



Central Depository Services (India) Limited

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COMMUNIQUE TO DEPOSITORY PARTICIPANTS

CDSL/OPS/DP/POLCY/2026/208

March 24, 2026

AMENDMENTS TO DP OPERATING INSTRUCTIONS CHAPTER - 2

DPs are advised to note that amendments have been incorporated in CDSL's DP Operating Instructions [OI] **Chapter 2 – Account opening**, based on SEBI letter dated August 13, 2025, regarding allowing of opening of demat account Hindu Undivided Family (HUF) jointly with individuals.

The said amendments to the **DP OI** is attached herewith in track changes mode refer **Annexure - A**.

DPs are advised to take note of the same.

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/-

Sheron Sawant
Asst. Vice President – Operations

Sr. No.	CHP. 2 ACCOUNT OPENING	
	Existing Process	New Process
<p>2.3.4</p> <p>2.3.4.1</p>	<p>HUF:</p> <p>a) The PAN details of the HUF entity would have to be entered in the CDSL system.</p> <p>b) Declaration by Karta giving details of the family members of the HUF with their names, sex (male/ female), date of birth and relationship with the Karta.</p> <p>c) DPs shall note the following while opening a HUF account:</p> <ul style="list-style-type: none"> ▪ HUF accounts cannot be opened with joint holder(s). ▪ HUF accounts cannot appoint a nominee. ▪ In the account opening form, the Karta shall sign under the HUF stamp. ▪ Account shall be opened in the name of HUF entity. ▪ PAN details of both the HUF entity and Karta of the HUF. shall be obtained from the Beneficial Owner. ▪ The name shall be as it appears in the PAN card, e.g. A H Doshi & Sons, Bal Govind Zangle (HUF). ▪ In case POA /DDPI is to be given by the karta to some other entity to operate the HUF Account, the POA/DDPI shall be signed by all the members of the HUF account in addition to the karta 	<p>HUF:</p> <p>a) The PAN details of the HUF entity would have to be entered in the CDSL system.</p> <p>d) Declaration by Karta giving details of the family members of the HUF with their names, sex (male/ female), date of birth and relationship with the Karta.</p> <p>e) DPs shall note the following while opening a HUF account:</p> <ul style="list-style-type: none"> ▪ HUF accounts cannot be opened with <u>maximum two individual</u> joint holder(s) <u>maximum 2 only</u>. ▪ HUF accounts cannot appoint a nominee. ▪ In the account opening form, the Karta shall sign under the HUF stamp. ▪ Account shall be opened in the name of HUF entity. ▪ PAN details of both the HUF entity and Karta of the HUF. shall be obtained from the Beneficial Owner. ▪ The name shall be as it appears in the PAN card, e.g. A H Doshi & Sons, Bal Govind Zangle (HUF). ▪ In case POA /DDPI is to be given by the karta to some other entity to operate the HUF Account, the POA/DDPI shall be signed by all the members of the HUF account in addition to the karta <u>and all joint holder/s</u>.
	<p>Procedure to be adopted in the event of death of Karta is as follows:</p> <p>a) HUF, being a Hindu Undivided Family, the property of the family is managed by the Karta.</p> <p>b) HUF does not come to an end in the event</p>	<p>Procedure to be adopted in the event of death of Karta is as follows:</p> <p>a) HUF, being a Hindu Undivided Family, the property of the family is managed by the Karta.</p> <p>b) HUF does not come to an end in the event of</p>

