



Central Depository Services (India) Limited

Convenient # Dependable # Secure

COMMUNIQUÉ TO DEPOSITORY PARTICIPANTS

CDSL/OPS/DP/POLCY/2026/257

April 13, 2026

MASTER CIRCULAR FOR DEPOSITORY PARTICIPANTS (DPs)

1. The Depositories Act 1996 (“the Act”), the SEBI (Depositories and Participants) Regulations, 2018 (“the SEBI Regulations”), the Bye-Laws of CDSL (“Bye-Laws”), Operating Instructions of CDSL (“Operating Instructions”), the various Circulars issued by SEBI and various Communiqués issued by CDSL provide the framework for the depository and depository participants to fulfil compliances relating to functions in the depository system.
2. Vide para 4.27 of SEBI Master Circular No. SEBI/HO/MRD/MRD-PoD-1/P/CIR/2024/168 dated December 03, 2024 has instructed Depositories to issue the Master Circular consolidating all guidelines issued and applicable as on March 31 of every year, segregated subject-wise. SEBI has also directed that such Master Circular shall not include Bye-Laws, Rules (i.e. Operating Instructions in case of CDSL) and Regulations issued by Market Infrastructure Institutions (MIIs), Status of any compliance by the market participant and actions taken against any entity.
3. Accordingly, this Master Circular is a compilation of the relevant Communiqués pertaining to DPs issued by CDSL up to March 31, 2026. The guidelines forming part of Bye laws and Operating instructions are not covered in the Master Circular. The user shall read the provisions mentioned in the Master Circular in concurrence with the relevant provisions of the Bye-Laws and Operating Instructions.
4. This Master Circular consists of 22 Chapters, list of abbreviations, communiques and rescinded communiques. The same shall come into force from the date of its issue. For ease of reference, each chapter of this communique contains footnotes corresponding to the respective communiques.
5. References in the Master Circular to the provisions/guidelines which now stand repealed, have been suitably updated.

“Notwithstanding such rescission,

- a. *Anything done or any action taken or purported to have been done or contemplated under the rescinded guidelines before the commencement of this Master Circular shall be deemed to have been done or taken or commenced or contemplated under the corresponding provisions of the Master Circular or rescinded guidelines whichever is applicable.*
- b. *The previous operation of the rescinded guidelines or anything duly done or suffered thereunder, any right, privilege, obligation or liability acquired, accrued or incurred under*



Central Depository Services (India) Limited

Convenient # Dependable # Secure

COMMUNIQUÉ TO DEPOSITORY PARTICIPANTS

the rescinded guidelines, any penalty, incurred in respect of any violation committed against the rescinded guidelines, or any investigation, legal proceeding or remedy in respect of any such right, privilege, obligation, liability, penalty as aforesaid, shall remain unaffected as if the rescinded guidelines have never been rescinded.”

DPs are advised to take note of the same.

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

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

sd/-

**Meena Pednekar
Vice President – Admission Cell and Regulatory Compliance**

Master Circular for Depository Participants (DPs)

March 2026

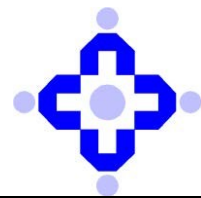


LIST OF ABBREVIATIONS USED

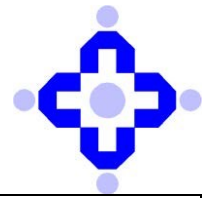
Abbreviation	Term
AI	Artificial Intelligence
AMC	Asset Management Company
AML	Anti-Money Laundering
AOF	Account Opening Form
AOP	Association Of Persons
AIF	Alternative Investment Fund
BCP	Business Continuity Plan
BO	Beneficial Owner
BSDA	Basic Services Demat Account
CAF	Common Application Form
CBDT	Central Board of Direct Taxes
CBS	Core Banking Solution
CC	Clearing Corporation
CDD	Client Due Diligence
CDSL	Central Depository Services (India) Limited
CEO	Chief Executive Officer
CERSAI	Central Registry of Securitisation Asset Reconstruction and Security Interest of India
CFT	Combating the Financing of Terrorism
CISA	Certified Information Systems Auditor
CISM	Certified Information Securities Manager
CISO	Chief Information Security Officer
CISSP	Certified Information Systems Security Professional
CKYCR	Central KYC records Registry
CM	Clearing Member
CMFA	Client Securities Margin Funding Account
CMR	Client Master Report
CRS	Common Reporting Standards
CSC	Client of Special Category
CSGL	Constituents' Subsidiary General Ledger
CSIRT	Computer Security Incident Response Team
CSP	Communications Service Provider
CUSA	Client Unpaid Securities Account



Abbreviation	Term
CUSPA	Client Unpaid Securities Pledgee Account
DDP	Designated Depository Participant
DDPI	Demat Debit and Pledge Instruction
DIS	Delivery Instruction Slip
DP	Depository Participant
DRF	Dematerialisation Request Form
DRN	Demat Request Number
ECS	Electronic Clearing Service
FATCA	Foreign Accounts Tax Compliance Act
FATF	Financial Action Task Force
FEMA	Foreign Exchange Management Act
FII	Foreign Institutional Investor
FIU	Financial Intelligence Unit
FPI	Foreign Portfolio Investor
GC	Global Custodian
GRC	Grievance Redressal Committee
HUF	Hindu Undivided Family
IGRP	Investor Grievance Resolution Panel
IPF	Investor Protection Fund
IPV	In Person Verification
IRDAI	Insurance Regulatory and Development Authority of India
ISACA	Information Systems Audit and Control Association
ISC	Investor Service Centre
ISF	Investor Service Fund
ISIN	International Securities Identification Number
IVRS	Interactive Voice Response System
KMP	Key Managerial Personnel
KRA	KYC Registration Agency
KUA	e-KYC User Agency
KYC	Know Your Client
LLP	Limited Liability Partnership Firm
MCAA	Multilateral Competent Authority Agreement
MD	Managing Director
MICR	Magnetic Ink Character Recognition
ML	Machine Learning



Abbreviation	Term
MPIF	Margin Pledge Invocation Form
MPRF	Margin Pledge Request Form
MPSN	Margin Sequence Number
MURF	Margin Unpledge Request Form
NAV	Net Asset Value
NCIIPC	National Critical Information Infrastructure Protection Centre
NISM	National Institute of Securities Markets
NRI	Non-Resident Indian
OCB	Overseas Corporate Body
OVD	Officially Valid Document
PAN	Permanent Account Number
PFRDA	Pension Fund Regulatory and Development Authority
PMLA	Prevention of Money Laundering Act
PMS	Portfolio Management Services
POA	Power Of Attorney
PRF	Pledge Request Form
QFI	Qualified Foreign Investors
RBI	Reserve Bank of India
RE	Regulated Entities
RGESS	Rajiv Gandhi Equity Savings Scheme
ROC	Registrar Of Companies
RRF	Rematerialisation Request Form
RRN	Rematerialisation Request Number
RTA	Registrar & Transfer Agent
SCORES	SEBI Complaints Redress System
SEBI	Securities & Exchange Board of India
SOA	Statement of Accounts
SOC	Security Operations Centre
SOP	Standard Operating Procedure
STR	Suspicious Transaction Report
TM	Trading Member
TPIN	Transaction Personal Identification Number
TRF	Transmission Request Form
TRPF	Transposition Request Form
UCC	Unique Client Code

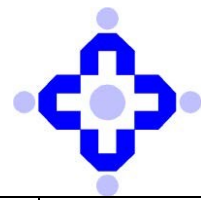


Abbreviation	Term
UIDAI	Unique Identification Authority of India
URF	Unpledge Request Form
VAPT	Vulnerability Assessment and Penetration Tests
VIPV	Video in Person Verification

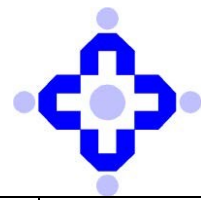


INDEX

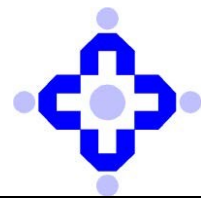
Sr. No.	Section / Clause	Table of Contents	Page No.
1		Account Opening	
	1.1	Unique Mobile Number and Email ID	
	1.2	Bank Details	
	1.3	Rights and Obligations of the Beneficial Owners and Depository Participant	
	1.4	Mandatory updation of certain Attributes of KYC of Clients	
	1.5	Opening Of Demat Account in the name of Association Of Persons	
	1.6	Validation of KYC Records	
	1.7	Relaxation on geo-tagging requirement in India for NRIs while undertaking re-KYC	
	1.8	Nomination	
	1.9	Landmark details in the address:	
	1.10	Investor Charter	
	1.11	Account Opening by visually challenged persons	
	1.12	Hindu Undivided Family (HUF)	13-48
	1.13	Hindu Undivided Family (HUF) with Jointly with Individual(s)	
	1.14	Opening of Basic Services Demat Account (BSDA)	
	1.15	SARAL Account Opening Form for resident individuals	
	1.16	Information to KYC Registration Agency (KRA)	
	1.17	Operationalisation of Central KYC records Registry (CKYCR)	
	1.18	Aadhaar based e-KYC process	
	1.19	Online KYC Process and Use of Technology for KYC	
	1.20	Guidelines on Identification of Beneficial Ownership	
	1.21	Mapping of Unique Client Code with Demat Accounts	
	1.22	Power Of Attorney (POA) / Demat Debit and Pledge Instruction (DDPI)	
	1.23	Portfolio Management Services (PMS) Power of Attorney (POA)	
	1.24	Opening of Margin Pledge & Repledge account	



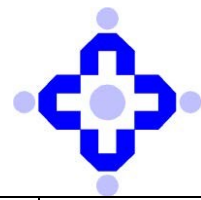
Sr. No.	Section / Clause	Table of Contents	Page No.
	1.25	Opening of Client Securities Margin Funding Account	
	1.26	Opening of Client Unpaid Securities Pledgee Account	
	1.27	Foreign Portfolio Investors	
	1.28	Constituents' Subsidiary General Ledger (CSGL) Account	
	1.29	KYC Reconfirmation of Sikkim Based Demat Accounts	
	1.30	Usage of 3 – in – 1 type accounts for making an application in public issue of securities	
	1.31	Usage of UPI by individual investors for making an application in public issue of securities through intermediaries:	
	1.32	Opening of demat account in the name of Association of Persons	
	1.33	Opening of demat accounts in joint names with an individual and a body corporate	
	1.34	Centralized mechanism for reporting the demise of an investor through KRAs	
2		Account Modification	
	2.1	Change in name	
	2.2	Updation of the demographic details based on a request received from the BO through a secured URL	
	2.3	PAN Modification at DP end	
	2.4	Ease of Doing Investment - Smooth transmission of securities from Nominee to Legal Heir	
3		Dematerialisation	53-53
	3.1	Review of rejection of demat requests	
	3.2	Demat Request - Change in the name of the Company	
	3.3	Processing of request for dematerialization of shares vested with custodians	
4		Settlements	54-70
	4.1	Issue of Instruction Slips	
	4.2	Monitoring of DIS	
	4.3	Scanning of DIS	
	4.4	Off market transactions	



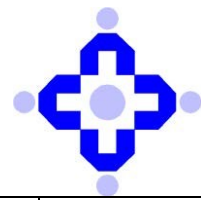
Sr. No.	Section / Clause	Table of Contents	Page No.	
	4.5	Safeguards to address the concerns of the investors on transfer of securities in dematerialized mode		
	4.6	Acceptance of Delivery Instructions through online Portal of DPs / Stock Brokers		
	4.7	Using e-DIS (Electronic Delivery Instructions)		
	4.8	Block Mechanism in demat account of clients undertaking sale transactions		
	4.9	Validation of Instructions for Pay-In of Securities from Client demat account to Trading Member (TM) Pool Account against obligations received from the Clearing Corporations		
	4.10	Handling of Clients' Securities by Trading Members (TM) / Clearing Members (CM)		
	4.11	Tagging of Demat Accounts of stock brokers		
	4.12	Execution of 'Demat Debit and Pledge Instruction' (DDPI) for transfer of securities towards deliveries / settlement obligations and pledging / repledging of securities		
	4.13	Guidelines for Rolling Normal (T+0) Settlement		
	4.14	Custodian Participation in T+0 Rolling Settlement		
	4.15	Liquidity Window Settlement in CDSL		
5		Statement of Accounts		71-72
	5.1	Statement of Accounts in case of PMS (Portfolio Management Services) clients and BSDA Accounts		
	5.2	Dispatch of Consolidated Account Statement (CAS)		
6		Pledge		73-78
	6.1	Pledge Reason code and capturing of Ultimate Lender details for Trusteeship Company		
	6.2	Margin Obligations to be given by way of pledge/ re-pledge		
	6.3	Creation/Invocation of pledge of securities through depository system		
7		Freeze / Unfreeze	79-82	
	7.1	Freeze and Unfreeze instruction using easi/easiest login		
	7.2	Guidelines For Freeze/Unfreeze intimations need to be sent to Beneficial Owners (Bo) on Freezing/Unfreezing of their Demat Account (If Any) on Regular Basis		



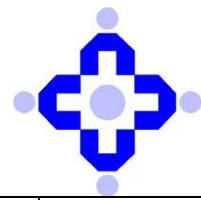
Sr. No.	Section / Clause	Table of Contents	Page No.
	7.3	Framework for automated deactivation of demat accounts with inadequate Know Your Customer (KYC) details	
8		Account Closure	83-87
	8.1	Closure of an account due to shifting or transmission within CDSL	
	8.2	Additional Features for Account Closure, Transfer / Transmission	
	8.3	Guidelines for online closure of demat accounts	
	8.4	Closure cum Shifting of Demat Account	
	8.5	Closure of Demat Accounts Initiated by Beneficial Owner	
9		Mutual Fund Units	88-88
	9.1	Destatementization	
	9.2	Two-Factor Authentication for transactions in Units of Mutual Funds	
	9.3	Discontinuation of usage of pool accounts for transactions in units of Mutual Funds on the Stock Exchange Platforms	
10		Internal Controls / Reporting to CDSL	89-103
	10.1	Appointment of Compliance Officer	
	10.2	Authorized signatory of DP	
	10.3	Internal Audit and Concurrent Audit	
	10.4	Submission of Compliance Certificate by DPs	
	10.5	Reporting to CDSL / SEBI	
	10.6	Net Worth Certificate & Audited Financial Statements	
	10.7	Surveillance Obligation of DP	
	10.8	Template for Supervisory Risk Assessment	
	10.9	Opening of wholly owned subsidiaries or entering into joint ventures in other countries by the DPs	
	10.10	Change in DP's shareholding pattern with change in control	
11		Grievance Redressal	104-108
	11.1	Grievance Redressal	
	11.2	Display of grievance redressal mechanism	
	11.3	Grievance Redressal through SCORES 2.0	



Sr. No.	Section / Clause	Table of Contents	Page No.
	11.4	Investor Charter	
	11.5	Disclosure of the complaints received against DPs	
	11.6	Investor Grievances escalation matrix	
	11.7	Master Circular on the redressal of investor grievances through the SEBI Complaints Redress System (SCORES) platform	
	11.8	Redressal of Investor Grievances on ODR Platform	
12		Maintenance of Website by DP	
	12.1	Maintenance of a website by depository participants	
13		DP Branches/Service Centre's	110-110
	13.1	DP Branch/ DP Service Centre	
	13.2	Outsourcing of activities by DPs	
14		Prevention of Money Laundering Act, 2002 (PMLA)	111-117
	14.1	Guidelines to DPs on PMLA	
	14.2	Commonly observed discrepancies in inspection of DPs in the area of PMLA requirements	
	14.3	Appointment of a Principal Officer	
	14.4	Appointment of a Designated Director	
	14.5	Reporting of potentially Suspicious Transactions	
	14.6	Registration of the Reporting Entities (REs) in FINnet 2.0 system	
	14.7	List of Designated Individuals/ Entities	
	14.8	Jurisdictions that do not or insufficiently apply the FATF Recommendations	
	14.9	Amendments to PMLA Rules	
15		Cyber Security and Cyber Resilience Framework	118-132
	15.1	Cyber Security & Cyber Resilience Framework for DPs	
	15.2	Submission of Cyber Incident by DPs	
	15.3	Comprehensive Cyber Audit to check the compliance of Cyber Security and Cyber Resilience provisions	
	15.4	Standard Operating Procedures (SOP) for handling Cyber Security Incidents	



Sr. No.	Section / Clause	Table of Contents	Page No.
	15.5	Cyber Security - Information of Designated Officer	
	15.6	Cyber Security Advisory	
	15.7	Vulnerability Assessment and Penetration Tests (VAPT)	
	15.8	Advisory for Cybersecurity Best Practices	
	15.9	Advisory for Cyber Security Preparedness	
	15.10	Immediate Cyber Incident & Quarterly Cyber Incident Reporting by DPs	
	15.11	Reporting for Artificial Intelligence (AI) and Machine Learning (ML) Applications	
	15.12	Submission of Annual System Audit Report	
	15.13	Framework for Adoption of Cloud Services	
	15.14	Implementation of SEBI CSCRF Circular for VAPT report submission	
	15.15	Implementation of Sebi CSCRF Circular for Cyber Audit Report Submission	
	15.16	Extension for Submission of Cyber Audit Report as per Sebi CSCRF Circular	
16		Implementation of the Multilateral Competent Authority Agreement (MCAA) and Foreign Accounts Tax Compliance Act (FATCA)	
17		Telecom Commercial Communication Regulations, 2018	134-137
	17.1	Principal Entities under Telecom Commercial Communication Regulations, 2018	
	17.2	Mandatory Phase-wise Adoption of 1600-Series Numbers	
	17.3	TRAI Direction to Mandate Pre-Tagging of Variables In SMS Content Templates	
18		Rights of Persons with Disabilities Act, 2016	138-142
	18.1	Compliance with Rights of Persons with Disabilities Act, 2016	
	18.2	Rights of persons with Disabilities Act, 2016 and rules made thereunder- Mandatory Compliance by all Regulated Entities	
	18.3	Submission of Status of readiness and compliance to the accessibility requirements	
19		Reporting Timelines	



Sr. No.	Section / Clause	Table of Contents	Page No.
	19.1	Information/ documents to be submitted to CDSL	143-147
	19.2	Information/ documents to be submitted to CDSL	
	19.3	Information/ Documents To Be Submitted To FIU-IND	
	19.4	Online facility for mandatory submissions to CDSL by Depository Participants	
20		Miscellaneous	148-158
	20.1	Unauthenticated news circulated by DPs through various modes of communication	
	20.2	Dealing with Conflicts of Interest	
	20.3	Due Diligence in the Depository Operations	
	20.4	Comprehensive Strategy to address scams soliciting investments impersonating as recognized Intermediaries	
	20.5	Undertaking on compliance with Regulation 82B Restriction on association with Certain Persons	
	20.6	Prescribed limits on holding Sovereign Gold Bonds	
	20.7	Non-charging of AMC in demat accounts consisting of illiquid, suspended or delisted securities	
	20.8	Mandatory requirement of proper reason during rejection of easiest requests	
	20.9	Introduction of new transaction type for seamless transfers of Government Securities between Demat and Retail Direct Gilt (RDG) Accounts	
	20.10	CDSL Investor Mobile Application- MYEASI	
	20.11	FPIs investing only in Government Securities	
	20.12	Payment of Stamp Duty by Beneficial Owners (BOs) through valid UPI handle	
	20.13	Introduction Of Stamp Duty Payment Indicator	
	20.14	Direct Credit of Securities in Dematerialisation account of the investor	
21		List of rescinded Communiqués	159-164
22		List of Communiques	165-171



Chapter 1: Account Opening

1.1 Unique Mobile Number and Email ID¹

- 1.1.1 Depository Participants are advised to ensure that separate mobile number and e-mail address is uploaded for each client. However, under exceptional circumstances, the Participants may, at the specific written request of a client, upload the same mobile number/E-mail address for more than one client provided such clients belong to one family. 'Family' for this purpose would mean self, spouse, dependent children and dependent parents.

1.2 Bank Details

- 1.2.1 DPs should note that bank account details of PMS should not be captured in place of bank account details of clients in depository system, in case of PMS accounts.²

1.3 Rights and Obligations of the Beneficial Owners and Depository Participant³

- 1.3.1 In addition to the procedure already specified in the Operating Instructions, the Bye Laws, the following additional guidelines with respect to Rights and Obligations of the Beneficial Owners and Depository Participant shall require to be complied with:
- 1.3.2 The DP shall ensure that any clause in any voluntary document neither dilutes the responsibility of the DP nor it shall be in conflict with any of the clauses in this Document, Rules, Bye-laws, Regulations, Notices, Guidelines and Circulars issued by SEBI and CDSL from time to time. Any such clause introduced in the existing as well as new documents shall stand null and void.
- 1.3.3 The DP shall make available this document to the clients, either in electronic or physical form, depending upon the preference of the client as part of account opening kit. In case the document is made available in electronic form, DP shall maintain the logs of the same. It is also reiterated that DPs shall continue to make the aforesaid document available on their website and keep the clients informed about the same.⁴
- 1.3.4 The DP can obtain the acknowledgement in any one of the following ways:⁵
- 1.3.4.1 On a separate form of acknowledgment stating that they have received the 'Rights and Obligations document';
 - 1.3.4.2 On a register maintained for this purpose;
 - 1.3.4.3 Can incorporate the acknowledgement as a part of the Account Opening Form. In this case the signatures of the BOs is not required to be taken again;
 - 1.3.4.4 Can obtain an acknowledged copy of the 'Rights and Obligations document' where the BOs can sign only on the last page of the document;

¹ Reference: CDSL/OPS/DP/POLCY/5139 dated April 15, 2015

² Reference: CDSL/OPS/DP/1931 dated March 22, 2010

³ Reference: CDSL/OPS/DP/ POLCY/4095 dated December 04, 2013

⁴ Reference: CDSL/OPS/DP/POLCY/6029 dated July 18, 2016

⁵ Reference: CDSL/OPS/DP/P OLCY/4134 dated December 23, 2013



- 1.3.4.5 Can affix a stamp on the account opening form stating that 'I/We have received and read the copy of Rights and Obligations document' and obtain signature of all the holders against the same separately.
- 1.3.5 Signature of all the holders is required on the acknowledgement of the 'Rights and Obligations document'.
- 1.3.6 The POA holder of an individual BO cannot give acknowledgement of the receipt of the 'Rights and Obligations document'. For non-individual / corporate accounts the authorized signatories shall acknowledge the receipt of the 'Rights and Obligations document'.
- 1.3.7 In case of a client proposing to open multiple demat accounts, each demat account is treated as a different BO and hence separate 'Rights and Obligations document' has to be provided and acknowledgement obtained for each account separately.
- 1.4 Mandatory updation of certain Attributes of KYC of Clients⁶**
- 1.4.1** DPs are advised to take note of the details of 6 KYC attributes which shall be made mandatory as mentioned below:
- 1.4.1.1 Name
 - 1.4.1.2 Address
 - 1.4.1.3 PAN
 - 1.4.1.4 Valid mobile number
 - 1.4.1.5 Valid email-id
 - 1.4.1.6 Income range
- 1.4.2 Checks For PAN**
- 1.4.2.1 The requirement of mandatory submission of PAN by clients for transactions in the securities market shall continue to apply, with permitted exemptions.
- 1.4.2.2 DP shall verify the PAN online using the Income Tax site.
- 1.4.3 Checks for mobile number and email ID**
- 1.4.3.1 DPs shall ensure that separate mobile number and email address is captured for all Beneficial Owner [BO] account holders. However, after submitting a written declaration, BO can update mobile number and email address of its family members. Family for this purpose has been defined as self, spouse, dependent parents and dependent children.
- 1.4.3.2 In cases, wherein same mobile number / email ID is captured in more than 1 demat account and family flag is also not updated, DP shall be required to send 15 days' notice to such demat account holder for submitting the mobile number /email ID Modification form /request letter for updating the same or family flag declaration, failure to comply with which would result in classification of such accounts as non-complaint accounts.
- 1.4.3.3 DPs shall ensure that the mobile numbers/ email addresses of DPs /their KMPs/ other employees etc. are not captured.

⁶ Reference: CDSL/OPS/DP/POLCY/2021/152 dated April 05, 2021



1.4.3.4 In case DP has the mobile number and email ID of the client in its back office, or trading account or in the bank account provided by the client and account is KYC complied in such trading account / bank account, the DP may update the details in the demat account and intimate the client about the updation by sending the Client Master Report [CMR] along with an intimation to complete the validation process.

1.4.3.5 Following cannot be considered as valid mobile number:

1.4.3.5.1 In respect of mobile numbers for India, Mobile no. is of 10 digit but starts with any number between 1 to 5 i.e. (1,2,3,4 & 5)

1.4.3.5.2 '0000000000' / '1234567890' is captured.

1.4.3.5.3 Single number is appearing in all 10 digit such as '1111111111', '2222222222', '3333333333', '4444444444', '5555555555', '6666666666', '7777777777', '8888888888', '9999999999'.

1.4.3.6 Following cannot be considered as valid email ID:

1.4.3.6.1 'No email' is mentioned in email ID.

1.4.3.6.2 '@' is not mentioned in email ID.

1.4.3.6.3 If words - 'not provided' and 'xyz' are mentioned in email id field.

1.4.3.6.4 Invalid email domain is mentioned. E.g. number digits are mentioned prior to domain name viz. 202Ggmail.com, 1234gmail.com, 1rediffmail.com, 55yahoo.com etc.

1.4.3.6.5 There is '.' (dot) at the end of Email ID

1.4.3.6.6 There is no '.' (dot) after '@' and before text

1.4.3.6.7 More than one '@' are there in email ID.

1.4.4 Income Range

1.4.4.1 As per Additional Account opening, income range per annum is required to be obtained from clients.

1.4.4.2 The income range as required are as given below:

1.4.4.2.1 Income Range-Individuals

- Below Rs. 1 lac
- Rs. 1 lac to Rs. 5 lacs
- Rs. 5 lacs to Rs. 10 lacs
- Rs. 10 lacs to Rs. 25 lacs
- More than Rs. 25 lacs

1.4.4.2.2 Income Range-Non-Individuals

- Below Rs. 1 lac
- Rs. 1 lac to Rs. 5 lacs
- Rs. 5 lacs to Rs. 10 lacs
- Rs. 10 lacs to Rs. 25 lacs
- Rs. 25 lacs to Rs. 1 crore
- More than Rs. 1 crore



1.4.5 All 6-KYC attributes shall be mandatory for new accounts opened from August 1, 2021. In respect of all existing accounts, DPs must verify that all 6-KYC attributes are updated and wherever required necessary communication to be sent to their clients to update the same on or before June 30, 2022. DPs shall be required to inform the clients through both physical and electronic modes and also through its website, if any, for updating the details and complete the validation process. Thereafter, such non-compliant demat accounts will be liable to be made inactive i.e., no debit will be allowed in such demat account (except for settlement of already open positions).

1.4.6 Further, SEBI has also advised the depositories to instruct their DPs to ensure adequate due diligence while on-boarding of clients and conducting of KYC.

1.4.7 For the demat accounts of Institutional & non-Institutional clients / investors operated through custodians, Mandatory KYC attributes to be captured are:

	Institutional clients / investors		Non-institutional clients / investors	
	Details of Client	Details of Client's Custodian	Details of Client	Details of Client's Custodian (if applicable)
Name	Mandatory	Mandatory	Mandatory	Mandatory
PAN	Mandatory	Mandatory	Mandatory	Mandatory
Address	Mandatory	Mandatory	Mandatory	Mandatory
Valid Phone number	Mandatory (Mobile number OR Office Landline number)	Mandatory (Mobile number OR Office Landline number)	Mandatory (Mobile number)	Mandatory (Mobile number OR Office Landline number)
Valid Email-id	Mandatory	Mandatory	Mandatory	Mandatory
Income Range	Optional	-	Mandatory	-

* An Institutional client / investor shall mean the categories of investors as per Section 1.1.12 of Chapter 4 of SEBI - MRD's Master Circular dated October 25, 2019.

- a. Foreign Institutional Investors registered with SEBI.
- b. Mutual Funds registered with SEBI.
- c. Public Financial Institutions as defined under section 4A of the Companies Act, 1956.
- d. Banks i.e., a banking company as defined under Section 5(1)(c) of the Banking Regulations Act, 1949.



- e. Insurance companies registered with IRDA.
 - f. Pension Fund regulated by Pension Fund Regulatory and Development Authority (PFRDA)
- Non-institutional client / investor would imply other than institutional client / investor.⁷

1.4.8 Email ID, Mobile Number or Landline Number and Income range shall be optional for category of client viz President of India, Central Government, State Government and the officials appointed by the courts e.g., Official liquidator, Court receiver etc. (under the category of Government).⁸

1.4.9 Income range shall be optional for category of client viz Bank – Depository Receipt (Banking entity which does not fall under definition defined u/s 5 (1) (c) of Banking Regulations Act, 1949 and such accounts held in relation to the Depository Receipts issued by Indian companies abroad).

1.5 Opening Of Demat Account in the name of Association Of Persons:⁹

1.5.1 While opening a demat account in the name of the AoP, the Depository Participants shall seek confirmation from the AoP with respect to the following:

- 1.5.1.1 The AoP holds only such securities in dematerialized form as permitted by the statutes governing its constitution.
- 1.5.1.2 The demat account is not to be used for subscribing / holding equity shares.
- 1.5.1.3 In case of any dispute, the Principal Officer of the AoP shall be treated as the legal representative of the AoP.

1.5.2 At all times, members of the AoP shall be jointly and severally liable on behalf of the AoP.”

1.5.3 Operating Guidelines for Opening of Demat Account in the name of Association of Persons¹⁰

1.5.3.1 As informed, at the time of opening the demat account in the name of the AoP, under Sub-status codes 262 and 263, DPs were advised to mandatorily capture the Name and PAN of Principal Officer and maintain these details in their respective back office or other systems. The provisions are now made available to input the said details in CDSL systems. DPs can update said details of the AoP accounts from their back office or other systems into the CDAS system. Also, in future while opening any new AoP account/s under said sub-status codes, DPs have to mandatorily capture the Name and PAN of Principal Officer details in CDSL systems.

1.5.3.2 The details of Principal officer shall be added at the time of demat accounts opened through online mode and can be uploaded through batch upload under the purpose code “PPLO”. The above system changes will also be reflected in the DPZ5, DPZ6, and DPB9 reports. For details of the file format and applicable standard values, DPs may refer to the UDiFF catalogue v2.0.0.2.

⁷ Reference: CDSL/OPS/DP/POLCY/2021/333 dated July 29, 2021

⁸ Reference: CDSL/OPS/DP/POLCY/2021/595 dated December 28, 2021 and CDSL/OPS/DP/POLCY/2022/275 dated May 19, 2022

⁹ Reference: CDSL/OPS/DP/POLCY/2025/137 dated February 27, 2025

¹⁰ Reference: CDSL/OPS/DP/POLCY/2025/636 dated September 19, 2025



- 1.5.3.3 The above changes will be released on September 19, 2025 EOD and shall be effective from September 20, 2025.
- 1.5.3.4 As mentioned in afore mentioned CDSL communique dated February 27, 2025, with SEBI circular no. SEBI/HO/MRD/PoD1/CIR/P/2025/24 dated February 25, 2025, DPs are requested to disseminate the SEBI circular on their respective websites.

