any one of the below option for 'mode of operation' under the Signatory Details tab

- Jointly
- Anyone of the holder or Survivor



2. Participants should select any one of below the option for 'Communication to be sent' under the signatory tab

- First holder
- All joint account holder

(Please note that In case if 'first holder' is selected, the communication will be sent as per the preference mentioned at Sr. No. 4. in Account Opening Form (Mode of receiving Statement of Account). In case 'All joint account holders' is opted, communication to first holder will be sent as per the preference mentioned at Sr. No. 4 in Account Opening Form (Mode of receiving Statement of Account) and communication to other holders will be in electronic mode. The default option will be communication to 'first holder', if no option selected.)