	<p>of death of the Karta.</p> <p>c) In the event of death of the Karta of HUF, the name of the deceased Karta in the Beneficial Owner (BO) account shall be replaced by the new Karta of HUF, who in such case shall be eldest coparcener in the HUF or a coparcener who is appointed as Karta by an agreement reached amongst all the existing coparceners of the HUF.</p> <p>d) The new karta shall submit the new list of members signed by all the members along with the declaration in the list stating that "we state that the list of surviving members is complete and exhaustive and does not leave out any members of the HUF. Further, we confirm that the list provided is correct in all respect and also the information provided herein is complete and correct in all respect. All the members of the HUF are fully perceptive of the request made to the participant and also there is no pending dispute or claim for the same among the members of HUF with reference to this.</p> <p>e) Original or a copy of the death certificate of the deceased Karta duly notarized / attested by Gazetted Officer and a no objection from the surviving members of the HUF for him/her to act as Karta of the HUF.</p> <p>f) The existing BO account need not be closed and the same account may continue.</p> <p>g) The death of the Karta shall not mean that the securities lying in the BO account of the HUF is deemed to have divided among the</p>	<p>death of the Karta.</p> <p><u>c)</u> In the event of death of the Karta of HUF, the name of the deceased Karta in the Beneficial Owner (BO) account shall be replaced by the new Karta of HUF, who in such case shall be eldest coparcener in the HUF or a coparcener who is appointed as Karta by an agreement reached amongst all the existing coparceners of the HUF.</p> <p><u>e)d)</u> <u>In case of demise of the third party joint holder, the HUF will hold the account as surviving holder.</u></p> <p><u>e)</u> The new karta shall submit the new list of members signed by all the members along with the declaration in the list stating that "we state that the list of surviving members is complete and exhaustive and does not leave out any members of the HUF. Further, we confirm that the list provided is correct in all respect and also the information provided herein is complete and correct in all respect. All the members of the HUF are fully perceptive of the request made to the participant and also there is no pending dispute or claim for the same among the members of HUF with reference to this.</p> <p><u>e)f)</u> Original or a copy of the death certificate of the deceased Karta duly notarized / attested by Gazetted Officer and a no objection from the surviving members of the HUF for him/her to act as Karta of the HUF.</p> <p><u>e)g)</u> The existing BO account need not be closed and the same account may continue.</p> <p><u>f)h)</u> The death of the Karta shall not mean that the securities lying in the BO account of the HUF is deemed to have divided among the</p>
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	<p>coparceners as if the partition has taken place.</p> <p>The new Karta will submit to the DP the account modification form and record change in signature of the new Karta to operate the account. DP will make necessary modifications in the name of Karta after verifying all the documents and record change in signature of the new Karta to operate the account.</p> <p>The previous account need not be closed and the same account can continue.</p>	<p>coparceners as if the partition has taken place.</p> <p>g)l) The new Karta will submit to the DP the account modification form and record change in signature of the new Karta to operate the account. DP will make necessary modifications in the name of Karta after verifying all the documents and record change in signature of the new Karta to operate the account.</p> <p><u>j) DP shall capture details of the coparceners as provided by the Karta details in the CDASSL system at the time of opening of the HUF demat account.</u></p> <p>The previous account need not be closed and the same account can continue.</p>
2.3.4.3	<p>Procedure to be followed in case of partition of HUF:</p> <p>a) A total or partial partition shall be recognized only if a claim to that effect is made by one or more coparceners.</p> <p>b) An intimation of a total or partial partition shall be accompanied by a signed letter mentioning the names of the other members and their confirmation of a partition having taken place.</p> <p>c) In case of partial partition of the HUF, if desired by one or more coparceners the new Karta shall transfer shares to the said coparceners who seek partition and the BO account of the HUF shall continue. The account of such coparceners shall be treated as their individual accounts.</p>	<p>Procedure to be followed in case of partition of HUF:</p> <p>a) A total or partial partition shall be recognized only if a claim to that effect is made by one or more coparceners.</p> <p>b) An intimation of a total or partial partition shall be accompanied by a signed letter mentioning the names of the other members and their confirmation of a partition having taken place.</p> <p>c) In case of partial partition of the HUF, if desired by one or more coparceners the new Karta shall transfer shares to the said coparceners who seek partition and the BO account of the HUF shall continue. The account of such coparceners shall be treated as their individual accounts.</p> <p><u>d) In the event of partition of HUF (full or partial), new demat accounts may be opened (one per partitioned coparcener) along with the Joint</u></p>

	<p>d) In case of full partition of the HUF, the shares shall be divided amongst all the coparceners in the manner specified by the applicant subject to fulfillment of clause 2.3.4.3.b. above and the HUF account shall cease to exist.</p> <p>In both the above cases, the Karta can transfer shares to the members who seek partition. If the issue of transfer cannot be amicably settled, the family members can go to court and transfer of shares can then be based on the Court directions.</p>	<p><u>Holder and the securities can may be transferred in such demat accounts as per the share of each coparcener and the joint holder upon partition.</u></p> <p><u>In each of these demat accounts, the other joint holder (i.e. individual joint holder of HUF) will remain the joint holder with such respective partitioned coparcener</u></p> <p>e) <u>Further – The demat account can be opened separately also i.e. Separately for the Joint holder/s and partitioned Coparcener/s separately.</u></p> <p>e)f) <u>In case of full partition of the HUF, the shares shall be divided amongst all the coparceners in the manner specified by the applicant subject to fulfillment of clause 2.3.4.3.b. above and the existing demat account of HUF will be closed as after partition and the HUF account shall cease to exist.</u></p> <p>In both the above cases, the Karta can transfer shares to the members who seek partition. If the issue of transfer cannot be amicably settled, the family members can go to court and transfer of shares can then be based on the Court directions.</p>
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