1.6 Validation of KYC Records

- 1.6.1 DPs to note that based on the request received from the investors in the securities market, SEBI has reviewed the provisions for ‘PAN and Aadhaar linking’ and has decided to streamline the risk management framework vide SEBI circular No. SEBI/HO/MIRSD/SECFATF/P/CIR/2024/41 dated May 14, 2024.¹¹
- 1.6.2 Point 12 of the FAQ on ‘KYC norms for Securities Market’ provided by SEBI clarifies that in case of Clients, wherein PAN Aadhaar linkage is not verified, such clients shall be allowed to transact with the existing intermediary subject to availability of valid PAN. However, KYC shall not be transferable in the securities market for such clients’. The link of the FAQs issued by SEBI is provided below for reference.

https://www.sebi.gov.in/sebi_data/faqfiles/may-2024/1715694256793.pdf

- 1.6.3 DPs are further advised to take note of the following:
 - 1.6.3.1 CDSL has removed the freeze on the demat accounts from June 01, 2024 which were frozen for both - debit and credit on July 08, 2023 under freeze reason code “26 –Account holder related PAN inoperative” due to non-compliance of PAN linking with Aadhaar and are in freeze status as on May 31, 2024. The list of such demat accounts wherein the freeze is removed by CDSL for operational convenience of DP, which are made available to the DPs in their respective billing folder with file naming convention. “BLNG<<DP ID>>_AADHAAR_UNFROZEN_BO_31052024.tar”.
 - 1.6.3.2 Additionally, in case of those DPs who have proactively frozen any of the demat account(s) for non-compliance of PAN linking with Aadhaar under said freeze reason code, DPs can take necessary actions at their end, i.e. unfreeze the demat account. However, DPs are advised to note that in case of multiple freeze in the said demat account (s) due to any other reason / regulatory orders, then such freeze shall not be removed.
 - 1.6.3.3 DPs to send intimations to the demat account holder/s wherein the freeze has been removed for both point nos.1.5.5.1 and 1.5.5.2 mentioned above, via letter/email/SMS or any other mode as deemed appropriate.
 - 1.6.3.4 In view of the above changes, DPs can open the new demat account (s) with valid PAN, although PAN is not linked with Aadhaar w.e.f. June 01, 2024. However, DPs are requested to ensure that in case of clients, whose KYC attributes cannot be verified by KRAs should not be allowed to transact further in the securities market until the KYC attributes are verified in accordance with point no. 8 of SEBI circular reference no. SEBI/HO/MIRSD/FATF/P/CIR/2023/0144 dated August 11, 2023.

¹¹ Reference: CDSL/OPS/DP/POLCY/2024/290 dated May 30, 2024



1.7 Relaxation on geo-tagging requirement in India for NRIs while undertaking re-KYC:¹²

- 1.7.1 DPs are advised to refer to SEBI circular dated December 10, 2025, on Relaxation on geo-tagging requirement in India for NRIs while undertaking re-KYC. In this respect, the requirement of physical location being in India shall be relaxed for NRI clients to undertake due diligence through digital mode.
- 1.7.2 The App shall also have features of random action initiation for client response to establish that the interactions are not pre-recorded along with time stamping and geo-location tagging to ensure the requirement like physical location being in India etc. are also implemented. The requirement of physical location of client being in India during digital on boarding shall be relaxed for undertaking re-KYC for existing clients.
- 1.7.3 The App shall also ensure that the GPS location (latitude and longitude) captured by the intermediary matches with the latitude and longitude of country given in Proof of Address given by the client. The app shall prevent connections from spoofed IP address.

1.8 Nomination

- 1.8.1 In addition to the procedure already specified in the Operating Instructions and the Bye Laws, the following additional guidelines with respect to Nomination shall require to be complied with:
- 1.8.2 Section 73 of Companies Act, 2013 provides for nomination by a holder of securities.¹³
- 1.8.3 Investors opening new demat account(s) (for sole holder BOs), shall have the choice of providing nomination or opting out nomination, as follows;
- 1.8.3.1 Nomination form
- 1.8.3.2 Opt out of nomination through 'Declaration Form'
- 1.8.4 In this regard, DPs shall activate a sole holder new Demat accounts, only upon receipt of above formats.
- 1.8.5 DP shall ensure that adequate systems are in place including for providing for eSign facility for online nomination facility and also take all necessary steps to maintain confidentiality and safety of client records.
- 1.8.6 The details required in the nomination form viz. mobile number, e-mail ID and identification details of the nominee(s)/ guardian(s) of the minor nominee(s) have been made optional.¹⁴
- 1.8.7 **Updation of Choice of Nomination**¹⁵
- 1.8.7.1 DPs are advised to refer to SEBI Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated June 10, 2024, with respect to the below mentioned subjects:
- 1.8.7.2 Ease of Doing Investments- Non-submission of 'Choice of Nomination'

¹² Reference: CDSL/OPS/DP/POLCY/2025/810 dated December 11, 2025

¹³ Reference: CDSL/OPS/DP/POLCY/2021/325 dated July 26, 2021

¹⁴ Reference: CDSL/OPS/DP/POLCY/2022/107 dated February 25, 2022

¹⁵ Reference: CDSL/OPS/DP/POLCY/2024/317 dated June 11, 2024



- 1.8.7.2.1 Doing away with freezing of Demat Accounts and Mutual Fund Folios for existing investors;
- 1.8.7.2.2 To remove freeze on payment of corporate benefits and service of physical folios;
- 1.8.7.3 Only 3 fields to be provided mandatorily for updating Nomination Details
- 1.8.7.4 As mentioned in the aforesaid SEBI circular, DPs are required to take note of the below mentioned points and ensure compliance:
 - 1.8.7.4.1 Non-submission of 'choice of nomination' shall not result in freezing of Demat Accounts.
 - 1.8.7.4.2 All new investors shall continue to be required to mandatorily provide the 'Choice of Nomination' for demat accounts (except for jointly held Demat Accounts).
 - 1.8.7.4.3 All existing investors are encouraged, in their own interest, to provide 'choice of nomination' for ensuring smooth transmission of securities held by them as well as to prevent accumulation of unclaimed assets in securities market. The formats for providing Nomination and Opting-out of Nomination both in case of Demat Account refer Annexure-A and Annexure-B of the said SEBI circular.
 - 1.8.7.4.4 DPs are required to encourage the demat account holders to update 'choice of nomination' by sending a communication on fortnightly basis by way of emails and SMS to all such demat account holders who have not provided the 'choice of nomination'. The communication shall provide guidance for demat account holders to provide 'choice of nomination'.
 - 1.8.7.4.5 DPs shall encourage the existing investors to provide the 'choice of nomination'. A pop-up shall be provided on web/mobile application/platform to the investors by DPs, while logging into (including other platforms providing online execution services) their Demat account. This pop-up may be shown only to those clients whose demat account(s) do not have 'choice of nomination'.
 - 1.8.7.4.6 DPs shall note that the provisions of the SEBI circular, except clause 7 is effective immediately in supersession of existing provisions. Further, clause 7 of the SEBI circular is made applicable from October 01, 2024.
- 1.8.8 **Revise and Revamp Nomination Facilities in the Indian Securities Market¹⁶**
 - 1.8.8.1 DPs are advised to refer to SEBI circular SEBI/HO/OIAE/OIAE_IAD-3/P/ON/2025/01650 dated January 10, 2025 on Revise and Revamp Nomination Facilities in the Indian Securities Market and SEBI circular SEBI/HO/OIAE/OIAE_IAD-3/P/ON/2025/0027 dated February 28, 2025 regarding Amendments and clarifications to Circular dated January 10, 2025, and Communique no CDSL/OPS/DP/POLCY/2025/492 dated July 24, 2025, on Revise and Revamp Nomination Facilities in the Indian Securities Market.
 - 1.8.8.2 In view of the aforesaid Communique, the following changes will be implemented in the system.¹⁷

¹⁶ Reference: CDSL/OPS/DP/POLCY/2025/32 dated January 13, 2025, CDSL/OPS/DP/POLCY/2025/145 dated February 28, 2025 and CDSL/OPS/DP/POLCY/2025/506 dated July 30, 2025

¹⁷ Reference: CDSL/OPS/DP/POLCY/2025/289 dated May 02, 2025



- 1.8.8.2.1 Capturing Nominee's Name, Address, email address and telephone /mobile number will be made mandatory.
- 1.8.8.2.2 Provision will be made to capture the PAN or last 4 digits of Aadhaar or Driving License and, OCI / PIO, Passport number of nominee in case of NRI . At least one of these details will be mandatory at the time of account opening.
- 1.8.8.2.3 A new flag will be introduced to print Nominee details in formatted statements. Below are the options that will be made available to the BO :
 - 1.8.8.2.3.1 Name of the Nominee : If this option is selected, all the formatted statements will include names of the nominees.
 - 1.8.8.2.3.2 Nominee Status: If this option is selected, then only the nominee registration status will be printed i.e., "Yes" (if nominee is registered) or "No" (if nominee is not registered).
 - 1.8.8.2.3.3 If BO has not selected either of the above options, then Nominee status will be printed by default.
 - 1.8.8.2.3.4 In case of name deletion, Mode of operation of the joint account (e.g., first-named holder Or anyone or survivor Or , either or survivor basis Or joint etc.,) will remain unchanged due to the rule of survivorship, BO will have the option to modify the same, if as per their choice.
- 1.8.8.3 Additional changes in the system are as follows:
 - 1.8.8.3.1 Account Closure Source: DPs are required to capture the source from which the account closure request is received from the BO.
 - 1.8.8.3.2 Reason for BSDA modification: It is now mandatory for DPs to capture the reason for modifying the BSDA flag from "Y" (BSDA) to "N" (Non BSDA) or to "O" (Opt out).
 - 1.8.8.3.3 Client Consent date for BSDA Opt out: This date will be required when modifying the BSDA flag to Opt out.
 - 1.8.8.3.4 Date of intimation of Demise to DP: DPs must capture the date on which the demise of the account holder was intimated.
- 1.8.8.4 **BO Upload File Format For Nomination And Additional Changes**¹⁸
 - 1.8.8.4.1 DPs are advised to refer Communique no. CDSL/OPS/DP/POLCY/2025/330 dated May 16, 2025, informing about the changes in BO Upload format related to Nomination and other changes in the system.¹⁹
 - 1.8.8.4.2 DPs are requested to refer the UDiFF catalogue for updates pertaining to Nomination Phase III, specifically regarding BO Upload, Client Master, Transaction Upload, and common download (COD). Modifications have been highlighted in yellow, and a comprehensive list of changes is provided in the Change Log Sheet within the UDiFF catalogue. The UDiFF catalogue is available for download at <https://www.cdslindia.com/DP/Harmonization.html>.
 - 1.8.8.4.3 Additionally, CDSL has developed a detailed field mapping between the previous and new Harmonized file formats at the individual file level. DPs are encouraged to refer to the communique annexure for the corresponding changes.
 - 1.8.8.4.4 In order to have uniformity in dealing with incapacitate investors and those with

¹⁸ Reference: CDSL/OPS/DP/POLCY/2025/492 dated July 24, 2025

¹⁹ Reference: CDSL/OPS/DP/POLCY/2025/330 dated May 16, 2025



special needs or sick or old investors in the securities market, the Depositories and AMFI have put in place common Standard Operating Procedure (SOP).

- 1.8.8.4.5 DPs are further advised to follow the SOP for operation of demat accounts in case of an incapacitated investor.²⁰
- 1.8.8.4.6 Further, the SOP has been disseminated on CDSL website on the below mentioned link:²¹
<https://www.cdslindia.com/downloads/DP/SOP%20for%20Incapacitated%20investor%20Final.pdf>
- 1.8.8.4.7 ²²DPs are requested to note that the fields “Absolute Limit For Incapacitation” and “Absolute Limit For Incapacitation Utilized” had same ISO tag as “AbsLimitForIncap”. We have modified the ISO tag for field “Absolute Limit For Incapacitation Utilized” as “AbsLimitForIncapUtil”. The changes are highlighted in red font in revised UDIFF catalogue v2.0.0.4.
- 1.8.8.4.8 DPs to further note that, a few standard values introduced in the interim are also added in the catalogue to provide consolidated list of Standard Values. The change log has been updated with the details of changes to the catalogue.
- 1.8.8.4.9 DPs are requested to refer the updated UDiFF catalogue version v2.0.0.4 available for download at <https://www.cdslindia.com/DP/Harmonization.html>
- 1.8.8.4.10 ²³Basis the discussion with the Back Office Vendors, to facilitate the effective implementation of transmission of securities necessary validations are provided as given in Annexure 1 of the Circular for clarification.
- 1.8.8.4.11 As per the transmission process, DPs are required to provide the quantities to be transferred during transmission to each of the Nominees. It is clarified that with the implementation of the new UDIFF format, the DPs will no longer be required to input these quantities during transmission.
- 1.8.8.4.12 System validations have been built wherein the percentage share allocated by the Original Holder to each of the Nominee will be auto picked up and quantity will be computed to give effect to the transmission. Quantity entered by the DPs during the transmission will be ignored and system generated quantity will be used for the purpose of transmission.
- 1.8.8.4.13 DPs are requested to take note of the above mentioned clarification and refer to the UDIFF catalogue v2.0.0.4.1 and sample files available for download at <https://www.cdslindia.com/DP/Harmonization.html>
- 1.8.8.5 DPs are requested to note that the timeline for implementing Phase III of Nomination circular dated January 10, 2025 read with Circular dated February 28, 2025 and July 30, 2025 from December 15, 2025 to a further date to be notified separately.²⁴

²⁰ Reference: CDSL/OPS/DP/POLCY/2025/567 dated August 25, 2025

²¹ Reference: CDSL/OPS/DP/POLCY/2025/581 dated August 29, 2025

²² Reference: CDSL/OPS/DP/POLCY/2025/710 dated October 20, 2025

²³ Reference: CDSL/OPS/DP/POLCY/2025/780 dated November 28, 2025

²⁴ Reference: CDSL/OPS/DP/POLCY/2025/813 dated December 11, 2025



1.9 Landmark details in the address:

1.9.1 If BO has added landmark details in the address column of the Account Opening / Letter, then DP can capture the same in CDAS, even though the same is not appearing in the proof of address documents, preceded by words such as:²⁵

- 1.9.1.1 Above
- 1.9.1.2 adjacent to
- 1.9.1.3 behind
- 1.9.1.4 near
- 1.9.1.5 next to
- 1.9.1.6 off
- 1.9.1.7 opposite

1.10 Investor Charter²⁶

1.10.1 DP should provide a copy of Investor Charter as a part of account opening kit to the clients, through email/ letters etc.

1.11 Account Opening by visually challenged persons

1.11.1 DPs are advised to ensure that all facilities including online facilities are offered to visually challenged persons without any discrimination and all possible assistance is provided to visually challenged persons for opening and operating demat accounts. DPs should accordingly note that there are no special restrictions for visually challenged person for opening and operating a demat account subject to compliance with requirements as applicable to any other investor.²⁷

1.12 Hindu Undivided Family (HUF)

1.12.1 In addition to the procedure already specified in the Operating Instructions, the Bye Laws, the following additional guidelines with respect to HUF demat accounts shall require to be complied with:

1.12.2 In the event of death of Karta of HUF, the name of the deceased Karta in the Beneficial Owner (BO) account shall be replaced by the new Karta of the HUF who in such a case shall be eldest coparcener in the HUF or a coparcener who is appointed as Karta by an agreement reached amongst all the coparceners of the HUF.²⁸

1.12.3 In the absence of new Karta, the regulated entity shall effect transmission of account / folio as per dissolution deed and other criteria defined by the respective SRO / industry body in consultation with the SEBI.²⁹

1.12.4 ³⁰DPs are advised to note that it is permitted to open HUF demat accounts with one coparcener acting as the Karta and at least one HUF member (such as a wife, mother or widow) exists, even if there is only one co-parcener. It is further clarified that such demat accounts shall continue to be opened in the name of the HUF entity as appearing on the PAN, with the

²⁵ Reference: CDSL/OPS/DP/POLCY/2516 dated June 24, 2011

²⁶ Reference: CDSL/OPS/DP/POLCY/2021/589 dated December 25, 2021

²⁷ Reference: CDSL/OPS/DP/POLCY/5202 dated May 19, 2015

²⁸ Reference: CDSL/OPS/DP/POLCY/2022/496 dated August 29, 2022

²⁹ Reference: CDSL/OPS/DP/POLCY/2025/145 dated February 28, 2025

³⁰ Reference: CDSL/OPS/DP/POLCY/2026/196 dated March 20, 2026



Karta duly identified, supported by a list of co-parcener and a member along with other prescribed KYC documents and as per the regulatory framework

1.13 Hindu Undivided Family (HUF) with Jointly with Individual(s)³¹

1.13.1 DPs are advised to note that SEBI vide their letter dated August 13, 2025 has allowed opening of HUF demat account jointly with individual joint holder/s.

1.13.2 In view of the above SEBI letter, DPs are advised to note that the functionality has been released in CDSL system for opening of HUF demat accounts jointly with maximum two individual joint holder/s, DPs have to ensure to follow the below mentioned guidelines at the time of opening of such demat account:

1.13.2.1 HUF exists in perpetuity and is not allowed to nominate, nomination facility is not provided in such joint demat accounts.

1.13.2.2 HUF demat account shall be allowed to be opened with maximum two individual joint holders only. The first holders i.e. the fourth alphabet of the PAN shall be "H" and the Joint holders' fourth letter of the PAN shall be "P" i.e. individual in such demat account.

1.13.2.3 On the demise of the Karta of the HUF, the new Karta will be appointed and the demat account will continue. In the event of demise of the third-party joint holder, the HUF will hold the account as surviving holder.

1.13.2.4 In the event of partition of HUF (full or partial), new demat accounts can be opened (i.e. one per partitioned coparcener) and the securities can be transferred in such demat accounts as per the share of each coparcener upon partition.

1.13.2.5 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.

1.13.2.6 In case the individual joint holder is not interested in opening multiple joint demat accounts, the partitioned coparcener(s) and the individual (joint holder) can amicably decide to open a joint account or apportion their share into their respective partitioned coparcener and the other joint holder separately.

1.13.2.7 In case of full partition, the existing demat account of HUF will be closed as after partition, the HUF would cease to exist.

1.13.3 ³²CDSL is pleased to inform the implementation of the system enhancements as mentioned in the above-mentioned communique related to BSDA. DPs are advised to note regarding the release of additional system enhancements as mentioned below:

1.13.3.1 System has been enhanced to mandatorily capture the details of Coparceners at the time of opening of HUF demat accounts. ³³To clarify further the details of the Coparceners will include below mentioned fields in CDSL systems:

1.13.3.1.1 Name of Coparcener/s (First Name and Last Name),

1.13.3.1.2 PAN of Coparcener/s

1.13.3.1.3 Relationship

DPs are advised to note that a separate tab has been made available to capture

³¹ Reference: CDSL/OPS/DP/POLCY/2025/818 dated December 12, 2025

³² Reference: CDSL/OPS/DP/POLCY/2026/209 dated March 24, 2026

³³ Reference: CDSL/OPS/DP/POLCY/2026/218 dated March 28, 2026



the details of the Karta instead of the capturing in authorised signatory's page. Following details of the Karta can be captured in CDSL systems.

- 1.13.3.1.4 Name of the Karta
 - 1.13.3.1.5 Primary ISD code
 - 1.13.3.1.6 Primary mobile number
 - 1.13.3.1.7 Email ID
 - 1.13.3.1.8 UID
 - 1.13.3.1.9 Remarks
- 1.13.3.2 At the time of setup or modification of the nomination details, DPs will be required to capture the relationship with the nominee, when value “**Others**” is selected.
- 1.13.3.3 DPs are required to capture the reason for delay, at the time of account modification and at the time of deletion of name due to death of the holder, if the same are processed after 7 days.
- 1.13.3.4 Mandatory to capture date of birth for joint demat account holder/s either individual or corporates. In case of corporate holder, date of incorporation has to be captured.
- 1.13.3.5 A new field, Consent mode has been introduced in CDSL system for BSDA demat accounts. Same is mandatory only when the BSDA flag is “O – Opt out” is selected at the time of demat account set up or modification.
- 1.13.3.6 Validation has been implemented to capture the BSDA modification reason code for existing demat accounts, when the BSDA flag is changed to “N - No” or “O – Opt out”.
- 1.13.3.7 Additionally, the below-mentioned values will be applicable after the release of the above-mentioned functionalities in CDSL system.

Standard Value in UDIFF format	Meaning of Standard Value
KR	Karta
CP	Coparcener
EML	Registered Email
PHY	Physical Form
ONL	Online/Mobile App

1.14 **Opening of Basic Services Demat Account (BSDA)**³⁴

- 1.14.1 All DPs shall make available a "Basic Services Demat Account" (BSDA) with limited services as per terms specified.
- 1.14.2 Eligibility: Individuals shall be eligible to opt for BSDA subject to the following conditions made effective from September 01, 2024
- 1.14.2.1 The individual has or proposes to have only one demat account where he/she is

³⁴ Reference: CDSL/OPS/DP/POLCY/2024/358 dated June 29, 2024



the sole or first holder.

1.14.2.2 The individual shall have only one BSDA in his/her name across all depositories.

1.14.2.3 Value of securities held in the demat account shall not exceed ` 10 Lakhs for debt and other than debt securities combined at any point of time.

1.14.3 Opening of BSDA and conversion of existing eligible demat accounts into BSDA The DPs shall open only BSDA for Beneficial Owners (BOs), if such demat accounts are eligible for BSDA as per para 1.12.2 above, unless such BOs specifically provide their consent by way of email from their email-id registered with the DP to avail the facility of a regular demat account.

1.14.4 The DPs shall also reassess the eligibility of all the existing BOs with respect to BSDA as provided in para 1.11.2 above within two months from the date of the circular coming into effect and shall convert all such eligible demat accounts into BSDA unless such BOs specifically provide their consent by way of email from their email-id registered with the DP to continue to avail the facility of a regular demat account. This exercise shall be carried out by DPs at the end of every billing cycle.

1.14.5 Charges:

1.14.5.1 The charge structure may be on a slab basis as indicated below:

Value of Holdings in the Demat Account (Debt as well as other than debt securities combined)	Maximum Annual Maintenance Charges
Up to Rs. 4 lakhs	NIL
More than Rs. 4 lakhs but up to Rs.10 lakhs	Rs. 100
More than Rs. 10 lakhs	Not a BSDA. Regular AMC may be levied.

1.14.5.2 It is emphasized that other than AMC as specified above, BSDA shall be treated at par with non-BSDA for the purpose of levying charges for various other services and DPs shall not levy higher charges to BSDA.

1.14.5.3 The value of holding shall be determined by the DPs on the basis of the daily closing price or NAV of the securities or units of mutual funds, as the case may be. Where such price is not available, the last traded price may be taken into account and for unlisted securities other than units of mutual funds, face value may be taken into account. The value of suspended securities may not be considered for the purpose of determining eligibility of demat account as BSDA.

1.14.5.4 If the value of holding in such BSDA exceeds the prescribed criteria at any date, the DPs may levy charges as applicable to regular accounts (non-BSDA) from that date onward.

- *Services for Basic Services Demat Accounts* Electronic statements shall be provided free of cost
- Physical statement may be charged at a fee not exceeding Rs. 25/- per statement.
- All other conditions as applicable to regular demat accounts, other than the ones mentioned above, shall continue to apply to basic services demat account.



1.14.5.5 **Enhancing the 'Facility for Basic Services Demat Account (BSDA)'**³⁵

- 1.14.5.5.1 DPs are requested to note that SEBI, vide circular no. SEBI/HO/MIRSD/MIRSD-PoD1/P/CIR/2024/91 dated June 28, 2024 ('the circular'), specified provisions related to enhancing the facility of BSDA to boost investor participation in securities market. SEBI received stakeholder inputs for further enhancing the facility of BSDA.
- 1.14.5.5.2 Thus, in order to provide ease of doing business to the depository participants (DPs) and ease of doing investments for the investors, it has been decided to exclude the following securities for reckoning the threshold for BSDA
- Zero Coupon Zero Principal (ZCZP) bonds
 - Delisted securities
- 1.14.5.5.3 The valuation of the illiquid securities shall be at last closing price for calculating the threshold for BSDA; and
- 1.14.5.5.4 DPs shall now be required to reassess the BSDA eligibility every quarter.
- 1.14.5.5.5 DPs shall require the beneficiary owner to submit consent to avail / continue to avail the facility of a regular demat account by active consent through a verifiable channel as specified by the Depositories.
- 1.14.5.5.6 The provisions of this circular shall come into force with effect from March 31, 2026 in supersession of paras 2.2(a), 2.2(b) and 2.3(c) of the circular.

1.15 **SARAL Account Opening Form for resident individuals**

- 1.15.1 In addition to the procedure already specified in the Operating Instructions, the Bye Laws, the following additional guidelines with respect to SARAL Account Opening shall require to be complied with:
- 1.15.2 This form will be separately available with the DPs and can also be downloaded from the CDSL website.³⁶
- 1.15.3 The Rights and Obligations of the Beneficial Owners and Depository Participant and documentary proof related to identity and address as specified in SEBI shall continue to remain applicable. It is further clarified that the provisions laid down under the PMLA shall also continue to remain applicable.
- 1.15.4 For these set of individual investors, it has been decided to simplify the requirement of submission of 'proof of address'. Henceforth, individual investor may submit only one documentary proof of address (either residence/correspondence or permanent) while opening a demat account or while undergoing updation.
- 1.15.5 In case the proof of address furnished by the said investor is not the address where the investor is currently residing, the DP may take a declaration of the residence/correspondence address on which all correspondence will be made by the DP with the investor. No proof is

³⁵ Reference: CDSL/OPS/DP/POLCY/2025/849 dated December 26, 2025

³⁶ Reference: CDSL/OPS/DP/POLCY/5088 dated March 25, 2015 and CDSL/OPS/DP/POLCY/5311 dated July 13, 2015



required to be submitted for such correspondence/residence address. In the event of change in this address due to relocation or any other reason, investor may intimate the new address for correspondence to the DP within two weeks of such a change. The residence/ correspondence address and any such change thereof may be verified by the DP through 'positive confirmation' such as (i) acknowledgment of receipt Welcome Kit/ dispatch of any periodical statement, etc. (ii) telephonic conversation; (iii) visits, etc.

1.16 Information to KYC Registration Agency (KRA)

- 1.16.1 In addition to the procedure already specified in the Operating Instructions, the Bye Laws, the following additional guidelines with respect to KYC Registration Agency (KRA) shall require to be complied with:
- 1.16.2 It shall be mandatory for DPs to carry out IPV of their clients. The DP shall ensure that the details like name of the person doing IPV, his designation, organization with his signatures and date are recorded on the KYC form at the time of IPV. The IPV carried out by other SEBI registered intermediary can be relied upon by DP. DPs are advised to note that persons who can carry out IPV may also carry out verification of documents with the originals.³⁷
- 1.16.3 Pursuant to amendments made in the SEBI {KYC Registration Agency (KRA)} Regulations, 2011, KRAs shall independently validate records of those clients (existing as well as new) whose KYC has been completed using Aadhaar as an OVD. The records of those clients whose have completed KYC using non-Aadhaar OVD shall be validated only upon receiving the Aadhaar Number.³⁸
- 1.16.4 KRAs shall promptly inform the respective DPs of deficiency/inadequacy in client's KYC documents, if any, that is observed for validation.
- 1.16.5 On successful completion of KYC validation, a unique client identifier called KRA identifier shall be assigned by KRA to the client and such KRA identifier may be used by the client for opening of account with any other intermediary, without repeating the KYC process.
- 1.16.6 The KYC records of new clients (who have used Aadhaar as an OVD) shall be validated within 2 days of receipt of KYC records by KRAs.
- 1.16.7 Clients whose KYC records are not found to be valid by KRA after the validation process shall be allowed to transact in securities market only after their KYC is validated and the account should be frozen for both - debit and credit with appropriate freeze code under "KYC verification Non-Compliant Account"³⁹
- 1.16.8 Process of unfreezing of the demat accounts: If any demat account holder/s are approaching the DPs for removal of said freeze, the DP is required to verify that the status of KYC record for given PAN on KRA system and (for sole / all the eligible joint holders) ensure that same is validated by KRA. After successful verification, DPs may remove freeze of demat account at their end. Such removal of freeze of demat accounts may be undertaken by Participants suo-moto also after necessary verification.⁴⁰

³⁷ Reference: CDSL/OPS/DP/POLCY/2774 dated December 27, 2011 and CDSL/A,I&C/DP/ POLCY/2806 dated January 12, 2012

³⁸ Reference: CDSL/OPS/DP/POLCY/2022/202 dated April 08, 2022

³⁹ Reference: CDSL/OPS/DP/SYSTEM/2023/261 dated April 27, 2023, CDSL/OPS/DP/SYSTEM/2023/525 dated September 05, 2023 and CDSL/OPS/DP/SYSTEM/2023/643 dated November 3, 2023

⁴⁰ Reference: CDSL/OPS/DP/SYSTEM/2023/493 dated August 18, 2023



- 1.16.9 KRAs have provided the additional list of KYC records which are not found to be valid due to various reasons (including invalid PANs for reasons PAN not seeded with Aadhar). Based on the details of invalid PANs received from KRAs, list of DP wise accounts identified against said invalidated PANs was made available by CDSL in the DPs billing folder for follow up with identified deficient BOs.⁴¹
- 1.16.10 In case of KYC based on non-Aadhaar OVD, the KRA shall only store such records and the same would not be validated by KRAs unless Aadhaar number is provided by the client.
- 1.16.11 SEBI vide their email dated March 31, 2023 has informed that certain demat accounts have been created/opened with the Depository by the DPs for certain PANs, for which KYC validation has been declared non valid by KRAs. The clients whose KYC records are not found to be valid by KRA after the validation process, shall not be allowed to transact in securities market.⁴²
- 1.16.12 CDSL vide its communique no. CDSL/OPS/DP/POLCY/2024/162 dated March 21, 2024 suggested the implementation of SEBI circulars on KYC norms and Risk Management Framework (RMF). It is suggested that the non-financial transactions (such as updation of KYC) shall also be considered by the Depository Participant (DP)s for treating the demat account as inactive / dormant i.e. if the KYC details are updated basis on client request/s during a continuous period of 12 months but has not done any securities transactions the demat account shall be considered as active.⁴³

1.17 Operationalisation of Central KYC records Registry (CKYCR)⁴⁴

- 1.17.1 As per the 2015 amendment to PML (Maintenance of Records) Rules, 2005 (the rules), the DP being reporting entity shall capture the KYC information for sharing with the Central KYC Records Registry in the manner mentioned in the Rules, as per the KYC templates finalised by CERSAI.
- 1.17.2 DPs are advised to upload and register the records of individual clients and legal entities on CKYCR.⁴⁵
- 1.17.3 This is not applicable to FPIs.
- 1.17.4 DPs are advised to refer SEBI circular no. CIR/MIRSD/120/2016 Dated November 10, 2016 regarding Uploading of the existing clients' KYC details with CKYCR System.

