



Central Depository Services (India) Limited

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COMMUNIQUE TO DEPOSITORY PARTICIPANTS

CDSL/OPS/DP/POLCY/2025/409

June 17, 2025

OPENING OF DEMAT ACCOUNTS IN JOINT NAMES WITH AN INDIVIDUAL AND A BODY CORPORATE

DPs are advised note that the Section 187 of the Companies Act, 2013 requires companies to hold all investments made or held by it in any property, security or other asset in its own name. However, the proviso to sub-section (1) grants exemption to holding companies in case of holding shares of its subsidiary companies. The exemption allows holding companies to appoint nominees for themselves to hold shares in the subsidiary/wholly owned subsidiary companies in order to meet the statutory minimum limit of members in a company. Share certificates in such cases are usually issued in the name of the registered holder (nominee shareholder), but the name of the holding company is also mentioned along with the name of the nominee share holder.

DPs can facilitate the opening of demat accounts for nominee shareholders in joint names. Such joint demat accounts shall be opened between an individual and a body corporate. If the first holder is an individual, the demat account status will be under "Individual" category and If the first holder is a body corporate, the demat account status will be under "Corporate" category.

KYC documents, including PAN, must be obtained for both the individual and the body corporate. Additionally, a certified copy of the Board Resolution approving the opening and operating of such joint account, including the names / list of authorized persons, is required.

Note that if a body corporate joint holder demat account, the facility of nomination will not be available in such cases.

DPs are advised to take note of the same and ensure compliance.

Queries regarding this communiqué may be addressed to: CDSL – Helpdesk Emails may be sent to: dpertasupport@cdslindia.com and connect through our IVR Number **022-62343333**.

**For and on behalf of
Central Depository Services (India) Limited**

sd/-

**Nilesh Shah
Vice President – Operations**