



# Central Depository Services (India) Limited

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## COMMUNIQUE TO DEPOSITORY PARTICIPANTS

CDSL/IS/DP/POLCY/2025/451

July 04, 2025

### CLOSURE CUM SHIFTING OF DEMAT ACCOUNT

DPs are advised to note that SEBI vide letter no. SEBI /HO/MIRSD/PoD/OW/P/2025/1969/1 dated January 20, 2025, has issued the advisory for closure and shifting of demat account. Accordingly, the procedure and process to be followed by the DP for closure and shifting of demat account is mentioned below.

Procedure and timelines for closure and shifting of demat account:

1. Upon receipt of a duly completed and signed request for closure and shifting of demat account from the BO/s, if there are no outstanding dues, DP is required to complete the process of transfer cum shifting of account of all free balance/s within 2 working days from the date of receipt of request. For example, if the duly completed requested is received on July 03, 2025, and no dues of the BO holder are pending, the DP is supposed to process the request by July 05, 2025.
2. In case of BO has outstanding dues, at the time of submission of duly completed and signed request for closure and shifting of demat account, within 2 working days from the date of receipt of the request DP shall send a communication to BO informing about the pending dues. DP shall give a time limit to BO, not exceeding 30 calendar days to clear the pending dues.
3. If the BO clears the dues, DP shall complete the process of closure and shifting of demat account within 2 working days from the date on which all dues were cleared by the BO. For example, if the duly completed requested is received on July 03, 2025, and dues of the BO holder are pending, the DP is supposed to communicate the BO about the pending dues by July 05, 2025, and give a timeline not exceeding August 05, 2025, for clearing the pending dues. In case the BO holder clears all pending on July 18, 2025, the DP is supposed to process the request by July 20, 2025.
4. If the dues are not cleared by the BO within the prescribed timelines, DP shall reject the closure and shifting of demat account request and shall intimate to the BO within 2 days regarding the rejection of request along with the outstanding dues details.
5. In case of completion of closure and shifting of demat account request, DP shall send the communication of the account closure to the BO within 2 working days of the account closure.



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6. In case of lock-in securities, shifting of balances within depository will be processed through account transfer request. In case of shifting of lock-in of securities balances across depository, the same will be transferred through Corporate Action (CA) mechanism based on BO request/s. DP is advised to refer to Communique no. CDSL/OPS/DP/POLCY/2445 dated May 12, 2011, for the process and documentation.
7. Currently, in case of pledged / frozen balance/s, transfer of balance/s is processed only after unpledged/unfreeze of securities is done in the demat account/s.
8. Henceforth, transfer of frozen securities or balance/s for the identical PAN holding pattern in source and target demat accounts within the same depository will be allowed by effecting the same freeze status in the target demat account. For pledged securities the existing process will continue, and the securities will not be transferred until they are unpledged.
9. In future, the Inter / Intra Depository closure cum transfers with the identical PAN holding pattern in source and target demat accounts, across / within depositories will also be enabled without Client Master Report (CMR).
10. Logs and audit trails of all transactions processed, and communications sent to the BO shall be maintained by the DP.

DPs are advised to note that the necessary system changes for the above-mentioned point nos. 8 & 9 will be informed separately. Other than point nos. 8 & 9, will be implemented effective from July 14, 2025.

Queries regarding this communiqué may be sent to CDSL – Helpdesk through e-mail on [dprtaspport@cdslindia.com](mailto:dprtaspport@cdslindia.com) or call us on 022-6234-3333.

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

sd/-

**Nilesh Shah  
Vice President – Operations**