1.18 Aadhaar based e-KYC process

- 1.18.1 SEBI has clarified that in consultation with UIDAI and the market participants, it was decided to accept e-KYC service launched by UIDAI also, as a valid process for KYC verification. The information containing relevant client details and photograph made available from UIDAI as a result of e-KYC process shall be treated as sufficient Proof of identity and Address of the

⁴¹ Reference: CDSL/OPS/DP/POLCY/2023/693 dated November 29, 2023

⁴² Reference: CDSL/OPS/DP/POLCY/2023/207 dated March 31, 2023

⁴³ Reference: CDSL/OPS/DP/POLCY/2024/400 dated July 18, 2024

⁴⁴ Reference: CDSL/OPS/DP/POLCY/6244 dated November 11, 2016 and CDSL/OPS/DP/POLCY/6049 dated July 29, 2016

⁴⁵ Reference: CDSL/OPS/DP/POLCY/2021/122 dated March 18, 2021



client.⁴⁶

- 1.18.2 It is also clarified that the usage of Aadhaar card as issued by the UIDAI is voluntary.⁴⁷
- 1.18.3 DP, who want to undertake Aadhaar authentication services through KUAs, shall enter into an agreement with any one KUA and get themselves registered with UIDAI as sub-KUAs.
- 1.18.4 Upon notification by the Central Government / registration with UIDAI, the KUAs and sub-KUAs shall adopt the following process for Aadhaar e-KYC of investors (resident) in the securities market and as may be prescribed by UIDAI from time to time.
- 1.18.5 Online Portal based Investor (Resident) e-KYC Process (Aadhaar as an OVD)
- 1.18.5.1** Investor visits portal of KUA Sub-KUA to open account/invest through intermediary.
 - 1.18.5.2** For Aadhaar e-KYC, investor is redirected to KUA portal. Investor enters the Aadhaar Number or Virtual Id and provides consent on KUA portal. Adequate controls shall be in place to ensure that Aadhaar Number is not stored anywhere by the Sub-KUA or KUA.
 - 1.18.5.3** Investor will receive OTP in mobile number registered with Aadhaar. Investor enters the OTP sent by UIDAI on KUA portal for Aadhaar e-KYC.
 - 1.18.5.4** KUA will receive the e-KYC details from UIDAI upon successful Aadhaar authentication which will be further forwarded to Sub-KUA in encrypted format (using KUAs own encryption key) and will be displayed to the investor on portal. Sharing of e-KYC data by the KUA with Sub-KUA may be allowed under Regulation 16(2) of Aadhaar (Authentication) Regulation, 2016. Sub-KUA shall clearly specify the name of the KUA and Sub- KUA, and details of sharing of data among KUA and Sub-KUA while capturing investor consent.
 - 1.18.5.5** Investor will fill the additional detail as required under KYC format.
 - 1.18.5.6** Sub-KUA will upload additional KYC details to the KUA.
- 1.18.6 Assisted Investor (Resident) e-KYC process (Aadhaar as an OVD)
- 1.18.6.1 Investor approaches any of the Sub-KUAs for e-KYC through Aadhaar.
 - 1.18.6.2 Sub-KUAs will perform e-KYC using registered / Whitelisted devices with KUAs.
 - 1.18.6.3 KUA will ensure that all devices and device operators of Sub-KUA are registered / whitelisted devices with KUA.
 - 1.18.6.4 Investor will enter Aadhaar No. or Virtual Id and provides consent on the registered device.
 - 1.18.6.5 Investor provides biometric on the registered device.
 - 1.18.6.6 Sub-KUA fetches the e-KYC details through the KUA from UIDAI which will be displayed to the investor on the registered device.
 - 1.18.6.7 Investor will also provide the additional detail as required.
- 1.18.7 The KUA/ sub-KUA while performing the Aadhaar authentication shall also comply with the following:

⁴⁶ Reference: CDSL/OPS/DP/POLCY/3969 dated October 09, 2013

⁴⁷ Reference: CDSL/OPS/DP/POLCY/2019/560 dated November 06, 2019



- 1.18.7.1 For sharing of e-KYC data with Sub-KUA under Regulation 16(2) of Aadhaar (Authentication) Regulations, 2016, KUA shall obtain special permission from UIDAI by submitting an application in this regard. Such permissible sharing of e- KYC details by KUA can be allowed with their associated Sub-KUAs only.
- 1.18.7.2 KUA shall not share UIDAI digitally signed e-KYC data with other KUAs. However, KUAs may share data after digitally signing it using their own signature for internal working of the system.
- 1.18.7.3 e-KYC data received as response upon successful Aadhaar authentication from UIDAI will be stored by KUA and Sub-KUA in the manner prescribed by Aadhaar Act/Regulations and circulars issued by UIDAI time to time.
- 1.18.7.4 KUA/Sub-KUA shall not store Aadhaar number in their database under any circumstances. It shall be ensured that Aadhaar number is captured only using UIDAI's Aadhaar Number Capture Services (ANCS).
- 1.18.7.5 The KUA shall maintain auditable logs of all such transactions where e-KYC data has been shared with sub-KUA, for a period specified by the Authority.
- 1.18.7.6 It shall be ensured that full Aadhaar number is not stored and displayed anywhere in the system and wherever required only last 4 digits of Aadhaar number may be displayed.
- 1.18.7.7 As per Regulation 14(i) of the Aadhaar (Authentication) Regulation, 2016, requesting entity shall implement exception-handling mechanisms and backup identity authentication mechanism to ensure seamless provision of authentication services to Aadhaar number holders.
- 1.18.7.8 UIDAI may conduct audit of all KUAs and Sub KUAs as per the Aadhaar Act, Aadhaar Regulations, AUA/KUA Agreement, Guidelines, circulars etc. issued by UIDAI from time to time.
- 1.18.7.9 Monitoring of irregular transactions - KUAs shall develop appropriate monitoring mechanism to record irregular transactions and their reporting to UIDAI.
- 1.18.7.10 Investor Grievance Handling Mechanism - Investor may approach KUA for their grievance redressal. KUA will ensure that the grievance is redressed within the timeframe as prescribed by UIDAI. KUA will also submit report on grievance redressal to UIDAI as per timelines prescribed by UIDAI.
- 1.18.8 Onboarding process of KUA/Sub-KUA by UIDAI
 - 1.18.8.1 As provided in the DoR circular dated May 09, 2019, SEBI after scrutiny of the application forms of KUAs shall forward the applications along with its recommendation to UIDAI.
 - 1.18.8.2 For appointment of DP as Sub-KUAs, KUA will send list of proposed Sub-KUAs to SEBI and SEBI would forward the list of recommended Sub-KUAs to UIDAI for onboarding. An agreement will be signed between KUA and Sub-KUA, as prescribed by UIDAI. Sub-KUA shall also comply with the Aadhaar Act Regulations, circulars, Guidelines etc. issued by UIDAI from time to time.



1.18.8.3 Each sub-KUA shall be assigned a separate Sub-KUA code by UIDAI.

1.18.9 The KUA/sub-KUA shall be guided by the above for use of Aadhaar authentication services of UIDAI for e-KYC. For non-compliances if any observed on the part of the reporting entities (KUAs/ Sub- KUAs), SEBI may take necessary action under the applicable laws and also bring the same to the notice of DoR / FIU for further necessary action, if any. Reporting entity (KUAs/Sub-KUAs) shall also adhere to the continuing compliances and standards of privacy and security prescribed by UIDAI to carry out Aadhaar Authentication Services under section 11A of PMLA. Based on a report from SEBI / UIDAI or otherwise, if it is found that the reporting entity no longer fulfills the requirements for performing authentication under clause (a) of section 11A(1) of PMLA, the Central Government may withdraw the notification after giving an opportunity to the reporting entity.

1.19 Online KYC Process and Use of Technology for KYC⁴⁸

1.19.1 In case a Depository Participant is doing online KYC, it shall comply with the following guidelines prescribed by SEBI/CDSL:

1.19.1.1 DP shall obtain the express consent of the investor before undertaking online KYC.

1.19.1.2 In order to enable the online KYC process for establishing account based relationship with the DP, Investor's KYC can be completed through online /App based KYC, in-person verification through video, online submission of Officially Valid Document (OVD) / other documents under eSign.

1.19.1.3 The investor shall visit the website/App/digital platform of the DP and fills up the online KYC form and submits requisite documents online.

1.19.1.4 The name, photograph, address, mobile number, email ID, Bank details of the investor shall be captured online and OVD / PAN / signed cancelled cheque shall be provided as a photo / scan of the original under eSign.

1.19.1.5 A DP shall verify Mobile and email through One Time Password (OTP) or other verifiable mechanism. The mobile number/s of investor accepted as part of KYC should preferably be the one seeded with Aadhaar. A DP shall ensure to meet the requirements of the mobile number and email as detailed under Communique No. CDSL/OPS/DP/POLCY/5139 dated April 15, 2015.

1.19.1.6 In terms of Rule 2 (d) of Prevention of Money-Laundering (Maintenance of Records) Rules, 2005 (PML Rules) "Officially Valid Documents" means the following:

1.19.1.6.1 the passport,

1.19.1.6.2 the driving licence,

1.19.1.6.3 proof of possession of Aadhaar number,

1.19.1.6.4 the Voter's Identity Card issued by Election Commission of India,

1.19.1.6.5 job card issued by NREGA duly signed by an officer of the State Government and

⁴⁸ Reference: CDSL/OPS/DP/POLCY/2020/203 dated April 27, 2020



- 1.19.1.6.6 the letter issued by the National Population Register containing details of name, address, or any other document as notified by the Central Government in consultation with the Regulator.
- 1.19.1.7 Further, Rule 9(18) of PML Rules states that in case OVD furnished by the investor does not contain updated address, the document as prescribed therein in the above stated Rule shall be deemed to be the OVD for the limited purpose of proof of address.
- 1.19.1.8 PML Rules allows an investor to submit other OVD instead of PAN, however, in terms of SEBI circular No. MRD/DoP/Cir- 05/2007 dated April 27, 2007 the requirement of mandatory submission of PAN by the investors for transaction in the securities market shall continue to apply.
- 1.19.1.9 Once all the information as required as per the online KYC form is filled up by the investor, KYC process could be completed as under:
- 1.19.1.9.1 The investor would take a print out of the completed KYC form and after affixing their wet signature, send the scanned copy / photograph of the same to the DP under eSign, or
- 1.19.1.9.2 Affix online the cropped signature on the filled KYC form and submit the same to the DP under eSign.
- 1.19.1.10 The DP shall forward the KYC completion intimation letter through registered post/ speed post or courier, to the address of the investor in cases where the investor has given address other than as given in the OVD. In such cases of return of the intimation letter for wrong / incorrect address, addressee not available etc, no transactions shall be allowed in such account and intimation shall also sent to the CDSL.
- 1.19.1.11 The original seen and verified requirement for OVD would be met where the investor provides the OVD in the following manner:
- 1.19.1.11.1 As a clear photograph or scanned copy of the original OVD, through the eSign mechanism, or;
- 1.19.1.11.2 As digitally signed document of the OVD, issued to the DigiLocker by the issuing authority.
- 1.19.1.12 Further, IPV / VIPV shall not be required by the DP
- 1.19.1.12.1 when the KYC of the investor is completed using the Aadhaar authentication / verification of UIDAI.
- 1.19.1.12.2 when the KYC form has been submitted online, documents have been provided through digilocker or any other source which could be verified online.



1.19.2 **Features for online KYC App of the DP**

- 1.19.2.1 DP may implement its own Application (App) for undertaking online KYC of investors.
- 1.19.2.2 The App shall facilitate taking photograph, scanning, acceptance of OVD through Digilocker, video capturing in live environment, usage of the App only by authorized person of the DP.
- 1.19.2.3 The App shall also have features of random action initiation for investor response to establish that the interactions not pre-recorded, time stamping, geo-location tagging to ensure physical location in India etc is also implemented.
- 1.19.2.4 DP shall ensure that the process is a seamless, real-time, secured, end-to-end encrypted audio-visual interaction with the customer and the quality of the communication is adequate to allow identification of the customer beyond doubt.
- 1.19.2.5 DP shall carry out the liveness check in order to guard against spoofing and such other fraudulent manipulations.
- 1.19.2.6 The DP shall before rolling out and periodically, carry out software and security audit and validation of their App.
- 1.19.2.7 The DP may have additional safety and security features other than as prescribed above.

1.19.3 **Feature for Video in Person Verification (VIPV) for Individuals**

- 1.19.3.1 To enable ease of completing IPV of an investor, DP may undertake the VIPV of an individual investor through its App. The following process shall be adopted in this regard:
 - 1.19.3.1.1 DP through their authorised official, specifically trained for this purpose, may undertake live VIPV of an individual customer, after obtaining his/her informed consent. The activity log along with the credentials of the person performing the VIPV shall be stored for easy retrieval.
 - 1.19.3.1.2 The VIPV shall be in a live environment.
 - 1.19.3.1.3 The VIPV shall be clear and still, the investor in the video shall be easily recognisable and shall not be covering their face in any manner.
 - 1.19.3.1.4 The VIPV process shall include random question and response from the investor including displaying the OVD, KYC form and signature or could also be confirmed by an OTP.
 - 1.19.3.1.5 The DP shall ensure that photograph of the customer downloaded through the Aadhaar authentication / verification process matches with the investor in the VIPV.
 - 1.19.3.1.6 The VIPV shall be digitally saved in a safe, secure and tamper-proof, easily retrievable manner and shall bear date and time stamping.



1.19.3.1.7 The DP may have additional safety and security features other than as prescribed above.

1.19.4 **FAQs on online KYC process and use of technology**⁴⁹

- 1.19.4.1 There is no requirement to verify the OVD/other documents in case of receipt of photograph or scan copy of the original OVD with e-sign of the client. Self-attestation by the client through the e-sign will be considered as sufficient and will satisfy the requirement of verification by DP. DP can verify the details provided by the client matches with the details on the OVD/other documents.
- 1.19.4.2 It is mandatory to take live photograph of the client in all cases of online account opening through the website/App/digital platform of the DP, whether the account is opened through the Aadhaar as OVD, any other OVD or through download of KYC from KRA. It is not permitted to upload the photograph of the client or take of photograph of the client photograph. Online KYC App of the DP should verify the liveness of the photograph.
- 1.19.4.3 Signature of the client can be cropped from a signed cancelled cheque, signature on a white paper or signature made on the screen of a device, provided such cropped signature on the document / screen is e-signed by the client and submitted to the DP. However, before e-signing the document, the cropped signature should be inserted in the place holders of the KYC form and displayed to the investor.
- 1.19.4.4 DP shall verify the e-sign of the client on the basis of name, gender and year of birth mentioned in the e-sign certificate and comparing the same with the client details available in its record.
- 1.19.4.5 As per the procedure mentioned in the IT Act 2000, digital signature on the electronic document can be verified using the public key of the signature.
- 1.19.4.6 If KYC is conducted based on Aadhaar Authentication, IPV/VIPV would not be required, however, DPs should perform minimum due diligence to ensure authenticity of the data provided. Accordingly, IPV/VIPV is not required in following cases:
- 1.19.4.6.1 OTP based e-KYC
 - 1.19.4.6.2 Biometric based e-KYC
 - 1.19.4.6.3 Offline verification of XML file
 - 1.19.4.6.4 Offline verification of Aadhaar QR Code
 - 1.19.4.6.5 OVD's downloaded from Digilocker
 - 1.19.4.6.6 KYC downloaded from KRA and client consent by OTP
 - 1.19.4.6.7 Documents from any other source which could be verified online.
 - 1.19.4.6.8 IPV/VIPV will be required in case when the investor submits scanned copies of any OVD as prescribed by SEBI.

⁴⁹ Reference: CDSL/OPS/DP/POLCY/2020/444 dated October 14, 2020



- 1.19.4.7 PAN is not included under the list of OVD's under the rule 2(d) of the PML rules. Hence, it can't be considered as a proof of identity however, it is mandatory to provide copy of PAN card. A photograph/scan of PAN should be provided by client under his e-sign or e-PAN can be provided through Digilocker which are issued directly by issuing authority to Digilocker. The scan of the OVD means that original OVD is scanned using the scanning software or through the physical scanner available. It doesn't include the photocopy of the original document.
- 1.19.4.8 In cases where client is identified by using e-KYC through Aadhaar authentication services of UIDAI or offline verification through Aadhaar QR code/XML file, the client shall provide mobile number as updated in their Aadhaar. Where KYC is done by relying upon OVD other than Aadhaar, in such case, the mobile number/s of investor accepted as part of KYC should preferably be the one seeded with Aadhaar. The Mobile number will be verified by DP through One Time Password (OTP) or other verifiable mechanism.
- 1.19.4.9 It is mandatory to submit email id at the time of account opening using online account facility. DP shall verify the email-id using OTP / other verifiable mechanism.
- 1.19.4.10 A scanned image or photo of OVD submitted by the client to the RI through video IPV or other online mechanisms cannot be considered as a valid proof. The OVD shown in the VIPV should have been validated by means of an electronic copy issued in the Digilocker under the valid signature of the issuing authority. Hence, any documents being obtained from the client outside this mechanism should be mandatorily obtained as a scanned image or photo under eSign.
- 1.19.4.11 If DP is availing penny drop facility using API of the bank, copy of signed cancelled cheque is not required to be obtained from client. However, in cases where penny drop match fails, or in cases where penny drop doesn't return joint account holder name, clients should be asked to submit proofs like copy of signed cancelled cheque,
- 1.19.4.12 The DP shall attempt verification of bank account details using penny drop facility in all cases. But, if the investor's bank does not provide response to support the penny drop facility, the bank details can be accepted based on the copy of the signed cancelled cheque.
- 1.19.4.13 If the OVD furnished by the client does not contain the updated address, the documents such as. utility bill which is not more than two months old of any service provider (electricity, telephone, post-paid mobile phone, piped gas, water bill) OR Property etc, will be treated as deemed OVD for the limited purpose of proof of address, provided that the client shall submit updated officially valid document or their equivalent e-documents thereof with current address within a period of three months of submitting the above documents. In case of non-receipt of the updated OVDs, no transactions shall be allowed in such account and intimation shall also sent to the CDSL.
- 1.19.4.14 In cases where the investor has given address other than as given in the OVD and the KYC completion documents sent to the clients have been returned undelivered, the account should be frozen for further transactions and the intimation should accordingly be sent to the client on mobile number and email id or on the permanent address of the client.



- 1.19.4.15 A digitally signed Aadhar, issued to the DigiLocker by UIDAI can be accepted as an OVD under eSign of the client.
- 1.19.4.16 The online KYC application of DP should have a facility to take a photograph of the investor which has time stamping, geo-location tagging and liveness check.
- 1.19.5 DPs are requested to take note that where the DP is opening an account online based on download of KYC details from the KRA, the KYC details as downloaded from the KRA shall be displayed to the client at the time of account opening where the client must confirm that there is no change in the particulars as downloaded from KRA and in case of any change, the client must be provided an option to provide latest details along with supporting documentation.⁵⁰
- 1.19.6 Online demat account opening shall be allowed in addition to Sole resident individual and Joint holders, for other individual and non-individual accounts also. The accounts may not be opened online in the strict sense of processing of account opening but would be more like a semi-automated system, as the documents submitted electronically or otherwise would be checked by the DP. DPs should ensure that the documents obtained are as per the CDSL bye laws and Operating Instructions and then put into the CDSL system for account opening. Further, the account opening forms and the supporting documents; if any, will be e-signed / digitally signed by the holder / concerned authorized persons.⁵¹
- 1.19.7 New demat accounts can be opened in the online mode for the following client types also.
- 1.19.7.1 Non-Resident Indian with repatriation (NRE)
 - 1.19.7.2 Non-Resident Indian without repatriation (NRO)
 - 1.19.7.3 Guardian on behalf of the Minor account holder
 - 1.19.7.4 Corporate Account
 - 1.19.7.5 HUF Account
 - 1.19.7.6 Registered Trust
 - 1.19.7.7 Registered Society
 - 1.19.7.8 Bank
 - 1.19.7.9 Mutual Fund
 - 1.19.7.10 Partnership Firm through the partners
 - 1.19.7.11 Unregistered trust through the trustees
 - 1.19.7.12 Unregistered societies through the trustees
- 1.19.8 The following checks and balances are required to be taken care by the DPs for online account opening:
- 1.19.8.1 The investor is required to use Aadhaar for online account opening.
 - 1.19.8.2 The documents viz. proof of identity, account opening form copy of cheque, etc. needs to signed electronically using the Aadhaar (e-signed).
 - 1.19.8.3 The email ID is validated.
 - 1.19.8.4 The mobile number is validated.
- 1.19.9 It is reiterated that all the requirements and processes laid down by SEBI needs to be followed while opening any demat account/s through online mode.



1.19.10 It is clarified that any document, except for the documents mentioned in the First Schedule of the IT Act 2000, may be authenticated by an investor by way of electronic/digital signature including Aadhaar eSign. Therefore, the process of performing KYC can be completed by using electronic/digital signature including Aadhaar eSign. In case of non-individual clients, DPs may take caution and satisfy themselves regarding the genuineness of the authorization and identity of the authorized signatories.

1.19.11 With regard to requirement of geo-tagging in India, it is reiterated that while completing the investor's KYC through KYC app of DP, the DP shall continue to ensure the requirement of geo-tagging with the investor's physical location in India as per SEBI guidelines till further clarification is issued in the matter.⁵²

1.20 Guidelines on Identification of Beneficial Ownership⁵³

1.20.1 The DPs shall comply with the following guidelines in respect of identification of Beneficial Ownership.

1.20.2 For clients other than individuals or trusts: Where the client is a person other than an individual or trust, viz., company, partnership or unincorporated association/body of individuals, the DP shall identify the beneficial owners of the client and take reasonable measures to verify the identity of such persons, through the following information:

1.20.2.1 The identity of the natural person, who, whether acting alone or together, or through one or more juridical person, exercises control through ownership or who ultimately has a controlling ownership interest;

Explanation: Controlling ownership interest means ownership of/ entitlement to:

1.20.2.1.1 more than 25% of shares or capital or profits of the juridical person, where the juridical person is a company;

1.20.2.1.2 more than 15% of the capital or profits of the juridical person, where the juridical person is a partnership; or

1.20.2.1.3 more than 15% of the property or capital or profits of the juridical person, where the juridical person is an unincorporated association or body of individuals.

1.20.2.2 In cases where there exists doubt under clause (a) above as to whether the person with the controlling ownership interest is the beneficial owner or where no natural person exerts control through ownership interests, the identity of the natural person exercising control over the juridical person through other means;

Explanation: Control through other means can be exercised through voting rights, agreement, arrangements or in any other manner.

1.20.2.3 Where no natural person is identified under clauses (a) or (b) above, the identity of the relevant natural person who holds the position of senior managing official.

1.20.3 For client which is a trust: Where the client is a trust, the DP shall identify the beneficial owners

⁵⁰ Reference: CDSL/OPS/DP/ POLCY/2021/127 dated March 22, 2021

⁵¹ Reference: CDSL/OPS/DP/GENRL/2021/447 dated October 04, 2021 and CDSL/OPS/DP/GENRL/2021/518 dated November 17, 2021

⁵² Reference: CDSL/OPS/DP/POLCY/2022/67 dated February 07, 2022

⁵³ Reference: CDSL/OPS/DP/POLCY/3451 dated January 25, 2013



of the client and take reasonable measures to verify the identity of such persons, through the identity of the author of the trust, the trustee, the protector, the beneficiaries with 15% or more interest in the trust and any other natural person exercising ultimate effective control over the trust through a chain of control or ownership;

- 1.20.4 Exemption in case of listed companies: Where the client or the owner of the controlling interest is a company listed on a stock exchange, or is a majority owned subsidiary of such a company, it is not necessary to identify and verify the identity of any shareholder or beneficial owner of such companies.
- 1.20.5 Applicability for foreign investors: DP dealing with foreign investors' may be guided by SEBI Master Circular SEBI/HO/AFD-2/CIR/P/2022/175 dated December 19, 2022 and amendments thereto, if any, for the purpose of identification of beneficial ownership of the client.

1.21 Mapping of Unique Client Code with Demat Accounts⁵⁴

- 1.21.1 DPs are required to obtain UCC along with corresponding exchange ID at the time of demat account opening or with Modification from their clients.⁵⁵
- 1.21.2 Provision is made in the Demat Account Opening form to mention the UCC details of the sole / first holder of Demat Account.
- 1.21.3 UCC allotted by the trading member (TM) to the client shall be mapped with the demat account of the client.
- 1.21.4 A client may trade through multiple TMs in which case each such UCC shall be mapped with one or more demat account(s).
- 1.21.5 DPs are advised to incorporate necessary changes in their back-office software, if any.
- 1.21.6 DPs are once again advised to inform their Clearing Member (CM), Trading Member (TM) and Trading Clients to take utmost care for correctness of UCC details while providing the said details to DPs.
- 1.21.7 Further, DPs too are required to take due precautions while capturing the said details in CDSL system so that UCC details being correctly mapped with the demat account.
- 1.21.8 DPs are hereby directed to disseminate the aforesaid guidelines to their CM / TM / Trading clients to help them to understand and comply with the guidelines in accordance with the SEBI guidelines so that failure of pay-in transaction, if any, on account of non-mapping of UCC details with the demat account of clients due to incorrect UCC – PAN details captured in demat account vis-à-vis corresponding details received from the Stock Exchange(s) can be avoided.⁵⁶

1.22 Power Of Attorney (POA) / Demat Debit and Pledge Instruction (DDPI)

- 1.22.1 In addition to the procedure already specified in the Operating Instructions, the Bye Laws, the following additional guidelines with respect to POA/DDPI shall require to be complied with:

⁵⁴ Reference: CDSL/OPS/DP/POLCY/2019/580 dated November 18, 2019

⁵⁵ Reference: CDSL/OPS/DP/POLCY/2020/141 dated March 16, 2020

⁵⁶ Reference: CDSL/OPS/DP/S ETTL/2023/65 dated January 31, 2023



- 1.22.2 A BO may execute the DDPI for the following purpose: ⁵⁷
- 1.22.2.1 Transfer of securities held in the beneficial owner accounts of the client towards Stock Exchange related deliveries / settlement obligations arising out of trades executed by clients on the Stock Exchange through the same stock broker.
 - 1.22.2.2 Pledging / re-pledging of securities in favour of trading member (TM) / clearing member (CM) for the purpose of meeting margin requirements of the clients in connection with the trades executed by the clients on the Stock Exchange.
 - 1.22.2.3 Mutual Fund transactions being executed on stock exchange order entry platforms and which shall be in compliance with SEBI circulars SEBI/HO/IMD/IMD-I DOF5/P/CIR/2021/634 dated October 04, 2021, SEBI/HO/IMD/IMD-I DOF5/P/CIR/2021/635 dated October 04, 2021 and SEBI/HO/IMD/IMD-I DOF5/P/CIR/2022/29 dated March 15, 2022 or any other circular which may be issued in this regard; and
 - 1.22.2.4 Tendering shares in open offers which shall be in compliance with SEBI circular SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021 or any other circular which may be issued in this regard.

1.23 Portfolio Management Services (PMS) Power of Attorney (POA)⁵⁸

- 1.23.1 PMS managers have to open the new PMS POA account to be linked only to the PMS client accounts.
- 1.23.2 SEBI Registration Number of the PMS Manager is mandatory for PMS POA.
- 1.23.3 The Custodian CM accounts has to be mapped to the new PMS POA.

1.24 Opening of Margin Pledge & Repledge account⁵⁹

- 1.24.1 To enable clients to pledge their securities as collateral / margin to a TM / CM, DP shall open accounts titled 'TM – Client Securities Margin Pledge Account (TM-CMPA)' and 'CM – Client Securities Margin Pledge Account (CM-CMPA)' with new types / sub-types.
- 1.24.2 In case a TM/CM's existing pool account is maintained with a DP and the TM-CMPA / CMCMPA / TM/CM-CMPA is being opened with the same DP then fresh Account Opening Form (AOF) would not be required to be submitted by a TM / CM to the DP. DP shall obtain a consent from a TM / CM in the prescribed format along with a copy of the board resolution for the same. However, if the TM-CMPA / CM-CMPA / TM/CM-CMPA is being opened with another DP where pool account is not maintained then the documents as applicable for opening of demat accounts mentioned in the Operating Instructions would have to be furnished. ⁶⁰
- 1.24.3 A provision has been enabled to a member who is a TM and have appointed Professional

⁵⁷ Reference: CDSL/OPS/DP/POLCY/2022/194 April 05, 2022 and CDSL/OPS/DP/P OLCY/2022/585 October 7, 2022

⁵⁸ Reference: CDSL/OPS/DP/SYSTM/2022/166 dated March 25, 2022

⁵⁹ Reference: CDSL/OPS/DP/P OLCY/2020/115 dated March 02, 2020

⁶⁰ Reference: CDSL/OPS/DP/POLCY/2020/234 dated May 22, 2020



Clearing Member (PCM) to settle transactions of all segments, can open 'TM – Client Securities Margin Pledge Account (TM-CMPA)'.⁶¹

- 1.24.4 Similarly, if a member is a TM who is also a Self-Clearing Member (SCM) and settles transactions of all segments themselves can open 'CM – Client Securities Margin Pledge Account (CM-CMPA)'.
- 1.24.5 Also, if a member is only a PCM and settles transactions on behalf of the TMs can open 'CM – Client Securities Margin Pledge Account (CM-CMPA)'.
- 1.24.6 DPs shall open 'TM/CM – Client Securities Margin Pledge Account (TM/CM-CMPA)' for a member where if a TM has appointed PCM to settle its transactions in one/multiple segment/s and is a SCM in one/multiple segment/s to settle its own transactions.
- 1.24.7 CM / TM shall be required to close all their existing demat accounts tagged as 'CM/TM Client Collateral Account' and 'CM/TM Collateral Account'.
- 1.24.8 DPs are directed to disseminate the aforesaid information / requirements / guidelines to their TM / CM clients to help them to understand and comply with the guidelines in accordance with the SEBI circular and ensure that the suitable back-office changes where applicable are implemented.

1.25 Opening of Client Securities Margin Funding Account⁶²

- 1.25.1 As directed by SEBI, funded stocks held by the TM / CM under the margin trading facility shall allowed to be held by the TM / CM only by way of pledge.
- 1.25.2 DP shall open an account of the new type 'Client Securities Margin Funding Account' (CMFA) so that securities purchased under margin trading facility i.e. funded stocks can be pledged by the client in this account.
- 1.25.3 In case a TM/CM's existing pool account is maintained with a DP and the CMFA is being opened with the same DP then fresh Account Opening Form (AOF) would not be required to be submitted by a TM / CM to the DP for opening the CMFA. DP shall obtain a consent from a TM / CM in the prescribed format along with a copy of the board resolution for the same. However, if the CMFA is being opened with another DP where pool account is not maintained then the documents as applicable for opening of demat accounts mentioned in the Operating Instructions would have to be furnished. A TM / CM should mention the type of account as CMFA in the AOF.

1.26 Opening of Client Unpaid Securities Pledgee Account⁶³

- 1.26.1 TM/CM will be required to maintain a new demat account viz. 'Client Unpaid Securities Pledgee Account (CUSPA)'. DPs shall open CUSPA for their TM/CM clients with new BO-Status and BO-Sub-Status.
- 1.26.2 While opening CUSPA, DPs are requested to take utmost care to ensure that PAN of CUSPA and corresponding settlement accounts of a TM/CM should be identical. Failing which transfer

⁶¹ Reference: CDSL/OPS/DP/POLCY/2020/309 dated July 16, 2020

⁶² Reference: CDSL/OPS/DP/POLCY/2020/309 dated July 16, 2020

⁶³ Reference: CDSL/OPS/DP/POLCY/2022/658 dated November 11, 2022



of pay-out securities from CM's Pool Account (TM/CM Pool Account as either TM/CM Principal Account – BSE TM/ICCL CM or TM/CM Pool Account – BSE TM/ICCL CM or Trading/Clearing Member Account – non-BSE/ICCL TM/CM) to demat account of unpaid client followed by auto pledge in corresponding CUSPA will be failed.

- 1.26.3 TM/CM may open Stock Exchange (SE) / Clearing Corporation (CC) wise CUSPA or alternatively may have a single CUSPA irrespective of CC / SE combination.
- 1.26.4 If TM/CM opts to open the CUSPA with a DP with whom the TM/CM has an existing TM/CM account, then a consent form as prescribed for the same may be obtained by DP from TM/CM. However, if TM/CM opts to open CUSPA with a DP with whom TM/CM does not have an existing TM/CM account, then TM/CM will be required to follow the account opening process as per the DP Operating Instructions.⁶⁴
- 1.26.5 All the active Client Unpaid Securities Account (CUSA), if any, are required to be 'closed'. Securities held in CUSA are either required to be disposed off / sold in the market or be transferred to the client's demat account by the TM/CM accordingly. CUSA which are not closed, will be frozen for both debit and credit.
- 1.26.6 DPs are directed to disseminate the aforesaid information / requirements / guidelines to their TM/CM/Trading clients to help them to understand and comply with the guidelines in accordance with the SEBI guidelines and ensure that the suitable back-office related changes where applicable are implemented.
- 1.26.7 DP shall open 'TM/CM – Client Unpaid Securities Pledgee Account (TM/CM-CUSPA)' with new BO-Status and BO-Sub-Status, where a TM has appointed PCM to settle its transactions in one/multiple segment/s and is a SCM in one/multiple segment/s to settle its own transactions.⁶⁵
- 1.26.8 DPs to note the following clarifications with regards to handling of Clients Securities by Trading Member(TM)/ Clearing Members (CM):⁶⁶
 - 1.26.8.1 If the client fulfills his/her funds obligation within five trading days after the pay-out, TM/CM can release the pledge within five trading days after the pay-out so that the securities are available to the client as free balance.
 - 1.26.8.2 If the client does not fulfill its funds obligation, TM / CM shall dispose off such unpaid securities in the market within five trading days after the pay-out and can invoke the pledge within five trading days after the pay-out.
 - 1.26.8.3 In case, such pledge is neither invoked nor released, the pledge on securities shall be auto released at EOD of seventh trading day after the pay-out and the securities shall be available to the client as free balance without encumbrance.
 - 1.26.8.4 Example: TM / CM transfers the pay-out securities to its unpaid client for the settlement having settlement day (i.e. pay-out day) on Monday where CUSPA Auto pledge is created instantly. Assuming there is no trading holiday in between except Saturday and Sunday,

⁶⁴ Reference: CDSL/OPS/DP/SETTL/2023/151 dated March 09, 2023

⁶⁵ Reference: CDSL/OPS/DP/SETTL/2023/178 dated March 21, 2023

⁶⁶ Reference: CDSL/OPS/DP/SETTL/2024/279 dated May 23, 2024



- TM / CM can release the pledge securities by next Monday EOD.
- TM / CM can invoke the pledge securities by next Monday EOD.

In case, pledge is neither invoked nor released, the pledge on securities shall be auto released at EOD of next Wednesday.

1.27 Foreign Portfolio Investors

- 1.27.1 A foreign portfolio investor (FPI) shall make an application for the grant of certificate to a Designated Depository Participant ('DDP') in the Form and manner specified by the Government or the SEBI from time to time and shall be supported by the fee as specified and any documents in the manner specified by the SEBI from time to time.⁶⁷
- 1.27.2 FPIs are required to provide KYC related documents based on the category under which it is registered.
- 1.27.3 The DDP may grant FPI registration to the applicant on the basis of scanned copies of executed Common Application Form ('CAF'), scanned copies of certified supporting documents and applicable fees submitted by the applicant.
- 1.27.4 Simplified registration for Foreign Portfolio Investors (FPIs):⁶⁸DDPs are advised to refer to SEBI circular SEBI/HO/AFD/AFD-PoD-3/P/CIR/2024/156 dated November 12, 2024 wherein it is permitting the applicants to fill only those fields that are unique to them.
- 1.27.5 DDPs are advised to refer to SEBI circular HO/19/34/14(5)2025-AFD-POD2/I/2703/2026 dated January 16, 2026 wherein Single Window Automatic and Generalised Access for Trusted Foreign Investors (SWAGAT-FI)" framework for FPIs and FVCIs is prescribed.⁶⁹
- 1.27.6 With an objective to facilitate ease of onboarding for FPI applicants and reduce duplication of available information, based on deliberations held with market participants, the following is decided:
- 1.27.6.1 In case of onboarding applicants belonging to the categories mentioned at Para 2 of the SEBI circular, they may be provided with an option to fill the entire CAF or fill an abridged version of CAF, i.e., a version of CAF where applicants fill only those fields that are unique to them.
- 1.27.6.2 In case applicant opts for this abridged version of CAF, the remaining fields shall either be auto populated from the information available in the CAF module or shall be disabled, as applicable.
- 1.27.6.3 While using the available information, an explicit consent to use the same and a confirmation that all the details other than those mentioned in the abridged version of CAF remain unchanged, shall be obtained from the applicant.
- 1.27.6.4 DDPs, upon receipt of information from the applicant, shall update the details in CAF against the application number of the applicant for future reference purposes. They shall also ensure that the CAF module hosted on the website

⁶⁷ Reference: CDSL/OPS/DP/POLCY/2023/204 dated March 31, 2023

⁶⁸ Reference: SEBI/HO/AFD/AFD-PoD-3/P/CIR/2024/156 dated November 12, 2024

⁶⁹ Reference: CDSL/OPS/DP/POLCY/2026/39 dated January 19, 2026



of the Depository reflects complete information (information filled in by applicant and that auto-populated) and facilitates seamless fetching of the same.

- 1.27.7 The DDP shall thereafter update the CAF module as per the standard process, for issuance of Permanent Account Number ('PAN'). The DDP shall provide the flexibility to the existing and new FPIs by modifying annexures to CAF as specified by SEBI from time to time.⁷⁰
- 1.27.8 Post allotment of PAN to the applicant, the scanned copies of certified Know Your Client ('KYC') documents of the applicant shall be uploaded on the KYC Registration Agencies ('KRA') by the DDP/ Custodian. Other intermediaries/ entities may access such documents from the KRA and complete their KYC requirements for opening the demat, trading and bank accounts.
- 1.27.9 Use of Digital Signatures by FPIs: FPIs may use digital signatures for the purpose of execution of CAF and other registration related documents, provided such digital signatures are in accordance with the provisions of the Information Technology Act, 2000.
- 1.27.10 The Custodian shall ensure that appropriate systems and procedures are in place to prevent any activity in such accounts till verification of physical documents is carried out.
- 1.27.11 Only upon receipt and verification of the physical documents by the DDP/ Custodian, the Custodian shall make an application to the Clearing Corporation ('CC') for allotment of a CP Code to the FPI and carry out necessary steps for enabling the FPI to transact in the Indian securities markets.
- 1.27.12 DPs are advised to refer SEBI circular no. SEBI/ HO/ AFD/ AFD –PoD –2/ CIR/ P/ 2023/148 dated August 24, 2023, SEBI/HO/AFD/AFD-POD-2/P/CIR/2024/19 dated March 20, 2024, SEBI/HO/AFD/AFD-POD-2/P/CIR/2024/89 dated June 27, 2024 and SEBI/HO/AFD/AFD-POD-2/P/CIR/2024/104 dated August 01, 2024 regarding Mandating additional disclosures by Foreign Portfolio Investors (FPIs) that fulfil certain objective criteria⁷¹
- 1.27.13 DPs are advised to refer SEBI circular no. SEBI/HO/AFD/AFD-POD-2/P/CIR/2024/76 dated June 05, 2024 regarding Disclosures of Material Changes and Other Obligations for Foreign Portfolio Investors.⁷²
- 1.27.14 DPs are advised to refer SEBI circular no. SEBI/HO/AFD/AFD-PoD-2/P/CIR/2024/77 dated June 05, 2024, regarding Framework for providing flexibility to Foreign Portfolio Investors in dealing with their securities post expiry of their registration.⁷³
- 1.27.15 Guidelines for KYC:⁷⁴
- 1.27.15.1 Copies of all the documents submitted by the applicant should be accompanied by originals for verification. In case the original of any document is not produced for verification, then the copies should be properly attested by entities authorized for attesting the documents. Additional requirement of self-

⁷⁰ Reference: CDSL/OPS/DP/POLCY/2024/638 dated October 23, 2024

⁷¹ Reference: CDSL/OPS/DP/POLCY/2023/505 dated August 25, 2023, CDSL/OPS/DP/P OLCY/2024/163 dated March 21, 2024 and CDSL/OPS/DP/P OLCY/2024/429 dated August 02, 2024

⁷² Reference: CDSL/OPS/DP/P OLCY/2024/305 dated June 06, 2024

⁷³ Reference: CDSL/OPS/DP/P OLCY/2024/335 dated June 18, 2024

⁷⁴ Reference: CDSL/OPS/DP/POLCY/2022/733 dated December 29, 2022



- certification of documents is no longer required. In lieu of physical attestation, certification of copies of original documents by authorized bank officials (i.e. officials of Multinational Foreign Banks or any Bank regulated by RBI) through SWIFT mechanism may be accepted by DDPs/ Custodians for the purpose of verification of documents. The authorized bank official shall be required to send copies of original documents to the DDP/Custodian digitally and certify the authenticity of these documents through authentic free format SWIFT message types (such as SWIFT MT 599) sent to the DDP/ Custodian.
- 1.27.15.2 If any proof of identity or address is in a foreign language, then translation into English is required.
- 1.27.15.3 Name & address of the applicant mentioned on Form, should match with the documentary proof submitted.
- 1.27.15.4 If more than one address is provided, proof should be enclosed.
- 1.27.15.5 The Global Custodian or the Local Custodian may fill the Form, if authorized through the Power of Attorney (PoA).
- 1.27.15.6 In person verification is not applicable for a non-individual Client. IPV for individual clients through web camera shall be allowed.
- 1.27.15.7 Reliance on information available from reliable public sources- In addition to information provided by the client, the intermediaries can rely on documents / information available from reliable public sources (for e.g. websites of Regulators, Exchanges, SROs, Registrars) while collecting documents / information required for an FPI. Attestation of these documents (by way of mentioning the source of the document and signature against the same) may be carried out by a duly authorized official of the Intermediary. No further attestation of such documents is required.
- 1.27.15.8 List of people authorized to attest the documents: Notary Public, officials of Multinational Foreign Banks or any Bank regulated by Reserve Bank of India (Name, Designation & Seal should be affixed on the copy).
- 1.27.15.9 The E-PAN issued by CBDT can also be produced by FPI for KYC compliance.
- 1.27.16 Submission of unique investor group ID by FPI applicants in lieu of complete details of group constituents: FPI applicant, at the time of registration, is required to provide details of FPIs with whom it share ownership of more than fifty percent or common control, under the 'Clubbing of Investment Limit' section of the CAF. Depositories in turn generate a unique FPI investor group ID for identifying each such FPI investor group.
- 1.27.17 Apart from the KYC requirement stated below, each intermediary may have additional documentation requirement for conducting enhanced due diligence as per their internal policies.
- 1.27.18 In case, a FPI holds separate depository accounts in both NSDL and CDSL, it is allowed to appoint only one custodian. DPs/DDPs are advised to refer SEBI Circular No. SEBI/HO/AFD/AFD-PoD-2/P/CIR/2024/70 dated May 30, 2024 regarding the 'Master Circular for Foreign Portfolio Investors, Designated Depository Participants and Eligible Foreign Investors.'
- 1.27.19 Procedure for reclassification of FPI investment to FDI stands modified as under:⁷⁵
- 1.27.19.1 *In case the investment made by a Foreign Portfolio Investor (along with its investor*

⁷⁵ Reference: CDSL/OPS/DP/POLCY/2024/680 dated November 12, 2024



group) reaches 10% or more of the total paid up equity capital of a company on a fully diluted basis and the FPI (along with its investor group) intends to reclassify its FPI holdings as Foreign Direct Investment (FDI), it shall follow extant FEMA Rules and circulars issued thereunder in this regard.

1.27.19.2 Pursuant to receipt of such intent from the FPI, the respective Custodian shall report the same to the Board and freeze purchase transactions by such FPI in equity instruments of such Indian company, till completion of the reclassification.

1.27.19.3 On receipt of request from the FPI for transfer of the equity instruments of such Indian company from its FPI demat account to its demat account maintained for holding FDI investments, the Custodian shall process the request if the reporting for reclassification, as prescribed by RBI, is complete in all respects.

1.28 Constituents' Subsidiary General Ledger (CSGL) Account⁷⁶

1.28.1 DPs should comply with the guidelines issued by Reserve Bank of India vide notification no. 183 Dated September 05, 2011 and further amendment issued vide notification no. 135 Dated May 22, 2012 regarding conditions applicable for opening and maintenance of a Constituents' Subsidiary General Ledger (CSGL) account, as also the records to be maintained and procedures to be adopted by the CSGL account holders for safeguarding the interests of their constituents.

1.29 KYC Reconfirmation of Sikkim Based Demat Accounts⁷⁷

1.29.1 Process to be followed w.r.t. Newly onboarded Sikkim based demat accounts:

1.29.2 With respect to newly onboarded Sikkim based demat accounts; DPs will have to get all the demat accounts audited by their Auditor. In case of any adverse observations by the Auditors, DPs shall freeze the demat accounts of such clients and inform the client to rectify the discrepancy. Such demat account will be activated by DP only after KYC compliance by client and get it audited from Auditor. In case the discrepancies / error is on the part of DP, then it will have to be rectified by the DP at the earliest.

1.30 Usage of 3 – in – 1 type accounts for making an application in public issue of securities⁷⁸

1.30.1 In addition to existing modes of making an application in public issue of securities as specified under para 2 of the aforesaid Master Circular and notwithstanding the provision specified under para 2 of SEBI circular SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2024/128 dated September 24, 2024, investors may continue to submit the bid-cum application form online using the facility of linked online trading, demat and bank account (3-in-1 type accounts).

1.31 Usage of UPI by individual investors for making an application in public issue of securities through intermediaries:⁷⁹

1.31.1 In order to streamline and align the process of applying in the public issue of debt securities, non-convertible redeemable preference shares, municipal debt securities and securitised debt instruments with that of public issue of equity shares and convertibles, it has been decided

⁷⁶ Reference: CDSL/OPS/DP/POLCY/2671 dated October 05, 2011 and CDSL/OPS/DP/POLCY/3121 dated July 23, 2012

⁷⁷ Reference: CDSL/A,I&C/DP/POLCY/2022/458 dated August 11, 2022

⁷⁸ Reference: CDSL/OPS/DP/P OLCY/2024/626 dated October 21, 2024

⁷⁹ Reference: CDSL/OPS/DP/POLCY/2024/565 dated September 25, 2024



that all individual investors applying in public issues of such securities through intermediaries (viz. syndicate members, registered stock brokers, registrar to an issue and transfer agent and depository participants), where the application amount is upto Rs. 5 Lakh, shall only use UPI for the purpose of blocking of funds and provide his/ her bank account linked UPI ID in the bid-cum-application form submitted with intermediaries.

1.32 Opening of demat account in the name of Association of Persons:⁸⁰

1.32.1 While opening a demat account in the name of the AoP, the Depository Participants shall seek confirmation from the AoP with respect to the following:

1.32.1.1 The AoP holds only such securities in dematerialized form as permitted by the statutes governing its constitution.

1.32.1.2 The demat account is not be used for subscribing / holding equity shares.

1.32.1.3 In case of any dispute, the Principal Officer of the AoP shall be treated as the legal representative of the AoP.

1.32.1.4 At all times, members of the AoP shall be jointly and severally liable on behalf of the AoP.”

1.32.2 Operating guidelines for opening of demat account in the name of Association of Persons:⁸¹

1.32.2.1 In addition to the existing facility for opening of demat account for AoPs in the name of natural persons, DPs shall have the option to open the Demat Account in the name of Association of Person (AoP)s also in their own name as well for holding units of mutual funds, corporate bonds and Government Securities in dematerialized form subject to the following conditions:

1.32.2.1.1 AoP shall be responsible for ensuring that it only subscribes to the financial instrument/ securities that are permitted by statutes governing the constitution of AoP.

1.32.2.1.2 The PAN Card details of the AoP and the Principal Officer of the AoP shall be obtained. For this purpose, “Principal Officer” with reference to AoP means the secretary, treasurer, manager or agent or any person connected with the management or administration of the AoP.

1.32.2.1.3 In case of any dispute, the Principal Officer of the AoP shall be treated as the legal representative of the AoP. At all times, members of the AoP shall be jointly and severally liable on behalf of the AoP.

1.32.2.2 While opening a demat account in the name of the AoP, the Depository Participants shall seek confirmation from the AoP with respect to the following:

1.32.2.2.1 The AoP holds only such securities in dematerialized form as permitted by the statutes governing its constitution.

1.32.2.2.2 The demat account is not be used for subscribing / holding equity shares.

1.33 Opening of demat accounts in joint names with an individual and a body corporate⁸²

1.33.1 DPs are requested to note that they 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.

⁸⁰ Reference: CDSL/OPS/DP/P OLCY/2025/137 dated February 27, 2025

⁸¹ Reference: CDSL/OPS/DP/POLCY/2025/355 dated May 27, 2025

⁸² Reference: CDSL/OPS/DP/POLCY/2025/409 dated June 17, 2025



- 1.33.2 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.
- 1.33.3 Note that if a body corporate joint holder demat account, the facility of nomination will not be available in such cases.
- 1.33.4 Additional Disclosures for Joint Demat Account Holders⁸³
- 1.33.4.1 DPs are advised to note that SEBI vide letter dated September 25, 2025 has informed to include following clause in the Rights and Obligation' document in the Annexure 2.7 of the CDSL's Depository Participant (DP) Operating Instructions.
 - 1.33.4.2 The joint holders are aware that in case of any Statutory Order for freezing any one joint holder, the demat account will be frozen and the other joint holders will have to obtain a specific Order for unfreezing their percentage of joint ownership by submitting the relevant documentary proof to the Order issuing authority.
 - 1.33.4.3 DPs advised incorporate the above clause in the 'Rights & Obligation' document under the head Freezing/ Defreezing of accounts and obtain the same at the time of opening of the demat account.

1.34 Centralized mechanism for reporting the demise of an investor through KRAs⁸⁴

- 1.34.1 DPs are advised to refer to Communique no. CDSL/OPS/DP/POLCY/2023/765 dated December 29, 2023, regarding Centralized mechanism for reporting the demise of an investor through KRAs.
- 1.34.2 As per the process, on regular basis, CDSL is providing the identified demat accounts of the demised demat account holder/s along with their PAN/s to the DPs in their respective Billing folder. These details are identified basis the PANs received from the KRAs.
- 1.34.3 On receipt of aforementioned details, DPs are required to follow the process defined in SEBI circular no. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/0000000163 dated October 03, 2023.
- 1.34.4 Further, vide said CDSL communique, DPs were also advised to mark freeze i.e. frozen for debit in the eligible demat account of the demise holder with freeze reason code "Account Holder Related – Holder Deceased". This freeze will continue till complete documents are submitted for transmission.
- 1.34.5 In case of mode of operation opted by the BO is either or Survivor for demat accounts with joint holder/s, the transaction shall be allowed after deletion of name of the deceased holder. It has been observed that DPs are not freezing the demat accounts of the deceased investor/s as mentioned in CDSL communique and only flagging off the demat account/s as "Holder Deceased".

⁸³ Reference: CDSL/OPS/DP/POLCY/2025/688 dated October 10, 2025

⁸⁴ Reference: CDSL/OPS/DP/POLCY/2025/307 dated May 09, 2025



Chapter 2: Account Modification

2.1 Change in name

2.1.1 **Updation of change in name of Beneficial Owner in case of Individual:** ⁸⁵

2.1.1.1 Investors residing in the State of Karnataka and Punjab, the name change is published by the State Government in the Official Gazette only for Government employees and not for private persons in case of change of name of an individual. Accordingly, it has been decided that in case of change of name of an individual in these states for reasons other than marriage, the same may be allowed for the individual in the BO account subject to the submission of following documents

- 2.1.1.1.1 Request letter for change of name,
- 2.1.1.1.2 Sworn affidavit executed before the Notary Public/ Magistrate of First Class/ Executive Magistrate mentioning the reason for change of name and his complete address,
- 2.1.1.1.3 Paper publication in one local newspaper and one national newspaper,
- 2.1.1.1.4 KYC in changed name.

2.1.1.2 DPs should obtain self-attested copies of above documents and verify with originals.

2.1.2 **Minor correction in name of individual demat account holder**⁸⁵

2.1.2.1 DP shall ensure that the demat account holder whose name is to be corrected submits a duly filled and signed modification form or a request letter having all the details of the modification form, along with the prescribed proof of identity documents having the correct name. In case of joint holders in a demat account the request should be signed by the holder in whose name the correction is required to be carried out.

2.1.2.2 The minor correction in name will include following types of cases:

- 2.1.1.2.1 Correction of spelling mistakes, if any.
- 2.1.1.2.2 Expansion of the name by incorporating the fully expanded name and/or addition of middle name.
- 2.1.1.2.3 Abbreviation of name.

2.1.2.3 DP should ensure to obtain a confirmation from the demat account holder that it is not a change in name of the individual demat account holder[s] for any reason such as marriage, divorce, court order.

2.1.2.4 If the individual demat account holder changes the spelling of his/her name for any reason including for numerology, etc., it will be considered name change of the BO and will not be treated as correction in name.

2.1.2.5 DPs are advised to carry out the necessary due diligence while processing such requests and verify that the request for correction in name is received from the same person and ensure that there is no change in name of the BO.

⁸⁵ Reference: CDSL/OPS/DP/POLCY/2019/17 dated January 9, 2019



2.1.3 Updation of New Bank Account Numbers

- 2.1.3.1 DPs are advised to inform their BOs / clients to update the new bank account numbers in their demat accounts at the earliest, failing which, electronic transfers with old account numbers will be rejected at the ECS centre level itself.⁸⁶
- 2.1.3.2 DPs should note that if the new bank account number is to be updated due to the Member Bank's migration to the Core Banking Solution [CBS] platform, the requirement of obtaining an Account Modification Form has been waived.
- 2.1.3.3 The new bank account number may be updated based on the notice/letter received from the Bank. All other modifications to bank details should be effected as per SEBI guidelines and CDSL's operating instructions.

2.2 Updation of the demographic details based on a request received from the BO through a secured URL⁸⁷

- 2.2.1 DPs can update the prescribed demographic details based on a request received from the BO through a secured URL with 'https' with specific login and password provided by the DP through its website.
- 2.2.2 DPs may permit BOs to modify / update only those details which do not require any documentary proof to be submitted by the BOs to the DPs.
- 2.2.3 For updation of any other details that will require supporting documents as stipulated in DP Operating Instructions such as PAN card, change of address, etc., the existing procedure of BO approaching the DP and submission of Account Modification / Deletion Request form will continue.

2.3 PAN Modification at DP end⁸⁸

- 2.3.1 DP can modify the existing PAN along with correct verification code and applicable reason code. In case of PAN exemption code being entered by the DP, supporting documents have to be uploaded by the DP.
- 2.3.2 DPs to upload the supporting duly verified copy of PAN.
- 2.3.3 The PAN modification maker entries done by the DP will be verified by CDSL end. After approval by CDSL the said PAN modification will be updated in demat account and DP will be able to view the same.
- 2.3.4 If PAN modification request is rejected by CDSL then email will be sent to the registered email ids of DP recorded in CDAS system.
- 2.3.5 DPs are required to make note the same and also ensure that no email copies are marked to CDSL.

⁸⁶ Reference: CDSL/OPS/DP/1759 dated October 30, 2009

⁸⁷ Reference: CDSL/OPS/DP/POLCY/2532 dated June 30, 2011

⁸⁸ Reference: CDSL/OPS/DP/POLCY/2019/337 dated July 05, 2019



- 2.3.6 DPs are advised to take note of the following points while processing the PAN modification request maker entry in CDSL system:
- 2.3.7 DPs have to upload the self-attested PAN copy of the BO having the stamp, sign of the DP official along with the stamp of “Verified with original” and “PAN verified with income tax site” after due verification.
- 2.3.8 BOs self-attested signature on the PAN copy should be matched with signature as recorded in the respective demat account in CDAS system.
- 2.3.9 DPs should upload clear scanned copy of the PAN.
- 2.3.10 In case of PAN modification of the Partnership Firm / Unregistered Trust / HUF, DP has to upload the respective duly attested PAN of respective account type along with the first and last 3 pages of the duly attested deeds (Partnership Firm / Unregistered Trust / HUF).
- 2.3.11 In case of Mergers & Amalgamations, DP is required to upload dully attested, first and last 3 pages of Merger / Amalgamation document along with the PAN of the new entity / name.
- 2.3.12 DP can modify the existing PAN along with correct verification code and actual applicable reason code.
- 2.3.13 In case of PAN exemption code being entered by the DP, supporting documents have to be uploaded by the DP.
- 2.3.14 DPs are advised to note that the PAN modification in CDAS system that checker will be done by T + 2 working days.

2.4 Ease of Doing Investment - Smooth transmission of securities from Nominee to Legal Heir:⁸⁹

- 2.4.1 SEBI has streamlined the process of appointing nominee. The nominee acts as a Trustee of the securities of the original security holder and transfers the securities to the legal heir as per succession plan.
- 2.4.2 As per existing procedure for effecting such transfers, the nominee, while transferring the securities to legal heir, may get assessed for capital gains tax. Payment of tax by the nominee in such a situation may not be appropriate considering that in terms of clause (iii) of Section 47 of the Income Tax Act, 1961, such transmission is exempted and not considered as “transfer”. While the nominee may claim refund of such tax, this process causes inconvenience to the nominee.
- 2.4.3 In order to alleviate this inconvenience, a Working Group (“WG”) was formed. The WG, based on engagement with the Central Board of Direct Taxes (“CBDT”), recommended that to address the issue, reporting entities should use the reason code “TLH” (i.e. Transmission to Legal Heirs), while reporting such transactions to the CBDT.

⁸⁹ Reference: CDSL/OPS/DP/POLCY/2025/639 dated September 22, 2025



- 2.4.4 Accordingly, in order to streamline the process of transmission of securities from nominee to legal heir and resolve the abovementioned issues related to taxation, it has been decided that a standard reason code viz. “TLH” shall be used by the reporting entities while reporting the transmission of securities from nominee to legal heir, to the CBDT so as to enable proper application of the provisions of the Income Tax Act, 1961.
- 2.4.5 The procedural requirements for transmission of securities to legal heir shall continue to be as provided under the provisions of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and Master Circular for Registrars to an Issue and Share Transfer Agents dated June 23, 2025 (as updated from time to time).
- 2.4.6 RTAs, Listed Issuers, Depositories and Depository Participants are directed to take note of above and make necessary system changes and implement above proposal with effect from January 01, 2026.
- 2.4.7 ⁹⁰DPs are advised to note that there is change in description of off-market transfer reason code i.e. “Trsfr frm Nominee holder to beneficiary Legal Heirs” is being modified to “Transmission to Legal Heirs (TLH)” basis on the above SEBI Circular.

⁹⁰ Reference: CDSL/OPS/DP/POLCY/2025/779 dated November 28, 2025



Chapter 3: Dematerialisation

3.1 Review of rejection of demat requests⁹¹

3.1.1 DPs are advised to exercise care while processing Demat Requests with regard to set-up details of the DRN and subsequent dispatch of documents to Issuers/RTAs. Rejections of demat requests causes hardship and inconvenience to investors. Therefore, DPs are advised to put in place proper mechanisms for processing Demat Requests, so as to avoid rejections.

3.2 Demat Request - Change in the name of the Company⁹²

3.2.1 CDSL provides data of old and new company names on CDAS. In case share certificates with the old name of companies are received for dematerialisation, the DPs need not reject such requests.

3.2.2 This is not applicable for companies that have merged or amalgamated with other companies.

3.3 Processing of request for dematerialization of shares vested with custodians⁹³

3.3.1 Under some cases, Custodians are appointed under some special Acts such as Trail of Offences Relating to Transactions in Securities Act 1992 (TORTS), Enemy Property Act, 1968 etc. These Custodians are also required to hold shares of listed companies.

3.3.2 In such matters, the Custodians may be treated as holder/members in the Register of Member of the company. The Custodians may also hold such shares in a dematerialized form in terms of Depositories Act, 1996.

3.3.3 If any RTA/Company receives an application from such Custodians for dematerialization of shares, it is clarified that:

3.3.3.1 The Regulation 40(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which disallows transfer of physical shares from April 01, 2019, will not be applicable in such matters.

3.3.3.2 The shares after dematerialization may be credited to the demat account of such custodians.

⁹¹ Reference: CDSL/OPS/DP/857 dated March 02, 2007

⁹² Reference: CDSL/OPS/DP/606 dated November 17, 2005

⁹³ Reference: CDSL/OPS/DP/POLCY/2021/395 dated September 07, 2021



Chapter 4: Settlements

4.1 Issue of Instruction Slips

- 4.1.1 In addition to the procedure already specified in the Operating Instructions, the Bye Laws, the following additional guidelines with respect to Issue of Instruction Slips shall require to be complied with:
- 4.1.2 DPs should ensure that details of DIS issued to BOs are entered (online /upload) in CDSL system. All such DIS should comply with the standardization requirements as specified in CDSL.⁹⁴

4.2 Monitoring of DIS

- 4.2.1 All transactions except for transactions received through “easiest” from BO or Clearing Members (CMs), TRUST and digitally signed instructions (i.e. electronic instructions) DIS serial number will be required to be entered along with transactions, failing which the transactions will fail. DIS details so entered will be verified against DIS issuance details in the system.⁹⁵
- 4.2.2 DPs should capture details of undelivered DIS serial numbers in CDAS on receipt of such information.⁹⁶
- 4.2.3 ⁹⁷DPs shall mandatorily be required to capture the “Date of Receipt” while executing both intra-depository (CDSL to CDSL) and inter-depository (CDSL to NSDL) off-market instructions in the CDSL system.
- 4.2.4 DPs are advised to take note of the same and ensure strict compliance and suitable back-office changes to avoid any execution failures due to non-capturing of the ‘Date of Receipt’ in the CDSL system.

4.3 Scanning of DIS⁹⁸

- 4.3.1 The DIS should be scanned and stored in a file by the end of next working day after it is entered in the depository system by the Main DP/Live connected Branch DP. The scanned image of DIS should be legible.
- 4.3.2 If any DIS is required to be rescanned, both images (originally scanned & rescanned) should be stored.
- 4.3.3 Storing of scanned images is not mandatory, since the scanned images need to be uploaded by the DP to CDSL.

⁹⁴ Reference: CDSL/OPS/DP/POLCY/4664 dated August 27, 2014

⁹⁵ Reference: CDSL/OPS/DP/POLCY/5577 dated November 24, 2015

⁹⁶ Reference: CDSL/OPS/DP/POLCY/5327 July 20, 2015

⁹⁷ Reference: CDSL/OPS/DP/SETT/2025/543 dated August 13, 2025 and CDSL/OPS/DP/SETT/2025/641 dated September 22, 2025

⁹⁸ Reference: CDSL/A,I&C/DP/POLCY/4685 September 04, 2014 and CDSL/A,I&C/DP/POLCY/4729 September 25, 2014



- 4.3.4** The DP should scan and store each DIS separately with the file name.
- 4.3.5** In case of DIS with annexures, each page of annexure should also be separately scanned along with the DIS. The annexures / computer print-outs should be scanned without compromising the legibility.
- 4.3.6** If Date and time receipt stamp is affixed on the back side of the DIS by the DP, the DP needs to scan back side of DIS containing receipt stamp/acknowledgement stamp. DIS serial number should be mentioned along with the stamp on the back side of the DIS before scanning the back side of DIS containing receipt stamp.
- 4.3.7** In case of instructions executed on the basis of fax copy of DIS received from BOs, the original DIS should bear either on the front or back of the DIS a stamp stating that “This is a hardcopy of DIS with serial no. ----- of the fax transmission to you, transmitted on _____ day of _____ month of _____ year.” If the above stamp is affixed on back side of the DIS, then DP should scan both the sides of DIS and store the image. After receipt of Original DIS of Fax instruction, it should be scanned and image should be stored. The Original DIS should be scanned by the end of the next working day of the date of receipt of DIS. If original DIS is lost in transit, the DP should take confirmation from the BO for having issued that DIS.
- 4.3.8** In case of DIS used by a BO in a dormant account, if the details of verification are written on the back-side of the DIS, the DP should scan both the sides of DIS.
- 4.3.9** All scanned DIS with the file name as stated above should be uploaded to CDAS system by the end of next working day of set up of transaction.
- 4.3.10** CDSL may conduct the inspection of DPs either offsite or onsite. Offsite inspection would be conducted on the basis of scanned image of DIS. However, during onsite inspection, if required/demanded by inspecting official, the original DIS should be made available for verification.
- 4.3.11** The original DIS should be easily retrievable and made available for verification at any point of time as may be required by CDSL or any other Statutory /Regulatory body.
- 4.3.12** The concurrent auditors shall verify that the DP does scanning of all DISs within a stipulated time and comment to that effect in the concurrent audit report.

4.4 Off market transactions

- 4.4.1** In addition to the procedure already specified in the Operating Instructions, the Bye Laws, the following additional guidelines with respect to Off market transactions shall require to be complied with:
- 4.4.2** If the Off-market transaction is for consideration, the amount should be mentioned. If there is no consideration involved, then reason should be furnished under options given therein.⁹⁹
- 4.4.3** The above-referred details of transactions may be taken on the face of the DIS or on a separate sheet duly signed by the account holders.

⁹⁹ Reference: CDSL/OPS/DP/989 dated November 13, 2007



- 4.4.4** It has been decided to implement uniform / standardized reason codes for off-market transfers by both depositories, to provide an audit trail of reasons associated with such transfers as a risk mitigation measure. DPs are advised to note that reason code is mandatory in case of off market transactions (within CDSL or Inter Depository)¹⁰⁰
- 4.4.5** One Time Password (OTP) authentication by BO would be mandatory for all off-market transfers (i.e. Transfer of securities within CDSL as well as inter- depository transfer).¹⁰¹
- 4.4.6** In order to ensure that the off-market transfer is indeed for the purported reason as declared by the account holder(s) at the time of off-market transfers, system level validation is being implemented by Depositories for off-market transfers.¹⁰² DPs are requested to take note of the validations elaborated in the Communiqués and ensure due diligence to avoid non-execution of off-market transactions.¹⁰³
- 4.4.7 Based on the representations received from stakeholders, and on reviewing the compliance and regulatory aspect, changes have been incorporated in the existing validation process under reason Transfer of constitute shares for creation / redemption of ETF units.¹⁰⁴
- 4.4.8** DPs to comply with the SEBI guidelines as stated in above-mentioned SEBI circular, DPs are advised to note that effective from December 30, 2023, off-market transactions will be considered for execution ONLY IF, Demat Account of Buyer (i.e. Transferee Account) is added as a Beneficiary under the Demat Account of Seller (i.e. Transferor Account). CDSL system (CDAS) will not allow execution of off-market transfers without the buyer account being added as a beneficiary under the seller account. DPs are also required to take a note of the operational modalities as specified by CDSL vide its communique dated CDSL/OPS/DP/POLCY/2023/745.¹⁰⁵
- 4.4.9 Mandatory Capturing Of 'Date of Receipt' for Off-Market Delivery Instruction Slip¹⁰⁶**
- 4.4.9.1** DPs are advised to refer point no. 7.2.1 of CDSL Bye Laws, extract of the same which states as follows. "The Depository Participants shall enter off-market instructions received by the Beneficial Owner in the depository system either on the same day or the next day of the instructions received".
- 4.4.9.2** In view of the same, a new field would be introduced in the CDSL system (CDAS) to capture the "Date of Receipt" of off-market Delivery Instruction Slip (DIS) received from the client. The same would be applicable while executing intra-depository (CDSL to CDSL, transaction type - 5) and inter-depository (CDSL to NSDL, transaction type - 4) off-market instructions in CDAS.
- 4.4.9.2.1 DPs are requested to take note of following operational modalities regarding the same. The new field "Date of Receipt" of off-market DIS from client would require to be entered by DPs while executing intra-depository and inter-depository off-market instructions in CDAS.
- 4.4.9.2.2 The aforesaid field would be applicable while executing off-market instructions via online setup / file upload through WebCDAS / Easiest.

¹⁰⁰ Reference: CDSL/OPS/DP/SYSTM/6085 dated August 17, 2016 and CDSL/OPS/DP/SYSTM/2019/352 dated July 15, 2019

¹⁰¹ Reference: CDSL/OPS/DP/POLCY/2020/447 October 14, 2020

¹⁰² Reference: CDSL/OPS/DP/SYSTM/2021/569 December 15, 2021

¹⁰³ Reference: CDSL/OPS/DP/SYSTM/2022/340 June 20, 2022 and CDSL/OPS/DP/SYSTM/2023/346 dated June 13, 2023

¹⁰⁴ Reference: CDSL/OPS/DP/SYSTM/2025/693 dated October 14, 2025

¹⁰⁵ Reference: CDSL/OPS/DP/POLCY/2023/745 dated December 22, 2023.

¹⁰⁶ Reference: CDSL/OPS/DP/SETT/2025/543 dated August 13, 2025



- 4.4.9.2.3 The field “Date of Receipt” would be mandatory for off-market instructions executed using Physical DIS i.e. where the Electronic Transaction Flag is ‘N’.
- 4.4.9.2.4 “Date of Receipt” for off-market instructions executed through eDIS mode, should be a date of ‘mandate’ authorization, similarly same should be a setup date for the off-market instructions executed through an electronic mode (Easiest).
- 4.4.9.2.5 In order to comply with the above-mentioned point of the CDSL Bye Laws, DPs are advised to ensure that the off-market instruction is setup in CDAS on the same day as the date of receipt of DIS or latest by the next day of date of receipt of DIS.
- 4.4.9.2.6 If the time period between the “Date of Receipt” of off-market DIS and the off-market instruction setup in CDAS exceeds 2 days (excluding Sundays and System Holidays), then DPs would mandatorily be required to provide a legitimate (justifiable) reason for the delay while entering the off-market instruction in CDAS. Such reasons would require to be entered under a new field viz. “Reason for delay in entering off-market instruction”.

4.5 Safeguards to address the concerns of the investors on transfer of securities in dematerialized mode.¹⁰⁷

4.5.1 DPs are advised to ensure compliance with SEBI Circular No. SEBI/HO/MRD/MRD-PoD-2/P/CIR/2024/18 dated March 20, 2024 respect to the following points.

4.5.1.1 Processing of Transactions using Loose DIS:

- 4.5.1.1.1 Delivery Instruction Slip (DIS) for transfer of securities through loose DIS shall be entered by the DP into the CDSL system on the same day of issuance of loose DIS.
- 4.5.1.1.2 If the transaction details as mentioned in the DIS is not entered into the CDSL system on the same day of issuance of loose DIS by the DP, then the reason for not entering on the same day should be noted in the Loose DIS Register maintained by DP.

4.5.1.2 Processing of Delivery Instructions with serial numbers of ‘used’ or ‘unissued’ or ‘lost / misplaced / stolen / cancelled’ DISs:

- 4.5.1.2.1 If the DIS booklet is lost / misplaced / stolen / not traceable by the BO, the same must be intimated to the DP immediately by the BO in writing. On receipt of such intimation, the DP shall cancel the unused DIS of the said booklet to avoid execution of such DIS in future.
- 4.5.1.2.2 CDSL system provides the facility for online entry or upload of DIS serial numbers which are ‘lost / misplaced / stolen / cancelled’.
- 4.5.1.2.3 The CDSL system validates the said serial numbers of DIS booklet as mentioned in the delivery instruction with issue details and ensures that no instructions with a DIS serial number of ‘used DIS’ or ‘unissued DIS’ or DIS marked as lost / misplaced / stolen / cancelled’ is processed.
- 4.5.1.2.4 If such DIS serial number which has been ‘used’ / ‘unissued’ / marked as ‘lost / misplaced / stolen / cancelled’ is received by the DP for processing a delivery instruction, then the DP should immediately inform the BOs about the attempt made to use the DIS which is either ‘used’ or ‘unissued’ or ‘lost / misplaced / stolen / cancelled’ DIS.

¹⁰⁷ Reference: CDSL/OPS/DP/SETT/2025/324 dated May 15, 2025



- 4.5.1.2.5 DP should communicate such intimation about attempt of usage of 'used' or 'unissued' or 'lost / misplaced / stolen / cancelled' DIS to BO via post or courier or electronic mail that can be provided as a record of communication thereof.

4.6 Acceptance of Delivery Instructions through online Portal of DPs / Stock Brokers¹⁰⁸

- 4.6.1** SEBI has examined the facility of accepting Delivery Instructions through Online Portal of DP/Stock Broker which has been enabled by CDSL as e-DIS and its process of seeking authorizations/mandate.

- 4.6.2** e-DIS facility: The facility of e-DIS has to be true to its label and should:

4.6.2.1 Necessarily capture all details that are otherwise being captured in physical DIS, including settlement number and actual quantity to be transferred in case of on-market transfers.

4.6.2.2 Be an instruction toward actual transfer of securities to meet obligation for a single settlement number/date.

- 4.6.3** Pre-trade authorisation/Mandate: The following shall be required to be ensured:

4.6.3.1 The mandate should be received from BO authorising the concerned DP/Stock Broker to transfer specific securities for meeting on-market settlement obligation only.

4.6.3.2 Such mandate should necessarily pertain to a single settlement number/settlement date.

4.6.3.3 BO shall be required to authorise each mandate valid for a single settlement number/settlement date, by way of OTP and TPIN/Password, both generated at Depositories end.

4.6.3.4 Prior to executing actual transfer of securities based on details provided by DP/Stock Broker, Depositories need to match and confirm the same with mandate provided by client as well as client-wise net delivery obligation arising from the trade executed on exchange, as provided by Clearing Corporation to Depositories for each settlement date.

4.6.3.5 Securities transferred on basis of mandate provided by BO should be credited only to BO's trading member pool account.

4.6.3.6 DP/Stock Broker providing this facility have enabled its BO to revoke / cancel the mandate provided by it.

- 4.6.4** DP/Stock Broker providing this facility shall ensure that mandate provided by BO adheres to following requirements:

4.6.4.1 The mandate provided by client should:

4.6.4.1.1 Be in favour of the concerned SEBI registered intermediary only.

4.6.4.1.2 Not provide the authority to transfer the mandate in favour of any assignees of the concerned DP/Stock Broker.

4.6.4.1.3 Require the DP/Stock Broker to return the securities to BO(s) that may have been received by them erroneously or those securities that it was not entitled to receive from the BO(s).

¹⁰⁸ Reference: CDSL/OPS/DP/SETTL/2021/54 dated February 08, 2021



- 4.6.4.2 The mandate provided by BO shall not facilitate DP/Stock Broker to do the following:
 - 4.6.4.2.1 Transfer of securities for off-market trades.
 - 4.6.4.2.2 To execute trades in the name of BO without BO's consent.
 - 4.6.4.2.3 To open an email ID on behalf of the BO for receiving relevant communications.
 - 4.6.4.2.4 Prohibit to issue DIS to BO.
 - 4.6.4.2.5 Prohibit BO from operating the account.
- 4.6.5** DPs are also informed to note of the following clarifications as issued by SEBI to both depositories with respect to process of seeking pre-trade authorization /mandate:
 - 4.6.5.1 It is mandatory for the BO to specify the settlement number/settlement date at the time of providing the pre-trade authorisation/mandate.
 - 4.6.5.2 Mandate provided for multiple ISINs shall not lapse if the debit is effected only for one particular ISIN, however such mandate shall be valid only for a particular settlement number/date as specified in the mandate.
 - 4.6.5.3 Mandate received from BO should only be for a single settlement number/date as provided by BO. The same cannot be exercised before or after the given settlement date.
- 4.6.6** DPs are advised to follow the procedure for Acceptance of Delivery Instructions through online Portal of DP/ Stock Broker as mentioned in the communique along with further clarifications issued regarding the same.
- 4.7 Using e-DIS (Electronic Delivery Instructions)**¹⁰⁹
 - 4.7.1** e-DIS facility shall be allowed to be used by all type of investors subject to the DPs are registered for e-DIS facility.
 - 4.7.2** DPs should have suitable checks, measures in place, must take the onus and responsibility to ensure that the documents collected are in order as per guidelines mentioned in the CDSL bye laws, Operating Instructions, e-DIS Process Flow and e-DIS registration Form issued from time to time.
 - 4.7.3** Further, the authorized signatories; if more than one, would have to give a confirmation to the DP of agreeing to the usage of the Email ID and Mobile Number on which the authentication details including TPIN and OTP will be sent for authenticating the transactions (referred as e-mandate)
 - 4.7.4** The following checks and balances are required to be taken care during the processing of e-DIS transactions:
 - 4.7.4.1 The investor is required to use the DP/Stock Broker Portal to put through the request for sale.
 - 4.7.4.2 The information on the request for sale should flow to CDSL through an API and thereafter approved by the account holder through CDSL generated TPIN and OTP.
 - 4.7.4.3 CDSL approves or rejects the request based on the TPIN and OTP entered by the demat account holder.
 - 4.7.4.4 When the e-DIS transaction is entered in the CDSL system, the CDSL system checks for the corresponding approval received from the investor through e-mandate which is authenticated by investor itself for e-DIS transactions and is processed based on

¹⁰⁹ Reference: CDSL/OPS/DP/GENRL/2021/446 dated October 04, 2021



the availability of balances.

- 4.7.4.5 The transactions are earmarked immediately on entry of instructions, but balance is debited only after matching of the e-DIS transaction with corresponding UCC wise net delivery obligation received from the Clearing Corporation.
- 4.7.4.6 The basic checks of ensuring multiple e-signs are obtained where relevant documents depending on the type of account.

4.8 Block Mechanism in demat account of clients undertaking sale transactions¹¹⁰

- 4.8.1 When the client intends to make a sale transaction, shares will be blocked in the demat account of the client in favour of Clearing Corporation. If sale transaction is not executed, shares shall continue to remain in the client's demat account and will be unblocked at the end of the T day. Thus, this mechanism will do away with the movement of shares from client's demat account for early pay-in and back to client's demat account if trade is not executed.
- 4.8.2 Process flow for Block Mechanism:
 - 4.8.2.1 The securities lying in client's demat account will be blocked either by client himself using depository's online system or eDIS mandate or through depository participant based on physical DIS given by client or Power of Attorney (POA)/DDPI holder.
 - 4.8.2.2 Depositories may keep block on the securities in client's demat account in respect of Intra or Inter depository transfer instruction till pay-in day. The blocked securities will be transferred only after checking against the client level net delivery obligation received from CCs.
 - 4.8.2.3 Depositories will provide the details of EP transfer instructions viz., UCC, TM ID, Exchange ID etc. to CCs for clients to avail EPI benefit.
 - 4.8.2.4 CC will match the client level net obligations with the Block details provided by depositories and CC will provide EPI benefit to client if the client level net obligation exists for that client.
- 4.8.3 Matched orders:
 - 4.8.3.1 In case of matched orders, block securities will be debited from Client's demat account and will be credited to linked TM Pool account upto pay-in day. TM shall further transfer such securities to CM Pool account.
 - 4.8.3.2 TM shall not transfer the securities to any other pool account other than CM pool account mapped to the TM account. Pool to Pool transfers except TM pool to CM pool shall not be permitted.
 - 4.8.3.3 Inter-settlement shall not be allowed from TM Pool account and CM pool account.
 - 4.8.3.4 Securities lying in CM pool account will be delivered in settlement process on the Pay-in date. If TM Pool Account is also mapped as a CM Pool Account, then, securities lying in such TM/CM Pool Account can also be delivered in the settlement process.
- 4.8.4 Unblocking of Securities:
 - 4.8.4.1 After receiving client level net obligations on T day from CCs, depositories will match the Intra or Inter depository transfer instruction details with CC obligation details based on UCC, TM ID, CM ID, Exchange ID, etc.
 - 4.8.4.2 In case of unmatched orders, CCs shall upload cancellation of Block instruction on T day so that securities are unblocked and become free in client's demat account on T day itself.

¹¹⁰ Reference: CDSL/OPS/DP/POLCY/2021/314 dated July 19, 2021



- 4.8.4.3 Broker or client shall not be allowed to unblock securities if EPI benefit is provided by CC to client for the same.
- 4.8.5 Margining of Trades:
- 4.8.5.1 When the client intends to block securities for a sale transaction, shares will remain blocked in favour of CC. If securities are blocked in favour of CC, then all Margin would deemed to have been collected and penalty for short/non- collection of margin including other margins shall not arise.
- 4.8.5.2 Blocking shall be on 'time basis' and would mean if the order is not executed by the end of the T day, the block shall be released.
- 4.8.6 The block mechanism shall not be applicable to clients having arrangements with custodians registered with SEBI for clearing and settlement of trades.¹¹¹
- 4.8.7 UCC will be mandatory for all type of pay-in transactions. if setup quantity (qty) of pay-in transaction (txn) is more than the obligation qty then available balance to the extent of obligation qty will be considered for pay-in.¹¹²
- 4.8.8 DPs/TMs/CMs will also require to mandatorily provide UCC details in TM/CM Pool to TM/CM Pool on-market and, inter-settlement. Details of these txns will get validated with CC delivery obligation for the UCC-Settlement ID-CMID combination of target TM/CM Pool account.
- 4.8.9 DPs/TMs/CMs will also require to mandatorily provide UCC details in EP txn from TM/CM Pool account. Details of these txns will be validated with CC delivery obligation for the UCC-Settlement ID-CMID provided in the txn.
- 4.9 Validation of Instructions for Pay-In of Securities from Client demat account to Trading Member (TM) Pool Account against obligations received from the Clearing Corporations**¹¹³
- 4.9.1 Depositories, prior to executing actual transfer of the securities for Pay-In from client demat account to TM Pool account, shall validate the transfer instruction received through any of the available channels for the purpose of Pay-in, i.e. either initiated by clients themselves or by the Power of Attorney (POA) / Demat Debit and Pledge Instruction (DDPI) holder against the client-wise net delivery obligation received from CCs.
- 4.9.2 For Early Pay-In transactions, the existing facility of Block mechanism shall continue.
- 4.9.3 Validation of transfer instruction details with CC obligation details
- 4.9.3.1 Depositories receive the debit instruction for the purpose of Pay-In, given either by client himself using depository's online system or eDIS mandate or through depository participant based on physical DIS / digitally signed DIS given by client or POA / DDPI holder.
- 4.9.3.2 CCs shall provide client-wise net delivery obligations on T day to the depositories.
- 4.9.3.3 Based on the obligation data provided by CCs, Depositories shall validate the depository transfer instruction details with CC obligation details based on UCC, TM ID, CM ID, Exchange ID, ISIN, quantity, settlement details etc.

¹¹¹ Reference: CDSL/OPS/DP/P OLCY/2022/627 dated October 28, 2022

¹¹² Reference: CDSL/OPS/DP/ SETTTL/2022/638 November 03, 2022

¹¹³ Reference: CDSL/OPS/DP/P OLCY/2022/540 dated September 21, 2022



4.9.4 Matched instruction:

In case of matching of all details like UCC, TM ID, CM ID, ISIN, quantity, settlement details etc. of the transfer instruction with the obligation data, the instruction shall be carried out by the Depositories and such securities will be debited from client's demat account and credited to linked TM Pool account on or before the settlement day.

4.9.5 Unmatched instruction:

4.9.5.1 In case of discrepancies in details like UCC, TM ID, CM ID, ISIN etc., between instruction and obligation, such transfer instructions will be rejected by the depositories.

4.9.5.2 In case of discrepancies in quantity of securities between instruction and obligation, the following shall be noted:

4.9.5.2.1 If the quantity in instruction is less than the obligation provided by CC, then the instruction will be carried out by the depositories.

4.9.5.2.2 If the quantity in instruction is more than the obligation provided by CC, then the instruction will be partially processed by the depositories (i.e., upto the matching obligation quantity).

4.9.6 Trades Confirmed by Custodians:

This process shall not be applicable to clients having arrangements with custodians registered with SEBI for clearing and settlement of trades.

4.9.7 UCC details of the clients undertaking sale transactions would be mandatory for all types of pay-in transactions. UCC details mentioned in the transaction would be validated with UCC details linked to the demat account of the client and transaction would be taken for processing only if UCC details matches. Payin transactions without UCC details or invalid details would be rejected and would not be considered for further processing. ¹¹⁴

4.10 Handling of Clients' Securities by Trading Members (TM) / Clearing Members (CM)¹¹⁵

4.10.1 CDSL has introduced a new pledge reason code for auto pledge transactions for client unpaid securities pledge transactions viz. 'CUSPA Pledge'. The above-mentioned pledge reason code will be captured automatically at the time of creation of pledge in favour of CUSPA.¹¹⁶

4.10.2 Transfer of Pay-out Securities to Unpaid Clients:

4.10.2.1 Pay-out securities can be transferred to the demat account of the respective clients directly from the TM/CM Pool Account within one working day of the pay-out.

4.10.2.2 Unpaid securities (i.e., the securities that have not been paid for in full by the client), such securities can be transferred to the demat account of the unpaid client in the following manner.

4.10.2.2.1 While transferring pay-out securities by TM/CM to the unpaid client, entering Transaction Identifier (i.e., transfer for unpaid client), UCC details, CUSPA will be mandatory and can be a part of the annexure to existing DIS.

¹¹⁴ Reference: CDSL/OPS/DP/S ETTL/2022/462 August 12, 2022 and CDSL/OPS/DP/SETTL/2023/60 January 25, 2023

¹¹⁵ Reference: CDSL/OPS/DP/S ETTL/2023/151 dated March 09, 2023

¹¹⁶ Reference: CDSL/OPS/DP/SETTL/2023/208 dated March 31, 2023



- 4.10.2.2.2 On successful validation of UCC details entered in the transaction vis-à-vis UCC details linked to the demat account of the client, securities shall be credited in the demat account of unpaid client and simultaneously an auto pledge instruction will be setup from demat account of unpaid client in favor of the corresponding CUSPA of a TM/CM. Hence such unpaid securities will be reflected under 'Pledge' balance in the demat account of unpaid client and 'Pledgee' balance will be reflected in CUSPA.
- 4.10.3 Release of Securities if Unpaid Client Fulfills its Funds Obligation:
- 4.10.3.1 If unpaid client fulfills its funds obligation within five trading days after the payout, TM/CM shall release the pledge so that the securities are available to the client as free balance. TM-CM can unpledge the securities with partial or full quantity.
- 4.10.3.2 DPs may obtain the CUSPA Unpledge Request Form, as prescribed by CDSL.
- 4.10.4 Confiscation / Invocation of Securities if Unpaid Client doesn't fulfill its Funds Obligation:
- 4.10.4.1 If the client does not fulfill its funds obligation, TM/CM can dispose off such unpaid securities in the market within five trading days after the pay-out. As per the SEBI guidelines, TM/CM, before disposing of the securities, is required to give an intimation (email /SMS) to the client, one trading day before such sale.
- 4.10.4.2 Such unpaid securities will be disposed off by TM/CM by executing a sale transaction with UCC details on the exchange platform and then executing a 'Confiscation-cum Early Payin (EP)' transaction in CDSL system. DPs shall obtain the 'Confiscation-cum-Early Pay-in' form as prescribed by CDSL.
- 4.10.4.3 DPs are advised to accept and execute 'Confiscation-cum-Early Pay-in' transactions latest by 09:45 am on pay-in day i.e., T+1 day. DPs are requested to take note of 'Confiscation cum-Early Pay-in' request accepted and entered after 09:45 am on pay-in day i.e., T+1 will be processed only on best effort basis. CDSL will not be responsible for any failure in processing of 'Confiscation-cum-Early Pay-in' request accepted and executed after 09:45 am on pay-in day i.e., T+1 day.
- 4.10.5 No Action on Pledged Securities of Unpaid Clients by TM/CM within Seven Trading Days after Pay-out:
- 4.10.5.1 In case, pledged securities with respect to unpaid clients is neither invoked/confiscated nor released/unpledged within seven trading days after the pay-out (i.e., till the EOD of seventh trading day), the pledge on securities shall be auto released/unpledged and the securities shall be made available in the client account as free balance.
- 4.10.5.2 DPs may note that no prior intimation will be sent by CDSL to TM/CM/DP about the auto unpledge of securities due to no-action from TM/CM.
- 4.10.6 The unpaid securities pledged in demat account of unpaid client shall not be considered for the margin obligations of the client.
- 4.10.7 The payment of stamp duty will be applicable for CUSPA pledge invocation instruction same as normal pledge invocation instruction.

4.11 Tagging of Demat Accounts of stock brokers¹¹⁷

¹¹⁷ Reference: CDSL/OPS/DP/POLCY/6160 dated September 29, 2016, CDSL/OPS/DP/POLCY/2022/342 dated June 21, 2022; CDSL/OPS/DP/POLCY/2022/368 dated June 28, 2022 and CDSL/OPS/DP/POLCY/2022/427 dated July 28, 2022



- 4.11.1 DPs are advised to refer to SEBI Circular no. SEBI/HO/MIRSD/MIRSD2/CIR/P/2016/95 dated September 26, 2016 wherein SEBI has informed guidelines regarding enhanced supervision of stock brokers/depository participants.
- 4.11.2 Uniform nomenclature is to be followed by stock brokers for Naming/Tagging of Demat Accounts and the reporting of such accounts to the Stock Exchanges/Depositories to reflect the purpose for which these demat accounts are being maintained.
- 4.11.3 Stock Brokers (SB) are required to maintain demat accounts only under the following -6 categories:

Sr.No.	Demat Account Category	Purpose of Demat Account
a.	Proprietary Account	Hold Own Securities
b.	Pool account	Settlement Purpose
c.	Client Unpaid Securities Pledge Account	Hold Pledged Unpaid Securities of Client
d.	Margin Pledge and Unpledge Account for Client Pledged Securities	For Margin obligations to be given by way of Pledge/Re-pledge
e.	Client Securities under Margin Funding Account	Hold funded securities in respect of margin funding
f.	Client Nodal MFOS Account ¹¹⁸	Subscription / Redemption of MFOS units

4.11.4 Client Nodal MFOS Account⁸⁰

- 4.11.4.1 DPs are advised to take note of following operational modalities with respect to upstreaming of clients' funds via pledge of units of MFOS:

4.11.4.1.1 SB / CMs are required to open a separate account viz. "Client Nodal MFOS Account". The account status and sub-status are specified in CDSL communique no. CDSL/OPS/DP/SETTL/2023/370 dated June 23, 2023. DPs for their SB / CM clients may start opening said accounts effective from June 24, 2023.

4.11.4.1.2 If SB / CM opts to open the "Client Nodal MFOS Account" with a DP with whom the SB / CM has an existing SB / CM account, then a consent form format as specified in CDSL communique no. CDSL/OPS/DP/SETTL/2023/370 dated June 23, 2023 needs to be obtained by DP from SB / CM. However, if SB / CM wishes to open 'Client Nodal MFOS Account' with a DP with whom SB / CM does not have an existing SB / CM account, then SB / CM will be required to adhere to the existing procedure of account opening as per prescribed guidelines.

4.11.4.1.3 SB / CMs who deploy client funds in MFOS can use the "Client Nodal MFOS Account" for subscription / redemption of MFOS units only. DPs need to ensure that apart from Mutual Fund subscription / redemption / margin pledge transactions no other transactions should be allowed in the said account.

¹¹⁸ Reference: CDSL/OPS/DP/SETTL/2023/370 dated June 23, 2023



- 4.11.4.1.4 Once the MFOS units are credited in the “Client Nodal MFOS Account”, SB / CMs should provide MFOS units as collateral to the CC at all times by way of margin pledge / re-pledge. Pledge to CC from “Client Nodal MFOS Account”, will be created as follows:
- 4.11.4.1.4.1 SB / CMs shall set up a margin pledge transaction from the “Client Nodal MFOS Account” by pledging the MFOS units to existing Margin Pledge Account of the SB / CMs. Pledge transactions will be considered for processing only if the PAN of “Client Nodal MFOS Account” and “Margin Pledge Account” is the same.
 - 4.11.4.1.4.2 While creating Margin Pledge transactions the value of Pledge Identifier should be provided as “MP” and Entity Identifier as “TM”.
 - 4.11.4.1.4.3 SB / CMs shall then re-pledge the MFOS units from their existing Margin Pledge Account to CC.
- 4.11.4.1.5 SB / CMs are required to mention the client’s UCC at the time of setup of margin pledge transaction from “Client Nodal MFOS Account”. The client’s UCC entered should be a valid UCC as recorded in CDSL system.
- 4.11.4.1.6 The above margin pledge / re-pledge transaction will be executed in CDAS / Easiest system using the current functionality of creation of margin pledge / re-pledge transactions and there is no change in the existing upload file formats for margin pledge / re-pledge transactions.
- 4.11.4.1.7 Margin Pledge transaction initiated by SB / CM through easiest from the “Client Nodal MFOS Account”, same will be allowed to set up only if the said account is grouped under CM’s easiest login.
- 4.11.4.1.8 SB / CMs may request CC to unpledge the MFOS units. Once the MFOS units are unpledged by CC, the units will be transferred in SB / CM Margin Pledge Account from “Re-pledge Balance” to “Pledgee Balance”. SB / CMs may in turn unpledged securities from their SB / CM Margin Pledge Account, so that units will be available in “Client Nodal MFOS Account” under “Free Balance”.
- 4.11.4.1.9 There is no change in the existing reports pertaining to pledge transactions (DP97, DP37, DP36, etc).
- 4.11.5 DPs are advised to refer the relevant the SEBI Circulars and CDSL Communiqués in respect of discontinuation of below-mentioned category of broker accounts.

Sr. No.	Demat Account Category (to be discontinued)	Purpose of Demat Account
a.	SB - Client Account	To hold client’s securities
b.	SB - Collateral Account	For depositing securities collateral with the Clearing Corporation
c.	SB - Margin Trading Account	To provide margin trading facility
d.	Client Unpaid Securities Account	Hold Unpaid Securities of Client

- 4.11.6 Stock brokers maintaining demat accounts other than the above-mentioned categories would be considered as ‘untagged’ accounts. All demat accounts of stock brokers which are untagged need to be appropriately tagged. All ‘untagged’ accounts would be marked as ‘Frozen for Debit and Credit’. Only credits arising out of Corporate Action would be allowed in the said accounts.



If any tagging is required to be done in 'untagged' accounts or securities to be transferred to the client account from the 'untagged' accounts, then the brokers will be required to approach corresponding Stock Exchange/s. Based on the instructions received from the Stock Exchanges, CDSL will unfreeze the account and then broker can execute sub-status modification or transfer of securities to the client account as the case may be.

4.11.7 'Untagged' demat accounts which are used exclusively for banking activities by the brokers which are also banks are exempted from the category of 'untagged' accounts and the guidelines mentioned in the aforesaid SEBI circular shall not apply to said exempted 'untagged' accounts. To avoid freezing of such banking activity accounts DPs are requested to inform details of said accounts to CDSL.

4.12 Execution of 'Demat Debit and Pledge Instruction' (DDPI) for transfer of securities towards deliveries / settlement obligations and pledging / repledging of securities

4.12.1 The client may use the DDPI or opt to complete the settlement by issuing physical Delivery Instruction Slip (DIS) or electronic Delivery Instruction Slip (eDIS) themselves.¹¹⁹

4.12.2 For the execution of the DDPI for fulfilling delivery / settlement obligations, prior to executing actual transfer of securities based on details provided by stock broker/stock broker and depository participant, the Depositories shall ensure matching and confirming the transfer of securities with client-wise net delivery obligation arising from the trade executed on the exchange, as provided by the Clearing Corporation to Depositories for each settlement date.

4.12.3 Securities transferred on the basis of the DDPI provided by the client shall be credited to client's TM pool account / CM pool account / demat account of clearing corporation, as the case may be. The DDPI provided by the client shall be registered in the demat account of the client by TM /CM.¹²⁰

4.13 Guidelines for Rolling Normal (T+0) Settlement¹²¹

4.13.1 DPs are requested to take a note of relevant SEBI Circulars and CDSL communique regarding the implementation of T+0 settlement cycle. DPs are further advised to take a note of the following implementation guidelines related to T+0 settlement cycle.

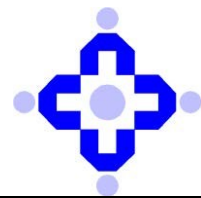
4.13.2 Creation of New Market Type:
CDSL is in receipt of a request from Indian Clearing Corporation Limited (ICCL-CCID -10) and NSE Clearing Limited (NCL-CCID -11) for creation of New Market Type for settlement of securities traded under T+0 Market Type in Capital Market Segment of the Stock Exchanges. Accordingly, the following Market Type has been created in CDSL system to process settlement transactions pertaining to T+0 settlements. DPs / CMs / TMs and their trading clients are advised to note the cutoff time for Early Pay-in (EP) transactions to be executed through WebCDAS and/or Easiest.

Sr. No.	Exchange ID	Clearing Corporation (CC) ID	Market Type	Market Type Description	Cutoff time to execute Early Pay-in Transactions

¹¹⁹ Reference: CDSL/OPS/DP/POLCY/2022/194 dated April 05, 2022

¹²⁰ Reference: CDSL/OPS/DP/P OLCY/2022/585 dated October 7, 2022

¹²¹ Reference: CDSL/OPS/DP/SETT/2024/164 dated March 21, 2024



						Easiest	WebCDAS
1.	11 (BSE)	10 (ICCL)	33	Rolling (T+0)	Normal	01:45 pm	01.45 pm
2.	12 (NSE)	11 (NCL)	33	Rolling (T+0)	Normal	01:45 pm	01.45 pm

4.13.3 Operational Modalities:

- 4.13.3.1 T+0 settlement cycle is an optional facility where clients can opt to execute trades under New Market Type T+0 for the securities (ISINs) which are in the approved list of the stock exchanges.
- 4.13.3.2 DPs / CMs / TMs and their trading clients can execute pay-in transactions of T+0 settlements ONLY in the form of Early Pay-in (EP). Execution of EP transactions can be Intra-depository (i.e. within CDSL) OR Inter-depository (i.e. CDSL to NSDL).
- 4.13.3.3 UCC details will be mandatory for execution of EP transactions. The existing process of Block Mechanism will be applicable wherein the ISIN balance will be immediately blocked / earmarked in favour of CC in the demat account of the client.
- 4.13.3.4 Execution of pay-in transactions other than EP transactions i.e. Normal Pay-in and On-Market transactions will not be permitted for T+0 settlements.
- 4.13.3.5 Execution of EP transactions for the settlements with market type T+0 will be permitted till EP cutoff time which is 01:45 pm on T Day beyond which execution of EP transactions for same business day will not be permitted.
- 4.13.3.6 As per the details of the settlement schedule received from Clearing Corporations (CCs), the pay-in for settlements with market type T+0 is scheduled at 03:30 pm.
- 4.13.3.7 DPs / CMs / TMs and their trading clients are advised to note that execution of Inter-depository EP transactions entered during the permitted timelines are subject to availability of sufficient balance in the demat account.
- 4.13.3.8 Unmatched or excess quantity of EP transactions, blocked in the client account will be released based on the upload of reversal file by CC to make the said blocked / earmarked balance free.
- 4.13.3.9 All the EP transactions executed till 1:45 pm on T Day will be reported to CCs at the predefined time intervals. The matching of reported EP transactions with the trade obligation details will be performed by the CCs.
- 4.13.3.10 As a part of pay-in processing, the blocked / earmarked securities will be debited from the demat account of the client and will be credited to the corresponding EP account of a Clearing Member and would further be reported as a pay-in as per the existing settlement mechanism.
- 4.13.3.11 TM Pool / CM Pool Account will reflect the hop-skip entries for EP intra-depository (within CDSL) transactions. The said hop-skip entries will be reflected in DP97 and DPC9 reports.
- 4.13.3.12 Further, DPs may advise their CM / TM / trading clients to refer FAQs on T+0 settlement cycle disseminated on CDSL website at <https://www.cdslindia.com/Investors/FAQs.html>.
- 4.13.3.13 The aforesaid T+0 settlement functionality is effective from March 28, 2024.

4.14 **Custodian Participation in T+0 Rolling Settlement**¹²²

- 4.14.1 DPs shall refer SEBI Circular no. SEBI/HO/MRD/MRD-PoD-3/P/CIR/2024/20 dated March 21, 2024, regarding the implementation of T+0 rolling settlement cycle and CDSL communique no.

¹²² Reference: CDSL/OPS/DP/SETT/2024/549 dated September 19, 2024



CDSL/OPS/DP/SETT/2024/164 dated March 21, 2024, and CDSL/OPS/DP/SETT/2024/549 dated September 19, 2024 providing operational guidelines to DPs for T+0 rolling settlement cycle. DPs are further advised to refer NCL circular no. NCL/CMPT/66135 dated January 15, 2025, and ICCL notice no. 20250116-54 dated January 16, 2025, regarding 'Additional clarification on custodian transactions in T+0 settlement cycle'.

4.14.2 DPs are further requested to refer NCL circular no. NCL/CMPT/63165 and ICCL circular no. 20240731-47 dated July 31, 2024, mentioning exchanges shall provide facility to execute trades with custodial participant (CP) code in T+0 settlement cycle effective September 30, 2024.

4.14.3 DPs to take note of following operational guidelines applicable to custodial clients participating in T+0 rolling settlements:

4.14.3.1 Trades confirmed by Custodians:

4.14.3.1.1 Custodial clients can execute Early Pay-in transactions till 1:45 pm for settlement of T+0 rolling settlement.

4.14.3.1.2 Said EP transactions should be entered with valid CP Code and CMID combination. The same would be considered for processing and further reporting to CC if CP Code-CMID combination matches with the details received from CCs.

4.14.3.1.3 Custodial clients will also be allowed to execute, intra as well as inter-depository on-market transactions (i.e. transfer from demat account of custodial client to CM Pool Account of a custodial client), in T+0 rolling settlement cycle till pay-in cut-off time which shall be intimated separately.

4.14.3.1.4 During pay-in processing, depending upon the securities transferred to the CM Pool Account and quantity of Auto DO received from CC, quantity to the extent of Auto DO will be reported as a pay-in to CC.

4.14.3.1.5 Block mechanism guidelines will not be applicable for the custodial clients.

4.14.3.2 Trades Not Confirmed / Rejected by Custodians

4.14.3.2.1 In case of non-confirmation / rejection of custodial trade by a custodian, obligation will be devolved on the member executing the custodian trade.

4.14.3.2.2 CCs would be providing obligation details of rejected trades with UCC allocated by Stock Exchange to the member to settle their proprietary trades.

4.14.3.2.3 For rejected trade by the custodian, members will be required to initiate Normal Pay-in instruction or Inter-depository On-market instruction till pay-in cut-off time.

4.14.3.2.4 In case of rejected trades, as per the block mechanism guidelines, said Normal Pay-in / On-market transactions will be matched with the obligation details received from CCs and quantity to the extent of matched obligation will be reported as a pay-in to CC.

4.14.3.2.5 In case of non-confirmed trades, the securities placed under the specific settlement pocket will be picked up for payin. If Auto DO instructions are uploaded by CC, then the quantity will be picked up to the extent of the quantity in the Auto DO instruction.

4.14.3.3 Trades executed for Non-Custodial Clients:



- 4.14.3.3.1 DPs to note that there is no change in the existing T+0 rolling settlement mechanism for non-custodial clients i.e. for non-custodial clients the only way to settle their T+0 trade obligation is Early Pay-in till 1:45 pm. DPs, Members and their non-Custodial Clients are requested to ensure that pay-in instructions entered through Normal Pay-in or On-market mode shall not be considered for pay-in.
- 4.14.4 DPs are advised to make note of the circular of exchanges providing the list of eligible securities for optional T+0 rolling settlement cycle as provided in CDSL/OPS/DP/SETTL/2025/75 dated January 30, 2025 ¹²³.
- 4.14.5 DPs are advised to refer SEBI Circular nos. SEBI/HO/MRD/MRD-PoD-3/P/CIR/2024/20 dated March 21, 2024, and SEBI/HO/MRD/MRD-PoD-3/P/CIR/2024/172 dated December 10, 2024, regarding the 'implementation of T+0 rolling settlement cycle' and 'enhancement in the scope of optional T+0 rolling settlement cycle in addition to the existing T+1 settlement cycle in Equity Cash Markets' respectively. DPs are further advised to refer NCL circular no. NCL/CMPT/66135 dated January 15, 2025, and ICCL notice no. 20250116-54 dated January 16, 2025, regarding 'Additional clarification on custodian transactions in T+0 settlement cycle'.¹²⁴
- 4.14.6 DPs to take note of the following enhanced operational guidelines to be made applicable with regards to custodian participation in T+0 rolling settlements:
- 4.14.6.1 On confirmation of a custodial trade by a custodian, custodial clients can initiate intra-depository (within depository) or inter-depository (between depositories) on-market transaction (i.e. transfer from designated custodial client account (having account sub-status 148 to 164 and 166 to 183) to Custodian Clearing Member (CM) Pool account.
- 4.14.6.2 It will be **optional** for the custodial clients to enter 'CP Code – CMID' details while executing on-market transactions. However, if entered, 'CP Code – CMID' details would be validated with 'CP Code – CMID' link received from CCs and transaction with matched UCC details will only be considered for processing.
- 4.14.6.3 In case of unconfirmed trade by the custodian, obligation is devolved on a member. For such devolved trade, a member may fulfil his pay-in obligation by executing on-market instruction from his designated proprietary account (having account sub-status 104, 106, 108, 117 and 185) to member's CM Pool account.
- 4.14.6.4 It will be **optional** for a member to enter the UCC details while executing on-market transactions from proprietary account to member's CM Pool account. However, if entered, UCC details will be validated with the UCC linkage in the proprietary account of a member and transaction with matched UCC details will only be considered for processing.
- 4.14.6.5 Further, even in case of rejected trade by the custodian, obligation is devolved on a member. For such devolved trades, member may advise custodial client to initiate intra-depository or inter-depository on-market transaction (i.e. transfer from designated custodial client account (having account sub-status 148 to 164 and 166 to 183) to member's CM Pool account.
- 4.14.6.6 Once the securities are transferred to the Custodian's / member's CM Pool account, during pay-in processing, depending upon the quantity available under the corresponding 'T+0' settlement pocket vis-a-vis Auto Delivery Obligation (Auto DO) quantity of a member provided by CC, quantity to the extent of Auto DO will be

¹²³ Reference: CDSL/OPS/DP/SETTL/2025/75 dated January 30, 2025

¹²⁴ Reference: CDSL/OPS/DP/SETT/2025/81 dated January 31, 2025



debited from Custodian's / member's CM Pool account and reported as a pay-in to CC.

4.14.6.7 **Annexure-1: Timelines**

Activities	Timelines
EPI cut off at depositories	1:45 PM
Securities Pay-in cut off at depositories	3:30 PM

4.14.6.8 The aforesaid guidelines with respect to participation of custodial clients in T+0 settlement is effective from February 10, 2025.

4.15 Liquidity Window Settlement in CDSL¹²⁵

4.15.1 DPs are advised to refer to SEBI circular SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2024/141 dated October 16, 2024 regarding Introduction of Liquidity Window Facility for investors in debt securities through Stock Exchange mechanism.

4.15.2 DPs are further required to note that, new Market Type has been created in CDSL system to process settlement transactions pertaining to Liquidity Window settlements.

¹²⁵ Reference: CDSL/OPS/DP/SETTL/2025/749 dated November 12, 2025



Chapter 5: Statement of Accounts

5.1 Statement of Accounts in case of PMS (Portfolio Management Services) clients and BSDA Accounts

5.1.1 In case of PMS (Portfolio Management Services) clients, Portfolio Manager's address cannot be captured as correspondence address. However, the transaction statements may be sent / made accessible to both – the portfolio manager and its client.¹²⁶

5.1.2 In respect of BSDA Accounts with zero balance and nil transactions during the year, DP shall send at least one annual physical statement of holding to the stated address of the BO even after the account has remained in such state for one year. The DP shall inform the BO that the dispatch of the physical statement may be discontinued for the account which continues to remain zero balance even after one year.¹²⁷

5.2 Dispatch of Consolidated Account Statement (CAS)¹²⁸

5.2.1 DPs to refer CDSL communique no. CDSL/OPS/DP/P OLCY/2024/367 dated July 02, 2024, enclosed with the SEBI circular no. SEBI/HO/MRD-PoD2/CIR/P/2024/93 dated July 01, 2024, with respect to Dispatch of Consolidated Account Statement (CAS) for all securities assets.

5.2.2 DPs to refer point number (1) and “Para 1.24.6 of the said SEBI circular as quoted below, which is mentioned in Annexure-A under Modifications in paras of SEBI Master Circular on Depositories dated October 06, 2023”.

“1. Considering the increasing reach of digital technology, electronic mode now being the preferred mode of communication and as a green initiative measure and to streamline the regulatory guidelines on mode of dispatch of account statements, it has been decided to revisit the regulatory provisions and provide for email as default mode of dispatch for Consolidated Account Statement (CAS) by Depositories, Mutual Fund – Registrar and Transfer Agents (MF-RTAs) and holding statement by Depositories Participant (DP).”

“Annexure-A

Modifications in paras of SEBI Master Circular on Depositories dated October 06, 2023.

Para 1.24.6

The CAS shall be dispatched by email to all the investors whose email addresses are registered with the Depositories and AMCs/MF-RTAs. However, where an investor does not wish to receive CAS through email, option shall be given to the investor to receive the CAS in physical form at the address registered with the Depositories and the AMCs/MF-RTAs. The depositories shall also intimate the investor on quarterly basis through the SMS mode specifying the email id on which the CAS is being sent.”

¹²⁶ Reference: CDSL/OPS/DP/1622 dated June 22, 2009

¹²⁷ Reference: CDSL/OPS/DP/POLCY/4546 dated July 01, 2014

¹²⁸ Reference: CDSL/OPS/DP/P OLCY/2024/367 dated July 02, 2024 and CDSL/OPS/DP/S YSTM/2024/425 dated July 31, 2024



- 5.2.3 In view of the aforesaid SEBI guidelines, DPs to take note of the below-mentioned changes in the CAS generation logic.
- 5.2.3.1 If any one demat account of an investor for same or different holding patterns where first holder PAN is common with 'CAS MODE' flag as 'Electronic', eCAS would be generated.
- 5.2.3.2 If any one demat account of an investor for same or different holding patterns where first holder PAN is common with 'CAS MODE' flag as 'No CAS', CAS would NOT be generated.
- 5.2.3.3 Physical CAS would be generated for an investor for same or different holding patterns where first holder PAN is common, ONLY IF, 'CAS MODE' flag is specifically opted as 'Physical', in all the demat accounts.
- 5.2.3.4 In a scenario, if any one demat account of an investor for same or different holding patterns where first holder PAN is common with 'CAS MODE' flag as 'Null' (i.e. no 'CAS Mode' is opted by an investor), eCAS would be generated.
- 5.2.3.5 In a scenario where eCAS dispatch is failed eCAS would be generated and would be available for download on CDSL webpage subject to successful client authentication for eCAS download.
- 5.2.3.6 All the other provisions and amendments for issuing the statement of demat accounts would be applicable as directed by SEBI in their aforesaid circular dated July 01, 2024.
- 5.2.3.7 Aforesaid change in logic for CAS dispatch is applicable effective from transaction month July-2024 for which CAS is dispatched in Aug-2024.
- 5.2.3.8 DPs to disseminate the information to their clients and implement the necessary compliance requirements in their back office, if any.



Chapter 6: Pledge

6.1 Pledge Reason code and capturing of Ultimate Lender details for Trusteeship Company¹²⁹

- 6.1.1 DPs need to capture the Ultimate lender details for the pledgee accounts of sub type “Debenture Trustee” and “Trusteeship Company”. At least one name and PAN needs to be captured in Ultimate lender master for pledgee of type “Debenture Trustee” and “Trusteeship Company” without which pledge will not be allowed to setup. CDSL has compiled a master list of ultimate lenders containing code and name of the ultimate lenders. DPs need to update the PAN of ultimate lenders and the pledgee demat account in the ultimate lender master. Trustees need to open separate demat accounts for separate set of ultimate lenders before pledge setup.
- 6.1.2 Further, Pledge reason code from the list given below must be captured by DP for each pledge setup in the system.¹³⁰
- 6.1.2.1 Collateral -Debt issuance by Co./Grp Co.
 - 6.1.2.2 Collateral for loan by Company/Group Co.
 - 6.1.2.3 Collateral for loan by the Third Party
 - 6.1.2.4 Margin Pledge/MTF for Exchange Trade
 - 6.1.2.5 Personal use by promoters and PACs
- 6.1.3 Introduction of Rejection Reason for Pledge and Unpledge Request¹³¹
DPs to refer CDSL communique CDSL/OPS/DP/POLCY/2024/314 dated June 07, 2024, regarding revised file format due to introduction of a new field ‘Rejection Reason Code’ to capture the reason for cases where pledge and unpledge request is rejected in the system.

6.2 Margin Obligations to be given by way of pledge/ re-pledge¹³²

- 6.2.1 DPs are advised to refer CDSL communique CDSL/OPS/DP/POLCY/2025/393 dated June 12, 2025, disseminating SEBI circular SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/82 dated June 03, 2025, regarding Margin Obligations to be given by way of Pledge / Re-pledge in the Depository System.
- 6.2.2 Based on the observation / representation of Brokers’ ISF and with a view to facilitate ease of doing business as well as to safeguard the interest of investors, SEBI has directed all the MIIs to make the unpledge / invocation and sale as a combined automated process for the securities under CUSPA Pledge (i.e., securities pledged in favour of ‘TM/CM CUSPA’ that are unpaid), Margin Pledge (i.e., securities pledged in favour of ‘TM/CM Client Securities Margin Pledge Account’ for margin) and MTF Pledge (i.e., securities pledged in favour of ‘TM Client Securities under Margin Funding Account’ that are funded)
- 6.2.3 In order to make the unpledge / invocation and sale of securities as a combined automated process with respect to CUSPA Pledge, Margin Pledge and Margin Trading Funding Pledge, DPs are requested to take note of the below-mentioned Operational Modalities.

¹²⁹ Reference: CDSL/OPS/DP/POLCY/2022/451 dated August 08, 2022

¹³⁰ Reference: CDSL/OPS/DP/POLCY/2022/385 dated July 05, 2022

¹³¹ Reference: CDSL/OPS/DP/P OLCY/2024/314 dated June 07, 2024 and CDSL/OPS/DP/POLCY/2024/326 dated June 14, 2024

¹³² Reference: CDSL/OPS/DP/SETT/2025/443 dated July 01, 2025



6.2.3.1 Pledge Release (i.e., unpledge) for Early Pay-in (PR-EP):

- 6.2.3.1.1 In the case of Margin pledged (including pledged funded stock) / CUSPA pledged securities where the client does not have any outstanding obligation, and requests for release of the securities, an existing release mechanism would be applicable.
- 6.2.3.1.2 Furthermore, in the case of a Margin pledged (including pledged funded stock) / CUSPA pledged securities, other than Mutual Fund (MF) units that are not traded on the exchanges where the client does not have any outstanding obligation, sells the securities, a provision would be given to Trading Member (TM) to give a single instruction in the form of 'Pledge Release for Early Pay-in (PR-EP)'.
- 6.2.3.1.3 PR-EP instruction can be executed through file upload wherein TM will be required to provide Clearing Member's (CM) Early Pay-in Account, Quantity, Settlement ID and UCC details viz. UCC, TMID, CMID, EXID, SEGMENT ID.
- 6.2.3.1.4 PR-EP instruction can be set up for partial / full pledge quantity.
- 6.2.3.1.5 Processing of PR-EP instruction till receipt of CC obligation:
EP transaction will be created in CDAS and reported to Clearing Corporation (CC) for the entitled benefits. Till the time CC obligation is received; pledge block will be continued in the client account.
- 6.2.3.1.6 Processing of PR-EP instruction after receipt of CC obligation:
PR-EP instruction details will be matched with the obligation and quantity to the extent of obligation will be released (i.e., unpledged) in the client account. At the same time, the balance in the client account will be blocked as an EP block in favour of CC. (EP transaction will be reported to CC for the entitled benefits, where PR-EP instruction is entered in CDAS after receipt of obligation details from CC). On pay-in day, the EP block will be removed, securities will be debited, credited to the CC settlement account, and reported to CC as a pay-in. Pledge transaction will continue in the client account for an excess PR-EP quantity vis-a-vis the obligation OR no obligation is received from CC.
- 6.2.3.1.7 DPs are advised to accept and execute PR-EP instructions at the latest by 09:45 am on pay-in day i.e., T+1 day. DPs are requested to take note that PR-EP instructions are accepted and entered after 09:45 am on pay-in day i.e., T+1 will be processed only on the best effort basis. CDSL will not be responsible for any failure in processing of PR-EP instruction accepted and executed after 09:45 am on pay-in day i.e., T+1 day.

6.2.3.2 Invocation (Confiscation) for Early Pay-in (IV-EP):

- 6.2.3.2.1 In the case of Margin pledged (including pledged funded stock) / CUSPA pledged securities other than MF units that are not traded on the exchanges where the client does not have any outstanding obligation, as per the SEBI guidelines, TM/CM can sell the securities in the market and recover the outstanding dues.
- 6.2.3.2.2 Once TM/CM sells the securities, a provision would be made available to TM to give a single instruction in the form of 'Invocation for Early Pay-in (IV-EP)'.
- 6.2.3.2.3 IV-EP instruction can be executed through file upload wherein TM will be required



to provide CM Early Pay-in Account, Quantity, Settlement ID and UCC details viz. UCC, TMID, CMID, EXID, SEGMENT ID.

- 6.2.3.2.4 IV-EP instruction can be set up for partial / full pledge quantity.
- 6.2.3.2.5 Processing of IV-EP instruction till receipt of CC obligation:
EP transaction will be created in CDAS and reported to CC for the entitled benefits. Till the time CC obligation is received; pledge block will be continued in the client account.
- 6.2.3.2.6 Processing of IV-EP instruction after receipt of CC obligation:
IV-EP details will be matched with the obligation and quantity to the extent of obligation will be invoked in one of the aforesaid TM/CM pledgee accounts and at the same time transferred into the client account. Instantaneously, balance in client account will be blocked as an EP block in favour of CC. (EP transaction will be reported to CC for the entitled benefits, where IV-EP instruction is entered in CDAS after receipt of obligation details from CC). On pay-in day, the EP block will be removed, securities will be debited, credited to the CC settlement account, and reported to CC as a pay-in. Pledge will continue for an excess IV-EP quantity vis-à-vis the obligation OR no obligation is received from CC.
- 6.2.3.2.7 DPs are advised to accept and execute IV-EP instructions at the latest by 09:45 am on payin day i.e., T+1 day. DPs are requested to take note that IV-EP instructions are accepted and entered after 09:45 am on pay-in day i.e., T+1 will be processed only on the best effort basis. CDSL will not be responsible for any failure in processing of IV-EP instruction accepted and executed after 09:45 am on pay-in day i.e., T+1 day.
- 6.2.3.2.8 As per the existing mechanism of processing of Invocation-cum-Early Pay-in transaction with respect to CUSPA pledge, EP transaction is created and reported to CC only after matching of transaction details with CC obligation. Whereas, as per the aforesaid process, EP transaction will be created and reported to CC immediately after executing IV-EP instruction. DPs are requested to take note of the same.
- 6.2.3.3 Invocation (Confiscation) for Redemption (IV-RD):**
 - 6.2.3.3.1 In the case of a Margin pledged MF units that are not traded on the exchanges where the client does not have any outstanding obligation, TM/CM can redeem MF units through its DP and recover the outstanding dues.
 - 6.2.3.3.2 A provision would be made available to TM/CM to give a single instruction in the form of 'Invocation for Redemption (IV-RD)'.
 - 6.2.3.3.3 IV-RD instruction can be executed through file upload as per the existing mechanism.
 - 6.2.3.3.4 IV-RD instruction can be set up for partial / full pledge quantity.
 - 6.2.3.3.5 IV-RD instruction will be processed in the following two steps



Step1 – As an invocation process, MF units not traded on the exchanges will be transferred from the pledgor account (i.e., client account) to TM/CM Client Securities Margin Pledge Account.

Step2 – Instantaneously, 'MF – Redemption' instruction will be created from the TM/CM Client Securities Margin Pledge Account based on the details provided in the IV-RD form obtained from TM/CM.

- 6.2.3.3.6 On execution of a said 'MF – Redemption' instruction, MF units mentioned in IV-RD instruction will be blocked as 'Pending Remat Confirmation' in the TM/CM Client Securities Margin Pledge Account and reported to the corresponding MF RTA as per the existing mechanism.
- 6.2.3.3.7 MF RTA will then credit the redemption proceeds in the bank account of TM/CM captured in TM/CM Client Securities Margin Pledge Account.
- 6.2.3.4 Invocation of securities where client trading codes are marked as 'Not permitted to trade'.**
- 6.2.3.4.1 If the client's trading account is frozen or client trading codes are marked as 'Not permitted to trade' or equivalent at the stock exchanges after creation of pledge, then the TM/CM can use the existing transaction type of 'invocation' to invoke the securities.
- 6.2.3.4.2 Once the securities are invoked by the TM/CM, the securities will come to the pledgee account of a TM/CM (i.e., TM/CM CUSPA OR TM/CM Client Securities Margin Pledge Account OR TM Client Securities under Margin Funding Account) and the same can be sold by TM/CM under the proprietary code.
- 6.2.3.4.3 TM/CM is required to ensure that pay-in of securities is done on the same day of invocation.
- 6.2.3.5** ¹³³DPs are further advised to note that there is no change in UDIFF catalogue in terms of NO addition of new column while incorporating the guidelines mentioned under SEBI circular no. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/82 dated June 03, 2025, regarding Margin Obligations to be given by way of Pledge/Re-pledge. However, the changes with respect to the introduction of additional values for the below-mentioned existing field in UDIFF catalogue are as follows:
- 6.2.3.5.1 The fields applicable for Confiscation-cum-Early Pay-in of CUSPA pledge will now be used for Unpledge (Release), Unpledge-cum-Early Pay-in, Confiscation (Invocation)-cum-Early Pay-in and Confiscation (Invocation)-cum-Redemption of CUSPA pledge, Margin pledge and Margin Funding pledge.
- 6.2.3.5.2 Field "Auto Pledge Flag for Unpaid Securities / CUSPA Transaction Flag" is renamed as "Auto Pledge Flag for Unpaid Securities / CUSPA Transaction Flag / Invocation or Release with EPI Block / Redemption Flag".
- 6.2.3.5.3 Introduction of additional Standard values for "Auto Pledge Flag for Unpaid

¹³³ Reference : CDSL/OPS/DP/S ETT/2025/518 dated August 04, 2025



Securities / CUSPA Transaction Flag / Invocation or Release with EPI Block / Redemption Flag” field as given below:

- 6.2.3.5.3.1 “YES” – (Existing value) This value will be applicable in Unpledge (Release) / Confiscation (Invocation) of Margin pledged securities (including pledged funded stock) / CUSPA pledge and generate Early Pay-in transaction from the pledgor (i.e., client) account with client UCC.
- 6.2.3.5.3.2 “NO” – (Existing value) This value will be applicable in Unpledge (Release) of all type of pledge transactions and Confiscation (Invocation) of pledged securities with respect to Margin Re-pledge and Normal Pledge.
- 6.2.3.5.3.3 “RD” – This value will be applicable in Confiscation (Invocation) of Margin pledged non-exchange traded MF units and auto generate DP Redemption request from pledgee account of the member.
- 6.2.3.5.3.4 “MBR” – This value will be applicable in Confiscation (Invocation) of Margin pledged securities (including pledged funded stock) / CUSPA pledge and generate Early Pay-in transaction using member’s proprietary UCC in a scenario where "Client UCC is not permitted for trade" or "Client demat account is suspended for debit".
- 6.2.3.5.4 The UDiFF catalogue version v2.0.0.3 incorporated with the aforesaid changes is available for download at <https://www.cdslindia.com/DP/Harmonization.html>.
- 6.2.3.5.5 DPs are advised to refer to the annexures A & B of the communique providing the details of additional fields applicable for unpledge (release) and confiscation (invocation) in Harmonized format.
- 6.2.3.5.6 Further, DPs are advised to refer to the annexure C of the communique providing the details of file format changes applicable for file upload through CM & BO’s easiest login.
- 6.2.3.5.7 SEBI vide circular dated August 18, 2025, extended the timeline for implementation of SEBI Circular ‘Margin obligations to be given by way of pledge/Re-pledge in the Depository System’ dated June 03, 2025. The provisions of the circular were to come into effect from September 01, 2025. Based on the representation from depositories requesting for an extension of time to carry out system developments and to ensure system readiness by carrying end-to-end testing it has been decided to extend the timeline for implementation to October 10, 2025.¹³⁴

6.3 Creation/Invocation of pledge of securities through depository system¹³⁵

- 6.3.1 DPs are advised to refer to the SEBI Circular no. HO/47/14/12(1)2026-MRD-POD2/II/4229/2026 dated February 05, 2026, regarding Creation/Invocation of pledge of securities through depository system.
- 6.3.2 In order to ensure compliance as per the aforesaid SEBI circular, effective from April 06, 2026,

¹³⁴ Reference: CDSL/OPS/DP/POLCY/2025/554 dated August 19, 2025

¹³⁵ Reference: CDSL/OPS/DP/POLCY/2026/91 dated February 9, 2026 and CDSL/OPS/DP/SETT/2026/180 dated March 13, 2026



DPs are advised to obtain signed undertaking from the client as mentioned in Annexure A below along with pledge request for creation / invocation of pledge of securities.

Undertaking to be obtained from pledgor & pledgee.

1) The pledgee undertakes to provide reasonable notice to the pledgor and comply with the requirements of Sections 176 and 177 of the Indian Contract Act, 1872.

2) The pledgor 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.

- 6.3.3 Further, DPs may also note that effective from April 06, 2026, in case of invocation of pledged securities, intimation / notification will be sent by depository to both pledgor and pledgee confirming that the pledge has been invoked and the pledgee has been recorded as “beneficial owner” in terms of Regulation 79(8) of the DP Regulations.”



Chapter 7: Freeze / Unfreeze

7.1 **Freeze and Unfreeze instruction using easi/easiest login**¹³⁶

7.1.1 DPs are advised to take note of the facility provided by CDSL to easi/easiest users to execute 'Freeze' and 'Unfreeze' transaction without submitting freeze/unfreeze instruction to the Depository Participant.

7.1.2 DPs are not required to obtain a freeze/ unfreeze request form for the freeze/ unfreeze request set up by the BOs from their easi/easiest login.

7.2 **Guidelines For Freeze/Unfreeze intimations need to be sent to Beneficial Owners (Bo) on Freezing/Unfreezing of their Demat Account (If Any) on Regular Basis.**¹³⁷

7.2.1 **Freezing and Unfreezing Procedure:**

DPs should follow the procedures specified in Chapter 13 of the operating instructions for freezing/unfreezing demat accounts. These actions may be initiated by the DP, BO, or CDSL.

7.2.2 **Acknowledgment to the Beneficial Owner:**

DPs must ensure that a notification or acknowledgment copy is provided to the BO whenever their demat account is frozen or unfrozen, regardless of whether the action was initiated by the DP, the BO, or CDSL.

7.2.3 **System or Process for Notification:**

DPs are encouraged to establish a system or process that guarantees BOs receive timely notifications regarding freeze/unfreeze actions taken on their demat accounts. This ensures transparency and communication with the BO.

7.2.4 **DPE6 Report (Freeze/Unfreeze/Cancel Report):**

DPs are advised to generate the "DPE6 – Online Report Freeze/Unfreeze/Cancel" from the CDAS report module. This report provides details of active freeze/unfreeze activities. It is recommended to generate and review the DPE6 report daily and at regular intervals throughout the day to stay updated on freeze/unfreeze statuses.

7.2.5 **Back Office Updates:**

DPs should ensure that the DPE6 report is regularly extracted and used to update their back-office systems. This helps in maintaining accurate records and facilitating smooth operations for freeze/unfreeze activities.

7.2.6 **Action Items for DPs:**

7.2.6.1 **Ensure Acknowledgment Delivery:** Set up a reliable system to deliver freeze/unfreeze notifications to BOs.

7.2.6.2 **Generate DPE6 Report Regularly:** Extract and review the DPE6 report from CDAS daily to track the current status of freeze/unfreeze actions.

7.2.6.3 **Back Office Integration:** Regularly update the back office with the latest freeze/unfreeze information as per the DPE6 report to maintain accurate records.

7.3 **Framework for automated deactivation of demat accounts with inadequate Know Your**

¹³⁶ Reference: CDSL/OPS/DP/EASI/4768 dated October 17, 2014

¹³⁷ Reference: CDSL/SURV/DP/POLCY/2025/267 dated April 23, 2025



Customer (KYC) details¹³⁸

- 7.3.1 Demographic details of a client form an important aspect of KYC procedure. DPs are required to maintain updated client information including their addresses. DPs are also required to update the same with the Depository. However, in some cases, the address of demat account holder(s) are not updated. As a result, during the course of any enforcement proceedings, when SEBI issues any notices etc., on such addresses, at times, the same remains unserved.
- 7.3.2 The framework for delivery of Show Cause Notice (SCN)/Order issued by SEBI and Freezing of demat accounts in case of the SCN/Order remains unserved is as under:
- 7.3.2.1 Upon receipt of instruction from SEBI to deliver any SCN/Order issued by SEBI, CDSL shall forward the same to the respective DPs via email for physical delivery to the Noticee /Addressee.
- 7.3.2.2 DP shall physically deliver the said SCN/Order to the Noticee/Addressee at the address(es) available with the DP.
- 7.3.2.3 DP shall also simultaneously email the scanned copy of the SCN / Order to the demat account holder(s).
- 7.3.2.4 In case of joint demat account(s), the DP shall contact the Noticee/Addressee through the joint account holders for delivery of SCN/Order simultaneously by following the same process.
- 7.3.2.5 DP is required to obtain duly signed physical acknowledgement of receipt of said SCN/Order from the Notice /Addressee or its authorised representative in the format provided by CDSL. and forward the scanned copy of the signed acknowledgement to CDSL at email id: cdsl.ews@cdslindia.com with subject "Delivery of show cause notice/order of SEBI and updation of KYC details in the Depository system" within 2 working days from receipt of acknowledgement. Further, the DP shall also send the original signed acknowledgement by courier / speed post to CDSL at Surveillance Department, Central Depository Services (India) Limited, Marathon Futurex, 'A' Wing, 25th Floor, Mafatlal Mills Compound, N. M Joshi Marg, Lower Parel (E), Mumbai-400013, within 2 working days from receipt of acknowledgement.
- 7.3.2.6 In case of failure to obtain physical acknowledgement of delivery of show cause notice/Order from the demat account holder(s) by the DP and submission of the same, CDSL shall freeze (For Debit and Credit, except for corporate actions) such demat account holder(s) under freeze reason 'SEBI SCN / Order Not Delivered/Acknowledged'. If the demat account holder(s) is a joint account holder relating to a joint demat account, then CDSL shall freeze such joint demat account also. Further, no new demat accounts can be opened under the said PAN.
- 7.3.2.7 For information regarding the list of Frozen demat account holder(s), DPs are requested to refer the following link:
<https://www.cdslindia.com/downloads/investors/SCNPANList/List%20of%20PAN%20Frozen%20on%20account%20of%20non-delivery%20of%20SCN-Orders.pdf>

¹³⁸ Reference: CDSL/A,I&C/DP/POLCY/2022/515 dated September 08, 2022 and CDSL/AI&C/DP/POLCY/2022/683 dated November 29, 2022



- 7.3.2.8 If the address of the Noticee/Addressee is not matching with the address captured in the demat account, then DP shall update the latest KYC details of the said demat account holder(s) as per the extant norms in CDSL system and also with respective KRA based on the documents obtained from the Noticee/Addressee.
- 7.3.2.9 Upon updating the KYC details in the CDSL system and respective KRA, DP shall submit a confirmation along with requisite supporting KYC documents received from Noticee/Addressee via email at email id: cdsl.ews@cdslindia.com with subject "Delivery of show cause notice/order and updation of KYC details in the Depository system".
- 7.3.2.10 If the same Noticee/Addressee (as per PAN) is having demat account with other DPs, then the respective DP shall update the address in the KYC records as per extant norms based on intimation from CDSL.
- 7.3.3 Process to be followed where DP is not able to complete physical delivery of SCN/Order to the Noticee/Addressee or obtain acknowledgement:
- 7.3.3.1 DP shall inform CDSL about the non-delivery of SCN/Order to the Noticee/Addressee or failure to obtain acknowledgement within the date specified by CDSL in its communication.
- 7.3.3.2 CDSL shall thereafter share the information of non-delivery status with other MIs and if required, steps would be taken for deactivation of concerned demat account(s) of Noticee / Addressee within 5 working days from the last unsuccessful delivery report.
- 7.3.3.3 CDSL shall freeze (For Debit and Credit, except for corporate actions) such demat accounts under freeze reason 'SEBI SCN/Order Not Delivered/Acknowledged'.
- 7.3.3.4 If the Noticee / Addressee is a joint account holder relating to a joint demat account, then CDSL shall freeze such joint demat account also.
- 7.3.4 Steps for Reactivation of the demat account of Noticee / Addressee: If the Noticee / Addressee subsequently approach the DP for reactivation of demat account, the below mentioned procedure shall be followed by the concerned DP:
- 7.3.5.1 Obtain following documents from the Noticee/Addressee: (i) Copy of updated proof of address; and (ii) Signed acknowledgement of receipt of SCN/order issued by SEBI.
- 7.3.5.2 Update KYC records based on the updated proof of address in CDSL system and respective KRA as per extant norms.
- 7.3.5.3 Forward scanned copy of the signed acknowledgement along with requisite supporting KYC documents received from client to CDSL and confirmation on updation of KYC records of the Noticee/Addressee in the Depository system and respective KRA at email id: cdsl.ews@cdslindia.com with subject "Delivery of show cause notice/order of SEBI and updation of KYC details in the Depository system" within 2 working days from receipt of acknowledgement. Further, the DP shall also



- send the original signed acknowledgement by courier/ speed post to CDSL at Surveillance Department, Central Depository Services (India) Limited, Marathon Futurex, 'A' Wing, 25th Floor, Mafatlal Mills Compound, N. M Joshi Marg, Lower Parel (E), Mumbai- 400013 within 2 working days from receipt of acknowledgement.
- 7.3.5.4 On receipt of above, CDSL, shall verify the signed acknowledgement and if found satisfactory, shall initiate steps for reactivation of all the demat account(s) (including joint account(s)) held within CDSL by unfreezing the demat account(s) for Debit & Credit'.
- 7.3.5.5 If the Noticee/Addressee holds more than one demat account with CDSL, then CDSL shall inform the other DPs with whom the other demat account(s) are held about re-activation of demat account of the Noticee/ Addressee.
- 7.3.5.6 Based on aforesaid intimation, the other DPs shall update the address in the KYC records as per extant norms.
- 7.3.5 In an event, where the client wishes to open a new demat account with the DP, the DP would be required to write to CDSL at cdsl.ews@cdslindia.com, to seek the show cause / order copy and provide an acknowledgement. The concerned DP shall then obtain relevant KYC details and update the same with KRA and intimate to CDSL.
- 7.3.6 ¹³⁹The time period of 30 working days has been revised to 15 working days from the date of instructions issued by SEBI. If the show cause notice or order is not delivered within this 15-day period, the client's account will be frozen (for both debit and credit transactions, except corporate actions) based on the Permanent Account Number (PAN), within 5 working days from the date of the last unsuccessful delivery report submitted by the Depository Participant(s).

¹³⁹ Reference: CDSL/A,I&C/DP/POLCY/2023/256 dated April 26, 2023



Chapter 8: Account Closure

8.1 Closure of an account due to shifting or transmission within CDSL

- 8.1.1 In addition to the procedure already specified in the Operating Instructions, the Bye Laws, the following additional steps should be taken for transfer of under lock-in securities or securities under inactive ISINs.
- 8.1.2 **Shifting of Account:**
DP shall forward a request in prescribed format to the concerned Issuer/RTA along with copies of CMR of the existing and the target account duly stamped and signed for execution of corporate action to effect the transfer of securities. A copy of request in prescribed format should be forwarded to CDSL.
- 8.1.3 **Transmission:**
Upon submission of all the required documents by the legal heir/legal representatives of the deceased Client, as prescribed by the CDSL/SEBI for Transmission, the DP shall verify the documents and forward a request in prescribed format to the concerned Issuer/RTA for execution of corporate action to effect the transfer. A copy of request in prescribed format should be forwarded to CDSL.¹⁴⁰

8.2 Additional Features for Account Closure, Transfer / Transmission¹⁴¹

- 8.2.1 DPs are requested to take note of following additional features have been incorporated in the Account Closure and Transfer / Transmission Module.
- 8.2.2 **Change in BO module**
Reason For Delay in Processing Account Closure Request: As per CDSL guidelines, BO account closure request needs to be processed within two working days from the date of receipt of request. If the BO account closure requests are not processed within the prescribed timelines as mentioned above, then DP has to mandatorily capture the Reason for delay in processing Account closure request.
- 8.2.3 **Change in Transfer / Transmission Module Reason For Delay in Processing Transmission Request:** As per the CDSL guidelines, Transmission request needs to be processed within seven days. If the Transmission requests are not processed within the prescribed timelines as mentioned above, then DP has to mandatorily capture the Reason for delay in processing transmission
- 8.2.4 In future, if the processing timelines are changed for above mentioned type of requests, the same should be considered accordingly for capturing reason for delay in Account closure & Transfer / Transmission.
- 8.2.5 The UDiFF catalogue version v2.0.0.2 incorporated with the aforesaid changes is available for download at <https://www.cdslindia.com/DP/Harmonization.html>.
- 8.2.6 DPs are advised to refer to the annexures in the communique providing the details of additional fields applicable in BO Upload, Client Master, Transaction Upload and COD in

¹⁴⁰ Reference: CDSL/OPS/DP/POLCY/2445 dated May 12, 2011

¹⁴¹ Reference: CDSL/OPS/DP/POLCY/2025/552 dated August 14, 2025



Harmonized format.

8.3 Guidelines for online closure of demat accounts¹⁴²

- 8.3.1** Client shall be entitled to close the demat account through online mode without mandatorily giving any reasons to the DP. Clients shall not be restricted from requesting, through online mode or offline mode, for the closure of demat account maintained with the DP, subject to the compliance requirements as stipulated by SEBI / Depository from time to time.
- 8.3.2** Online closure of demat accounts shall be made available for the clients who have opened their accounts offline or online, by the DPs that provide various depository related services in online mode. Those DPs which do not provide any services online and do not open accounts online may not be required to offer online closure of demat accounts.
- 8.3.3** Account closure for account with balance shall be done only through web portal/app of DP through secured access by way of client specific user ID and password (in case of internet clients) and the request send through emails, SMS, other messaging apps, etc. shall not be entertained by the DP. As the KYC process requires e-sign post which demat accounts can be opened by the DP, for online closure of accounts with balance also, client shall be required to e-sign the form (using Aadhaar based online electronic signature service) to be verified by the DP in accordance with guidelines as stipulated by SEBI/Depositories from time to time.
- 8.3.4** In case of clients having demat accounts with nil balances can be closed by the DPs on the basis of request received through web portal / app of DP through secured access with 2 factor authentication (in case of internet clients) or on the basis of emails received from the registered email ID of the demat account holder.
- 8.3.5** Once the application for closure of demat account is received, the DP shall intimate to the client on registered email id and/or mobile number (on both if available) about the receipt of closure request.
- 8.3.6** The request for demat account closure shall include target account details (in case of request for closure of demat account having security balances is made) where the client intends to shift the securities.
- 8.3.7** In case of demat account with balance, Client would have to upload the scan/photograph of his/her signature alongwith Client Master Report (CMR) of the target account digitally signed by official of the target DP (CMR applicable in case of account having security balances). Filled Account Closure form alongwith uploaded ink-signature of the client and CMR as uploaded, would be displayed in one single file to the client, subsequent to which, client shall then be required to e-sign the form (using Aadhaar based online electronic signature service) alongwith the documents and submit the same for further processing. The requirement of obtaining a CMR will be exempted if the DP is able to verify the target demat account details (i.e. sole holder's name and PAN should match perfectly) directly from the Depository electronically.
- 8.3.8** If the DP authorises the request received, the account will get closed in the Depository system. If the DP rejects the client requests received, the DP shall inform the reason for such rejection

¹⁴² Reference: CDSL/OPS/DP/POLCY/2021/311 dated July 16, 2021 & CDSL/OPS/DP/POLCY/2024/574 dated September 27, 2024



to the client.

- 8.3.9** In case the target account of the client specified in the account closure form is not its own account i.e. not the same PAN both in source and target accounts, as per the extant requirements, it will be necessary for the client to submit an off-market transfer instruction delivery instruction slip for execution of such transfers along with the requirement of entering OTP as provided by the Depository.
- 8.3.10** After the closure of demat account by the DP, the same shall be intimated to the client through electronic mode enclosing the CMR & Transaction cum Holding Statement of the closed account.
- 8.3.11** DP shall maintain and store system logs of the closure instructions and e-signed electronic requests (uneditable) received in electronic form in a secured manner and the same shall be subject to 100% internal audit.
- 8.3.12** Notwithstanding any such closure of demat account, all rights, liabilities and obligations of the parties arising out of or in respect of transactions entered into prior to the closure of demat account shall continue to subsist and vest in / be binding on the respective parties or his/its respective heirs, executors, administrators, legal representatives or successors, as the case may be.
- 8.3.13** The above process shall be applicable in case of individual client accounts with single holder (without pledge/freeze/pending demat requests balances) and the closure requests accepted through above mechanism shall be considered as a valid client request and DPs/Depository shall not be held liable for acting on such requests.
- 8.3.14** DPs shall inform their clients regarding the availability of facility for online closure of demat accounts through emails, SMS, weekly/fortnightly/monthly newsletters etc. The procedure for online closure of demat accounts shall be prescribed in such communications.

8.4 Closure cum Shifting of Demat Account¹⁴³

- 8.4.1** DPs are advised to note that SEBI vide letter no. SEBI /HO/MIRSD/PoD/OW/P/2025/1969/1 dated January 20, 2025 and SEBI CDSL/IS/DP/POLCY/2025/451 dated July 4, 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.
- 8.4.2** Procedure and timelines for closure and shifting of demat account:
- 8.4.2.1** 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.
- 8.4.2.2** In case of BO has outstanding dues, at the time of submission of duly completed and signed

¹⁴³ Reference: CDSL/IS/DP/POLCY/2025/451 dated July 04, 2025



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.

- 8.4.2.3** 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.
- 8.4.2.4** 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.
- 8.4.2.5** 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.
- 8.4.2.6** 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.
- 8.4.2.7** 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.
- 8.4.2.8** 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.
- 8.4.2.9** 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).
- 8.4.2.10** Logs and audit trails of all transactions processed, and communications sent to the BO shall be maintained by the DP.
- 8.4.2.11** 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, is implemented effective from July 14, 2025.

8.5 Closure of Demat Accounts Initiated by Beneficial Owner¹⁴⁴

- 8.5.1** DPs are advised to refer to Communique no. CDSL/OPS/DP/POLCY/2024/574 dated September 27, 2024, regarding guidelines for closure of demat accounts.

¹⁴⁴ Reference: CDSL/OPS/DP/POLCY/2025/395 dated June 12, 2025



- 8.5.2** Based on the feedback and suggestions received from various DPs, the Maker-Checker facility has been now made available for processing the BO Initiated closure. This enhanced functionality is available in the BO Module of the CDSL system.
- 8.5.3** In view of the above any closure request received by the DP will require Maker-Checker to be carried out by the respective DP. i.e Checker will now be necessary for processing BO Initiated account closure request. Once the Maker part of the closure request is completed, the account status will be changed to 'Requested for Closure', and the request will be forwarded to Checker for authorization. Upon authorization by the Checker, the account status will be updated as 'To Be Closed'.
- 8.5.4** Further, as per the existing process, all accounts that are in 'To Be Closed' status will be updated to 'Closed' at the end of the day (EOD), provided there are no holdings in the demat account. If there are any holdings in the demat account, the status demat account will continue to be in 'To Be Closed'.
- 8.5.5** DPs are further requested to ensure that the necessary rights are provided to the checker user to authorize the BO Initiated closure request.
- 8.5.6** DPs are advised to take note of the same and ensure compliance.



Chapter 9: Mutual Fund Units

9.1 Destatementization

- 9.1.1 In addition to the procedure already specified in the Operating Instructions, the Bye Laws, the following additional guidelines for Destatementization of Mutual Fund units should be complied with.
- 9.1.2 DPs shall inform their clients regarding acceptance of statement of accounts (SOA) of earlier date (e.g. quarterly statement) along with demat / remat request form.¹⁴⁵

9.2 Two-Factor Authentication for transactions in Units of Mutual Funds¹⁴⁶

- 9.2.1 DPs are advised to refer to SEBI Circular no. SEBI/HO/IMD/IMD-I DOF1/P/CIR/2022/132 dated September 30, 2022, regarding Two-Factor Authentication for transactions in units of Mutual Funds.
- 9.2.2 Accordingly, in case of subscription and redemption of units, Two-Factor Authentication (for online transactions) and signature method (for offline transactions) shall be used for authentication. One of the Factors for such Two-Factor Authentication for non-demat transaction shall be a One-Time Password sent to the unit holder at his/her email/ phone number registered with the AMC/RTA. In case of demat transaction, process of Two-Factor authentication as laid down by the Depositories shall be followed. It is also clarified that in case of mandates/systematic transactions the requirement of Two-Factor Authentication shall be applicable only at the time of registration of mandate/systematic transactions.

9.3 Discontinuation of usage of pool accounts for transactions in units of Mutual Funds on the Stock Exchange Platforms¹⁴⁷

- 9.3.1 Pooling of funds and/ or units by stock brokers / clearing members in any form or manner shall be discontinued for mutual fund transactions.
- 9.3.2 Similar to mechanisms for transactions in mutual fund units by MFDs and IAs, stock exchanges shall put necessary mechanisms in place for stock brokers / clearing members also, to ensure that funds pay-in is directly received by the clearing corporation from the investor account and funds pay-out is directly made to the investor account. Pay-in / pay-out of funds shall not be handled by the stock brokers / clearing members. In the same manner, for both demat and non-demat mode transactions, the units shall be credited and debited directly to/ from the investors' demat account/ folio account without routing it through the pool account of the stock brokers / clearing members. However, for redemption of units held in dematerialised mode, the practice of issuance of Delivery Instruction Slip ('DIS') (physical or electronic) to the Depository Participant to debit the units for delivery to clearing corporation may continue.

¹⁴⁵ Reference: CDSL/OPS/DP/MFUND/2021/407 dated September 14, 2021

¹⁴⁶ Reference: CDSL/OPS/DP/POLCY/2022/567 dated October 3, 2022

¹⁴⁷ Reference: CDSL/OPS/DP/POLCY/2021/453 dated October 06, 2021



Chapter 10: Internal Controls / Reporting to CDSL

10.1 **Appointment of Compliance Officer**

In addition to the procedure already specified in the Operating Instructions, the Bye Laws, the following additional guidelines with respect to Appointment of Compliance Officer shall require to be complied with:

10.1.1 The Compliance Officer appointed by the DPs for the main DP office and at their live connected branches should be

10.1.1.1 an employee of the DP, and

10.1.1.2 either:

- a director of the DP, or
- a graduate with two-year experience in securities market, or
- a holder of Secondary School Leaving Certificate with five-year experience in the securities market,¹⁴⁸

10.1.2 The Compliance Officers employed by a DP should obtain Securities Intermediaries Compliance Certification Examination (SICCE) within one year from date of his employment.¹⁴⁹

10.2 **Authorized signatory of DP**¹⁵⁰

10.2.1 DP should register more than one authorized signatory with CDSL for signing important correspondence like contingency set-up, main DP/branch DP right reversals etc.

10.3 **Internal Audit and Concurrent Audit**¹⁵¹

10.3.1 In addition to the procedure already specified in the Operating Instructions, the Bye Laws, SEBI (Depositories and Participants) Regulations, 2018 and Agreement between CDSL and a DP, the following are the additional requirement in respect of Internal Audit and Concurrent Audit.

10.3.2 Online submission of the Internal Audit report should be made to CDSL by 15th May for half year ended 31st March and 15th November for half year ended 30th September.

10.3.3 DPs who have been activated during the half year ended 30th September shall submit the audit report pertaining to the period from the date of activation till the end of the half year.¹⁵²

¹⁴⁸ Reference: CDSL/OPS/DP/517 dated January 27, 2005

¹⁴⁹ Reference: CDSL/OPS/DP/POLCY/3549 dated March 13, 2013

¹⁵⁰ Reference: CDSL/OPS/DP/447 dated August 11, 2004

¹⁵¹ Reference: CDSL/AUDIT/DP/POLCY/2022/571 dated October 03, 2022

¹⁵² Reference: CDSL/AUDIT/DP/POLCY/2024/595 dated October 8, 2024



- 10.3.4 The format of the internal audit report should be in accordance with the Communiqué issued by CDSL from time to time in this regard. ¹⁵³
- 10.3.5 The concurrent auditors should conduct the audit of the DPs of Risk Prone Areas of DP Operations (as specified by CDSL from time to time) on 100% basis daily and submit the concurrent audit report to the DP on a monthly basis by the 10th of the following month. ¹⁵⁴
- 10.3.6 If any serious non-compliance is reported by the concurrent auditor, the DP should immediately inform CDSL. The DPs should also inform their concurrent auditors that if any serious non-compliance is observed by them during the concurrent audit, the concurrent auditors should report the same to CDSL directly in addition to reporting the same to the concerned DP.
- 10.3.7 The DP should ensure that at least one person conducting the internal and/or concurrent audit of the DP should be NISM certified. The audit report should contain declaration to that effect.
- 10.3.8 If the internal auditor and concurrent auditor of the DP is the same then the consolidated report should be submitted in the format specified by CDSL and in case the auditors are different, then internal audit report should be submitted in the format specified by CDSL along with the report on concurrent audit (CAR) of risk prone areas as per the specified format of CDSL as an attachment to the internal audit report.
- 10.3.9 The DPs will be required to place before their Board the concurrent / internal audit reports and CDSL inspection reports along with the Action Taken Report (ATR) on an on-going basis.
- 10.3.10 The Internal auditors will be required to comment and confirm that DP has placed CDSL inspection report, internal / concurrent audit reports along with the ATRs before the Board meeting in the half yearly internal audit reports. ¹⁵⁵
- 10.3.11 ¹⁵³The importance of verifying the implementation of the Online Dispute Resolution (ODR) mechanism for Depository Participants (DPs) cannot be overstated, and internal auditors are required to ensure that the ODR framework has been duly implemented and that all related website compliance requirements are thoroughly reviewed before submitting the Internal Audit Report (IAR). Depository Participants are hereby advised that any failure to adequately verify and ensure compliance with these requirements may result in regulatory action against both the DP and the concerned auditor.

10.4 Submission of Compliance Certificate by DPs ¹⁵⁶

10.4.1 DPs are required to comply with the following:-

- 10.4.1.1 The Depositories Act, 1996, SEBI (Depositories and Participants) Regulations, 2018 & its amendments from time to time, Guidelines / Directives / Instructions/circulars issued by SEBI, the Government of India and other Regulatory Bodies from time to time;

¹⁵³ Reference: CDSL/AUDIT/DP/POLCY/2025/684 dated October 09, 2025

¹⁵⁴ Reference: CDSL/A,I&C/DP/POLCY/2022/535 dated September 19, 2022

¹⁵⁵ Reference: CDSL/A,I&C/DP/POLCY/3770 dated June 27, 2013

¹⁵⁶ Reference: CDSL/AUDIT/DP/POLCY/4605 dated July 28, 2014 and CDSL/OPS/DP/POLCY/6184 dated October 13, 2016



- 10.4.1.2 The Bye Laws & Operating Instructions and various communiqués issued by CDSL, from time to time.
- 10.4.1.3 The provisions of Prevention of Money Laundering Act, 2002 and the rules and guidelines issued, there under.
- 10.4.2 All the DPs are therefore required to submit the 'Compliance Certificate' digitally - signed on half yearly basis to CDSL electronically within prescribed timelines.
- 10.4.3 For the half year period from January to June, the Compliance Certificate may be submitted on or before July 31st and for the half year period from July to December to be submitted on or before January 31st of every year.
- 10.4.4 In case of delay in submission/non-submission of the Half yearly Compliance certificate within stipulated time limit, DPs will be restrained from new account opening if 30 days have elapsed after stipulated time period for submission of the compliance certificate. Matter to be referred to Member Committee if the delay is beyond 60 days from stipulated time period.
- 10.4.5 The format of the Compliance Certificate format should be in accordance with the Communiqué issued by CDSL from time to time in this regard.¹⁵⁷

10.5 Reporting to CDSL / SEBI¹⁵⁸

In addition to the procedure already specified in the Operating Instructions, the Bye Laws, the following are the additional requirement in respect of Reporting to CDSL/SEBI

- 10.5.1 DPs are required to submit various reports/documents to CDSL within specified time limits. The non-submission or delay in submission of these documents/reports may attract penalty. DPs should ensure that the reports/documents are submitted to CDSL on or before the due date.

10.6 Net Worth Certificate & Audited Financial Statements¹⁵⁹

In addition to the procedure already specified in the Operating Instructions, the Bye Laws, the following are the additional requirement in respect of Net Worth Certificate & Audited Financial Statements.

- 10.6.1 The DPs, seeking extension from Registrar of Companies for holding Annual General Meeting for approval of their annual accounts, are required to submit the copy of approval received from Registrar of Companies to CDSL.
- 10.6.2 In the past, it is observed that there are some common deficiencies in net worth certificates/AFS submitted by Stock Broker/NBFC/RTA Depository participants. DPs are advised to avoid the following deficiencies while submitting the net worth certificate and AFS.

- 10.6.1.1 Net worth certificate is not as per the format prescribed under Operating Instruction.

¹⁵⁷ Reference: CDSL/AUDIT/DP/POLCY/2025/345 dated May 22, 2025

¹⁵⁸ Reference: CDSL/A,I&C/DP/ POLCY/2535 dated July 01, 2011

¹⁵⁹ Reference: CDSL/A,I&C/DP/POLCY/2023/276 dated May 04, 2023



- 10.6.1.2 Net worth certificate is not submitted in original in case of physical copies being forwarded.
- 10.6.1.3 Net worth certificate submitted is based on provisional financial statements instead of audited financial statements.
- 10.6.1.4 Incomplete submission of AFS. The following documents should be part of AFS:
- Auditor's report
 - Annexure to the Auditor's reports (CARO)
 - Schedules to financial statements
 - Accounting Policies & Notes to Accounts
- 10.6.1.5 The copy of AFS is not attested by the Director of the Company/ statutory auditors.
- 10.6.1.6 Deferred tax asset, Computer software etc. are not deducted as intangible assets for net worth computation.
- 10.6.1.7 Statutory Contingent Liabilities are not deducted or partially deducted (50% to be deducted) for net worth computation.
- 10.6.1.8 If preference shares form part of the 'Share Capital', type of preference shares and the date of redemption is not specified. In case of redemption of preference shares fully during the financial year succeeding 31st March 2023, the same should not be considered for net worth computation. However, in case of partial redemption, the remaining portion of Preference shares which is not being redeemed only can be considered for net worth computation.
- 10.6.1.9 Bifurcation of computer hardware and software is not provided under the schedule of fixed assets.
- 10.6.1.10 Nature and value of security against which the loan is secured is not provided under the balance sheet/ schedules to the balance sheet.
- 10.6.1.11 Related party disclosure is not given under notes to accounts. The Receivables from Group companies, Investment in Group companies/ associated company, Receivables from Directors, Loans & advances to Group companies/Directors of the company etc. should be included and considered for deductions. For such receivables, the full amount is not deducted for computation of net worth portion.
- 10.6.1.12 In case of related party transactions disclosure made by the auditors, the outstanding balance as on 31st March is not mentioned in the financial report.
- 10.6.1.13 Bifurcation of sundry debtors into more than and less than six months is not given under the schedule of current assets.



10.6.1.14 50% of statutory contingent liability is not deducted from the net worth. The statutory contingent liability includes liability pertaining to GST, income tax, other statutory dues etc. which is under dispute.

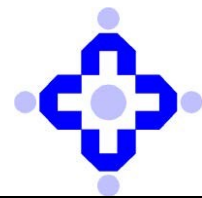
10.6.1.15 The following items though not required to be deducted, are deducted for net worth computation:

- Deposits with the exchanges
- Bank Guarantee

10.6.3 Clarifications on certain items in the net worth certificate is given below:¹⁶⁰

Sr. No.	Particulars of net worth Computation	Clarifications
1.	Paid-up Capital + Free Reserves – Share Application Money (Total Reserves less Revaluation Reserves and Specified Reserves)	<p>Share Capital:</p> <ul style="list-style-type: none"> • Paid-up equity share capital to be considered. • Paid-up preference share capital to be considered, subject to below: <ul style="list-style-type: none"> ○ The auditors to specifically provide the terms of redemptions such as date of redemption, amount of redemption, number of shares redeemable. ○ Exception to the above point, If the preference share capital is redeemable by the end of the next financial year, it should be deducted from the net worth. However, if a capital redemption reserve is created for the redemption purpose, then the same will not be deducted from the net worth. • Application money (pending allotment) to be considered, if allotment is completed subsequently and a letter from CA and the Form duly filed with ROC are provided. • Fully, compulsorily and mandatorily convertible Debentures/ Bonds/ Warrants which are convertible within a period of 5 years from the date of issue to be considered. (as per the SCHEDULE VI of the Securities and Exchange Board Of India (Stock Brokers) Regulations, 1992)
2.	Free Reserves	<p>Free Reserves:</p> <ul style="list-style-type: none"> • Free reserves mean such reserves which, as per the latest audited balance sheet of a company, are available for distribution as

¹⁶⁰ Reference CDSL/A,I&C/DP/POLCY/2025/616 dated September 12, 2025



Sr. No.	Particulars of net worth Computation	Clarifications
		<p>dividend, provided that the below shall not be treated as free reserves:</p> <p>a) any amount representing unrealized gains, notional gains or revaluation of assets, whether shown as a reserve or otherwise, or</p> <p>b) any change in the carrying amount of an asset or of a liability recognized in equity, including surplus in profit and loss account on measurement of the asset or the liability at fair value.</p> <ul style="list-style-type: none"> • Free Reserves should not include reserves such as Revaluation Reserve (revaluation of asset), Capital Reserve, Amalgamation Reserve, Debenture Redemption Reserve, Other Comprehensive Income. • Free Reserves such as Profit & Loss, General Reserve, Securities Premium, Preference Share Redemption Reserve, Capital Redemption Reserve and any other surplus arising out of sale proceeds of assets to be considered.
3.	Receivables (more than 6 months old)	<ul style="list-style-type: none"> • Receivables (more than 6 months old) as per schedule in Balance sheet shall be deducted; net of accumulated provision for doubtful debts made on such receivables
4.	Receivable from / Investments in / Loans and advances to group Companies	<ul style="list-style-type: none"> • Group companies include partnership firm, affiliates, associates, related entities including directors and their relatives. • Investments by the company (DP) as Share application/allotment money in the group companies should be deducted. • Both long term and short-term receivables to be considered for deduction.
5.	Intangible Asset	<ul style="list-style-type: none"> • Net book value of intangible assets such as goodwill, patents, copyrights, trademarks as per audited Balance Sheet should be deducted. • Deferred Tax Asset (Net) as shown in Balance Sheet should be deducted
6.	Excess of Loan over value of Pledged Securities/Assets	<ul style="list-style-type: none"> • The amount of secured loan taken in excess of value of pledged/ hypothecated securities/ assets is to be deducted. • Disclose the nature and value of security against which the loan is secured
7.	Investment in Group Companies*	<ul style="list-style-type: none"> • Investment in equity shares or preference shares of the group company should be deducted from Paid up capital & Reserves.



Sr. No.	Particulars of net worth Computation	Clarifications
		Both short-term and long-term investment in group companies needs to be deducted while calculation. <ul style="list-style-type: none"> • Share application/ allotment money which pertains to the group companies is to be deducted. • Investment in units of mutual fund/PMS/AIF of group companies should not be deducted
8.	Loans and advances to Group Companies	<ul style="list-style-type: none"> • Other than trade receivables such as loans, advances, deposits, receivables against asset needs to be deducted.
9.	Statutory Contingent liability	<ul style="list-style-type: none"> • The statutory contingent liability refers to the dues of GST, sales tax, income tax and other statutory which is liability under dispute. • Deduct 50% of the unpaid statutory contingent liabilities from the Net worth.

10.6.4 Online facility is made available for the submission of net worth certificate along with Audited Financial Statements as on 31st March through web application: <https://auditweb.cdslindia.com> using DPs login credentials not later than 31st October of the financial year.

10.6.5 In the event of the networth of the DP falling below the required networth, the DP shall forthwith intimate CDSL of the same and shall, if so required by CDSL furnish to CDSL a fresh networth certificate computed as prescribed and duly certified by a Statutory Auditors. CDSL may thereupon take such action as it may deem fit and necessary under the Act, Regulations, Bye Laws or Agreement.

10.6.6 Where the DP is a Non-Banking Finance Company or a RTA, it should maintain the net worth specified in Regulation 35(a)(ix) and 35(a)(x) of the SEBI (Depositories & Participants) Regulations respectively.

10.7 **Surveillance Obligation of DP**¹⁶¹

10.7.1 In order to further strengthen the Surveillance framework for the Securities Market, all DPs are hereby advised to put in place a surveillance framework.

10.7.2 **Obligation of Depository Participants to frame Surveillance Policy:** DPs shall frame a surveillance policy based on nature of DP business (i.e., Bank, Stockbroker, Custodian etc.), type of clients, number of demat accounts, number of transactions etc. and which shall, inter alia, cover the following:

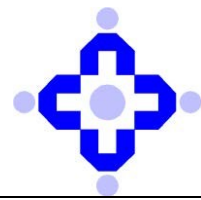
10.7.2.1 Generation of suitable surveillance alerts which may be guided by indicative themes (the list is inclusive and not exhaustive) given below (refer 10.7.4)

¹⁶¹ Reference: CDSL/OPS/DP/SYSTEM/2021/309 dated July 15, 2021



- 10.7.2.2 Review and disposal of transactional alerts provided by CDSL (Transactional alerts provided by CDSL will be based on some thresholds. DPs may have their own different thresholds or own parameters to generate additional alerts of their own in point I above, so as to detect any suspicious transaction activity).
 - 10.7.2.3 Disposal of alerts within 30 days from the date of alerts generated at DP end and alerts provided by CDSL.
 - 10.7.2.4 Reporting to CDSL and other authorities as applicable, in case of any abnormal activity.
 - 10.7.2.5 Documentation of reasons for delay, if any, in disposition of alerts.
 - 10.7.2.6 Framework of appropriate actions that can be taken by the Participant as per obligations under Prevention of Money Laundering Act (PMLA)
 - 10.7.2.7 Record maintenance for the period as stipulated under applicable statutes.
 - 10.7.2.8 The surveillance policy of the DPs shall be reviewed once in a year
- 10.7.3 The surveillance policy of the Participant shall be approved by its Board of Directors. In case, the DP is incorporated outside India, then the surveillance policy of the DP may be approved by a Committee constituted to oversee its Indian Operations.
- 10.7.4 **Obligation of DPs to generate additional surveillance alerts:** DPs are required to generate appropriate surveillance alerts at their end, to enable them to effectively monitor the transactions of their clients at their end as per the laid down surveillance policy. The indicative themes on which DPs may formulate their own alerts are as under. The DPs also needs to analyse patterns and trends with respect to different themes. DPs shall put in place system to generate these alerts and obtain the approval of its Board in its next meeting.

Sr. No.	Indicative themes:
1	Alert for multiple demat accounts opened with same demographic details: Alert for accounts opened with same PAN /mobile number / email id/ bank account no. / address considering the existing demat accounts held with the DP.
2	Alert for communication (emails/letter) sent on registered Email id/address of clients are getting bounced.
3	Frequent changes in details of demat account such as, address, email id, mobile number, Authorized Signatory, POA holder etc.
4	Frequent Off-Market transfers by a client in a specified period
5	Off-market transfers not commensurate with the income/Networth of the client.
6	Pledge transactions not commensurate with the income/Networth of the client.
7	Off-market transfers (High Value) immediately after modification of details in demat account
8	Review of reasons of off-market transfers provided by client for off-market transfers vis-à-vis profile of the client e.g. transfers with reason code Gifts with consideration, frequent transfers with reason code Gifts/Donation to unrelated parties, frequent transfers with reason code off-market sales



Sr. No.	Indicative themes:
9	Alert for newly opened accounts wherein sudden Increase in transactions activities in short span of time and suddenly holding in demat account becomes zero or account becomes dormant after some time.
10	Any other alerts and mechanism in order to prevent and detect any type of market manipulation activity carried out by their clients.

10.7.5 DPs should note that the above-mentioned alerts will be generated based on some threshold/parameters and are illustrative and not exhaustive. DPs have to analyze and review these alerts based on facts and verification of relevant documents including income/networth as provided by BO. Further, DPs are required to exercise their independent judgment and take appropriate action in order to detect any abnormal or suspicious transactions.

10.7.6 **Obligation of Depository Participants regarding Client due diligence:** The following activities required to be carried out by DPs for client due diligence:

10.7.6.1 DPs are required to carry out the Due Diligence of their client(s) on an on-going basis.

10.7.6.2 DPs shall ensure that key KYC parameters of the clients are updated on a periodic basis as prescribed by SEBI and latest information of the client is updated in Depository System.

10.7.7 **Obligation of DPs for reporting the status of alerts generated by DPs**

10.7.7.1 DPs are required to maintain register (electronic/physical) for recording of all alerts generated.

10.7.7.2 While reviewing alerts, DP shall obtain transaction rationale, verify demat statement and also obtain supporting documents as required from the client.

10.7.7.3 After verifying the documentary evidences, DPs will record its observations for such identified transactions of its Client.

10.7.7.4 With respect to the transactional alerts provided by Depository, DP shall ensure that all alerts are reviewed, and status thereof (Verified & Closed / Verified & Reported to Depository) including action taken is updated within 30 days.¹⁶² Detailed procedure w.r.t sharing of alert by CDSL with DPs and report submission by DPs is mentioned in the communique.

10.7.7.5 With respect to the alerts generated at the DP end, DP shall report instances with adverse observation, along with details of action taken, to CDSL within 7 days of the date of identification of adverse observation. In line with SEBI's directive to establish a clear timeline for Depository Participants (DPs) to address adverse alerts from the transaction date, a two-month period has been mandated for DPs to thoroughly analyse and report any adverse observations from the date of the transaction. Accordingly, DP must report adverse observations for transactions within 2 months from the date of transaction. DP may note that while reporting adverse observations

¹⁶² Reference: CDSL/OPS/DP/SYSTM/2022/5 dated January 04, 2022



to CDSL, DP should provide details of the analysis conducted by them and a clear rationale for classifying the matter as adverse.¹⁶³

10.7.8 **Obligation of Compliance officer and Internal Auditor/Concurrent Auditor of the DP**

- 10.7.8.1 The surveillance activities of DP shall be conducted under overall supervision of its Compliance Officer.
- 10.7.8.2 A quarterly MIS shall be put up to the Board on the number of alerts pending at the beginning of the quarter, generated during the quarter, processed and acted upon during the quarter and cases pending at the end of the quarter along with reasons for pendency and action plan for closure. Also, the Board shall be apprised of any exception noticed during the disposal of alerts.
- 10.7.8.3 Internal auditor of DP shall review the surveillance policy, its implementation, effectiveness and review the alerts generated during the period of audit. Internal auditor shall record the observations with respect to the same in their report.
- 10.7.8.4 Internal Auditor shall verify that the quarterly MIS is prepared and placed before the Board of the DP.

10.7.9 **Obligation of Quarterly reporting of status of the alerts generated by DPs:** DPs are also required to provide duly approved status of the alerts on a quarterly basis, in the following format to CDSL within 15 days from end of the quarter.

Status of Alerts generated by the DP:

Name of Alert	No. of alerts pending at the beginning of quarter	No. of new alerts generated in the quarter	No. of alerts Verified & closed in the quarter	No. of alerts reported to Depository	No. of alerts pending process at the end of quarter
----------------------	--	---	---	---	--

DPs to refer CDSL/OPS/DP/SYSTM/2024/552 dated September 20, 2024 for additional columns introduced in the quarterly reporting format. ¹⁶⁴

Details of any major surveillance action taken (other than alerts reported to Depository), if any, during the quarter:

Sr. No.	Brief action taken during the quarter
----------------	--

DPs who do not have anything to report, need to submit 'NIL Report' within 15 days from end of the quarter. Electronic Upload facility will be provided to DPs.

¹⁶³ Reference: CDSL/SURV/DP/POLCY/2025/316 dated May 12, 2025

¹⁶⁴ Reference: CDSL/ OPS/DP/SYSTM/2024/552 dated September 20, 2024



10.7.10 Penalty in case of late / non-submission of Quarterly Reporting of status: In case of late / non-submission of quarterly report of the alerts generated by DP, as mentioned at Point B above, CDSL may levy penalty.

10.7.11 Disciplinary action for non-fulfilment of Surveillance obligation by DP:

10.7.11.1 DPs are advised to note that during CDSL inspection, if it is observed that the DP has not fulfilled their surveillance obligations, then appropriate disciplinary action shall be initiated against the DP.

10.7.11.2 Any non-compliance with respect to surveillance obligations which may inter alia include delay in processing of alerts generated by DP / provided by CDSL and repeated instances of delay in reporting of the status of alerts, may result in further disciplinary action as deemed fit in terms of DP Operating instructions and Bye-laws of Depositories.

10.7.11.3 It may further be noted that aforesaid measure does not preclude SEBI / Depository to take any further action(s), if the facts and circumstances so demand.

10.7.12 Compliance officer will be required to confirm compliance w.r.t Surveillance Policy to be framed by DPs by sending email to cdslalerts@cdslindia.com

10.7.13 DPs are advised to note the same and make necessary changes, in their back-office system.

10.7.14 CDSL has released a functionality whereby the surveillance related alerts related to Account Opening, Off-Market transfers, and Pledge/Unpledge/ Invocation generated by CDSL are made available to the respective DPs via Surveillance Portal and the DPs have to submit their response to the alerts via the said portal itself. Further, the DPs are required to submit count of the alerts generated by DPs on a quarterly basis, within 15 days from end of the quarter along with details of any major surveillance action taken (other than alerts reported to Depository), if any, during the quarter.

10.7.15 In this regard, DPs are advised to note following points once again. ¹⁶⁵

10.7.15.1 Ensure that Quarterly reporting of Surveillance Alerts generated by DP will be reported on Surveillance Portal within 15 days from end of the quarter. DPs to ensure that alerts generated in demat accounts opened in Live connected branch will also be considered while reporting the count to CDSL.

10.7.15.2 It was also informed to the DPs that "With respect to the transactional alerts provided by Depository, DP shall ensure that all alerts are reviewed, and status thereof (Verified & Closed / Verified & Reported to Depository) including action taken is updated within 30 days". Accordingly, DPs should ensure that all alerts provided by CDSL will be checked on regular basis by login to CDSL Surveillance Portal. DPs shall ensure that the Alerts are checked and compliance is submitted within 30 days.

10.7.15.3 DPs are also required to generate alerts based on the Alert theme indicators with the parameters set by the DP and post raising such alerts to BO, if DP finds any

¹⁶⁵ Reference: CDSL/SURV/DP/ POLCY/2023/88 dated February 10, 2023



suspicious activities being carried out by BO, then such alerts must be reported to CDSL via 'Adverse Observation Reporting' tab under menu 'Alert Reporting by DP' of Surveillance portal.

10.7.15.4 DPs are required to exercise their independent judgment and take appropriate action to detect any abnormal or suspicious transactions. In addition to the above alerts, DPs are expected to generate additional alerts to detect and prevent any type of market manipulation activity carried out by their clients.

10.7.16 In addition to obligations mentioned in the communique, DPs are required to¹⁶⁶

10.7.16.1 Prepare Standard Operating Procedure (SOP) for processing of surveillance alerts (which includes alerts generated at DP end as well as alerts generated by CDSL).

10.7.16.2 DP has to ensure that SOP shall include alert generation parameters, establishing timelines for response, outlining escalation procedures, and any other essential processes related to alert handling.

10.7.16.3 The SOP and alert parameters needs to be reviewed on a periodic basis by the compliance officer.

10.7.16.4 DP shall ensure that Maker-Checker mechanism is followed during processing and disposal of surveillance alerts.

10.7.17 CDSL has observed an anomalous modus operandi with respect to following:

10.7.17.1 Multiple demat accounts of different entities being opened with a common bank account.

10.7.17.2 Accounts were opened by obtaining multiple PANs by single entity.

10.7.18 **Facility to upload supporting documents for Surveillance alerts:** ¹⁶³CDSL is pleased to inform you of an enhancement to Surveillance portal, allowing DPs to upload supporting document on as-needed basis, along with the clarification for Surveillance alerts raised by CDSL on Surveillance portal. This feature allows DPs to attach necessary supporting documents along with the remarks, ensuring secure handling of sensitive information and maintaining a proper trail of shared documents for easier tracking and referencing in the future.

10.7.19 **Dashboard Facility for DPs:** ¹⁶³CDSL has introduced a new feature in the DP Alerts Dashboard, providing Depository Participants (DPs) with comprehensive access to key data and summary information on the surveillance alerts generated & assigned to them. This includes details such as the total number of alerts generated, pending alerts, alerts reviewed and returned by CDSL, closed alerts, and alerts addressed back to CDSL. DP can view month wise alerts up to one year at a time.

10.7.20 DPs are advised to refer to SEBI Circular no. SEBI/HO/ISD/ISD-PoD-2/P/CIR/2024/126 dated September 23, 2024 regarding Master Circular on Surveillance of Securities Market to ensure compliance.¹⁶⁷

¹⁶⁶ Reference: CDSL/OPS/DP/SYSTM/2024/341 dated June 20, 2024

¹⁶⁷ Reference: CDSL/OPS/DP/P OLCY/2024/561 dated September 24, 2024



10.8 Template for Supervisory Risk Assessment¹⁶⁸

- 10.8.1 DPs are advised to furnish the complete data of Template for Supervisory Risk Assessment inclusive of the data from their Live connected branches and submit the same to CDSL latest by EOD of Tuesday, January 03, 2023. In case of non-submission of Template for Supervisory Risk Assessment data by due date, the same will be reported to SEBI accordingly.
- 10.8.2 DPs are required to furnish the data for financial year ended March 31, 2021, and March 31, 2022, in the google form link: - <https://forms.gle/Uh263VQbDjiJhNE7>. DPs will be able to access the same from Gmail id and will be able to access the same from google chrome.
- 10.8.3 DPs are directed to fill in the complete details and recheck the same before submission, since modifications will not be allowed once submitted. DPs will receive the response file after submission on the Gmail id from which the google form was submitted.

10.9 Opening of wholly owned subsidiaries or entering into joint ventures in other countries by the DPs¹⁶⁹

- 10.9.1 DPs are advised to take note of the format prescribed by SEBI for application for opening of Wholly Owned Subsidiaries or entering into Joint Ventures in other countries,
- 10.9.2 DPs are further advised to submit following documents along with request for NOC from CDSL for opening of Wholly Owned Subsidiaries or entering into Joint Ventures in other countries:
- 10.9.2.1 Undertaking from the DP duly signed by the authorized signatory on the letter head of the company stating that pursuant to proposed setting up of wholly owned subsidiary or entering into joint ventures in other countries, we (name of the DP) shall undertake to maintain net worth required for DPs as prescribed and computed in the manner specified by CDSL.
- 10.9.2.2 Information about the extent of liability of the DP with respect to the proposed setting up of wholly owned subsidiary or entering into joint ventures in other countries.
- 10.9.3 The abovementioned documents should be accompanied by necessary fees, as prescribed by CDSL from time to time.
- 10.9.4 DPs are advised to refer to SEBI Circular no. SEBI/HO/MIRSD/DoR/P/CIR/2022/61 dated May 13, 2022, regarding Guidelines for seeking NOC by Stock brokers / Clearing Members for setting up wholly owned subsidiaries, step down subsidiaries, joint ventures in GIFT IFSC¹⁷⁰

10.10 Change in DP's shareholding pattern with change in control¹⁷¹

¹⁶⁸ Reference: CDSL/OPS/DP/G ENRL/2022/731 December 27, 2022

¹⁶⁹ Reference: CDSL/OPS/DP/2258 dated January 17, 2011 and CDSL/A,I &C/DP/GENRL/2350 dated March 10, 2011

¹⁷⁰ Reference: CDSL/OPS/DP/POLCY/2022/263 dated May 16, 2022

¹⁷¹ Reference: CDSL/OPS/DP/POLCY/2022/694 dated December 06, 2022



10.10.1 DPs are advised to take note of SEBI circular no. SEBI/HO/MIRSD/ MIRSD-PoD-2/P/CIR/2022/163 dated November 28, 2022, regarding Procedure for seeking prior approval for change in control.

10.10.2 To streamline the process of providing approval to the proposed change in control of intermediary, it has been decided as under:

10.10.2.1 The Intermediary shall make an online application to SEBI for prior approval through the SEBI Intermediary Portal ('SI Portal') (<https://siportal.sebi.gov.in>).

10.10.2.2 The online application in SI portal shall be accompanied by the following information/declaration/undertaking about itself, the acquirer(s)/the person(s) who shall have the control and the directors/partners of the acquirer(s)/ the person(s) who shall have the control:

- Current and proposed shareholding pattern of the applicant
- Whether any application was made in the past to SEBI seeking registration in any capacity but was not granted? If yes, details thereof.
- Whether any action has been initiated / taken under Securities Contracts (Regulation) Act, 1956 (SCRA)/Securities and Exchange Board of India Act, 1992 (SEBI Act) or rules and regulations made thereunder? If yes, the status thereof along with the corrective action taken to avoid such violations in the future. The acquirer/ the person who shall have the control shall also confirm that it shall honour all past liabilities / obligations of the applicant, if any.
- Whether any investor complaint is pending? If yes, steps taken and confirmation that the acquirer/ the person who shall have the control shall resolve the same.
- Details of litigation(s), if any.
- Confirmation that all the fees due to SEBI have been paid.
- Declaration cum undertaking of the applicant and the acquirer/ the person who shall have the control, duly stamped and signed by their authorized signatories that:
 - i. there will not be any change in the Board of Directors of incumbent, till the time prior approval is granted;
 - ii. pursuant to grant of prior approval by SEBI, the incumbent shall inform all the existing investors/ clients about the proposed change prior to effecting the same, in order to enable them to take informed decision regarding their continuance or otherwise with the new management; and
 - iii. the 'fit and proper person' criteria as specified in Schedule II of SEBI (Intermediaries) Regulations, 2008 are complied with.
- In case the incumbent is a registered stock broker, clearing member, depository participant, in addition to the above, it shall obtain approval /NOC from all the stock exchanges/clearing corporations/depositories, where the incumbent is a member/depository participant and submit self-attested copy of the same to SEBI.

10.10.2.3 The prior approval granted by SEBI shall be valid for a period of six months from the date of such approval within which the applicant shall file application for fresh registration pursuant to change in control.

10.10.3 To streamline the process of providing approval to the proposed change in control of an intermediary in matters which involve scheme(s) of arrangement which needs sanction of the



National Company Law Tribunal (“NCLT”) in terms of the provisions of the Companies Act, 2013, the following has been decided:

- The application seeking approval for the proposed change in control of the intermediary shall be filed with SEBI prior to filing the application with NCLT.
- Upon being satisfied with compliance of the applicable regulatory requirements, an in-principle approval will be granted by SEBI;
- The validity of such in-principle approval shall be three months from the date issuance, within which the relevant application shall be made to NCLT.
- Within 15 days from the date of order of NCLT, the intermediary shall submit an online application in terms of paragraph 3 of this circular along with the following documents to SEBI for final approval:
 - i. Copy of the NCLT Order approving the scheme;
 - ii. Copy of the approved scheme;
 - iii. Statement explaining modifications, if any, in the approved scheme vis-à-vis the draft scheme and the reasons for the same; and
 - iv. Details of compliance with the conditions/ observations, if any, mentioned in the in-principle approval provided by SEBI.



Chapter 11: Grievance Redressal

11.1 Grievance Redressal

In addition to the procedure already specified in the Operating Instructions, the Bye Laws, the following additional guidelines with respect to Grievance Redressal shall require to be complied with:

- 11.1.1 The DPs are advised to designate an exclusive Email Id of the Grievance Redressal Department or Compliance Officer for the purpose of registering complaints of investors and for taking necessary follow-up actions. This exclusive email ID should be prominently displayed on the DP's website and in the various materials / pamphlets / advertisement campaigns initiated by the DP for creating investor awareness.¹⁷²
- 11.1.2 CDSL has provided online facility to DPs for upload/download of Investor Grievance related correspondence through electronic mode. DP would be able to access Investor Grievance module through electronic mode platform. Scanned copies of replies / responses for BO Grievances need to be uploaded by DP through electronic mode. DPs are advised to monitor the portal of online grievance redressal correspondence on daily basis and resolve the grievance of the BO within stipulated time frame.¹⁷³

11.2 Display of grievance redressal mechanism¹⁷⁴

- 11.2.1 DPs shall prominently display in their office basic information about the grievance redressal mechanism available to investors.

11.3 Grievance Redressal through SCORES 2.0¹⁷⁵

- 11.3.1 DPs are informed that SEBI has launched the new version of the SEBI Complaint Redress System (SCORES 2.0) on April 01, 2024. The new version of SCORES aims to improve the efficiency of investor complaint redressal mechanism in the securities market through monitoring by Designated Bodies and reducing the time taken for complaint resolution. The new system is user-friendly and maintains its online accessibility, allowing investors to lodge complaints via a web URL and an app. The website URL for SCORES 2.0 effective from April 1, 2024 is <https://scores.sebi.gov.in>
- 11.3.2 The salient features of SCORES 2.0 are as follows:
- 11.3.2.1 The timelines for redressal of investor complaints across the securities market i.e. 21 calendar days from date of receipt of complaint and Monitoring of the timely redressal of the investors' complaints by the 'Designated Bodies'.

¹⁷² Reference: CDSL/OPS/DP/816 dated January 03, 2007

¹⁷³ Reference: CDSL/AI&C/DP/POLCY/2020/163 dated March 30, 2020

¹⁷⁴ Reference: CDSL/OPS/DP/POLCY/4675 dated September 02, 2014

¹⁷⁵ Reference: CDSL/IG/DP/GEN RL/2024/188 dated April 05, 2024



11.3.2.2 There will be two levels of review: First review by the 'Designated Body'. If the investor is dissatisfied with the resolution provided by the concerned Market participant. The second review will be by SEBI if the investor is still dissatisfied after the first review.

11.3.2.3 Introduction of auto-escalation of complaints to the next level in case of non-adherence to the prescribed timelines by the Market participant or the Designated Body as the case may be.

11.3.2.4 Integration with KYC Registration Agency database for easy registration of the investor on to SCORES.

11.3.3 Investors can lodge complaints only through new version of SCORES i.e. <https://scores.sebi.gov.in> from April 01, 2024. Henceforth, in the old SCORES investors would not be able to lodge any new complaints. However, Investors can check the status of their complaints already lodged in old SCORES and pending in the old SCORES. Further, the disposal of complaints filed in the old SCORES can be viewed at SCORES 2.0.

11.4 Investor Charter

11.4.1 DPs are advised to bring the Investor Charter and its linked contents, to the notice of their clients (existing as well as new clients) through disclosing the Investor Charter on their respective websites and also, to make the investor charter available at prominent places in their office, provide a copy of Investor Charter as a part of account opening kit to the clients, through e-mails/letters etc.¹⁷⁶

11.4.2 DPs may note that on verification of the said compliance it has been observed that there is no uniformity in complying with the said circular by the DPs. Further the link to the Investor Charter published is not easily accessible and the Investor Charter is not published in true letter and spirit. In some cases, it is observed that the DPs have published the charter with SEBI name and emblem and not having any connect to the respective DP. DPs are once again advised to review the above and ensure that the Disclosure of the Investor Charter is displayed on their website with proper link in their homepage under the respective DP name. DPs are requested to take note of the same and ensure compliance and confirm the same by providing the details of the link where the Investor Charter is published through email addressed to audit@cDSLindia.com with subject head as "Investor Charter and DP ID and DP Name".¹⁷⁷

11.4.3 DPs to refer SEBI Circular No. SEBI/HO/MRD/MRD-PoD-1/P/CIR/2024/66 dated May 29, 2024 regarding modification in Investor Charter for DPs w.e.f. May 29, 2024.¹⁷⁸

11.5 Disclosure of the complaints received against DPs

To bring about transparency in the Investor Grievance Redressal Mechanism, SEBI has decided that all the DPs shall disclose on their respective websites, the data on complaints received against them or against issues dealt by them and redressal thereof, latest by 7th of the succeeding month, as per the prescribed format These disclosure requirements are in

¹⁷⁶ Reference: CDSL/OPS/DP/POLCY/2021/589 dated December 25, 2021

¹⁷⁷ Reference: CDSL/A,I&C/DP/POLCY/2022/319 dated June 07, 2022

¹⁷⁸ Reference: CDSL/OPS/DP/P OLCY/2024/289 dated May 30, 2024



addition to existing mandatory requirements.¹⁷⁹

11.6 Investor Grievances escalation matrix¹⁸⁰

11.6.1 To further strengthen the process of handling Investors Grievances, DPs are advised to take the below measures:

11.6.1.1 Multiple modes of communication should be made available to the investors, in order to ensure smooth process in filing the complaints.

11.6.1.2 Employ qualified/trained and dedicated officials to beef up the complaint redressal mechanism for better handling and suitable closures.

11.6.1.3 Investor Grievances escalation matrix to be explicitly displayed on the DP website under the 'Contact Us' page. The 'Contact Us' link should be placed on the index/homepage of the website. Upon clicking the same, it should display the requisite details.

11.6.1.4 Escalation matrix should also be a part of the complaint redressal communications between the DPs and Investors.

11.6.1.5 Acknowledgment should be sent to the investor on receipt of grievance and should state the Complaint reference number in it. This will reduce registering of duplicate complaints.

11.6.1.6 DPs, who are also a Stockbrokers, shall provide separate escalation matrix for Broking related queries. In case they have a common grievance handling unit, they may display the common Escalation matrix as stated under point 'c'.

11.6.1.7 Enhance Investor education vide educational videos, webinars, flyers, bulletin, etc.

11.6.1.8 Regular updates should be provided to investors on changes in rules/regulations through support portals/ email.

11.6.1.9 Details of services provided by DP/ Depository to clients may be displayed on homepage of the website.

11.6.1.10 Provision shall be made for online submission and acceptance of requests such as changes in demographic details, closure & KYC related matters.

11.6.1.11 Conduct regular system audits to reduce the occurrence of technical issues and downtimes.

11.6.2 DPs are advised to comply with the following:

¹⁷⁹ Reference: CDSL/OPS/DP/POLCY/2021/589 dated December 25, 2021

¹⁸⁰ Reference: CDSL/IG/DP/2022/468 dated August 17, 2022 and CDSL/IG/DP/2022/653 dated November 10, 2022



- 11.6.2.1 Contact numbers mentioned for each escalation level should be different.
- 11.6.2.2 Contact number provided should be handled by escalated person and not by IVRS.
- 11.6.2.3 In case contact number is handled by IVRS, it should allow the caller/complainant to reach the desired escalated person.
- 11.6.2.4 Escalated person's number provided should be valid /correct
- 11.6.2.5 In addition to the above, DPs are also advised to include working hours of each escalation level (e.g., Monday to Saturday 9.00 am to 12.30 pm and 2.00 pm to 6.00 pm).

11.7 Master Circular on the redressal of investor grievances through the SEBI Complaints Redress System (SCORES) platform¹⁸¹

DPs are advised to refer to SEBI Circular no. SEBI/HO/OIAE/IGRD/P/CIR/2022/0150 dated November 07, 2022, regarding Master Circular on the redressal of investor grievances through the SEBI Complaints Redress System (SCORES) platform for necessary compliance.

11.8 Redressal of Investor Grievances on ODR Platform¹⁸²

- 11.8.1 Depository Participants ('DP') are hereby informed that pursuant to SEBI Circular SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023, it is mandatory to be registered on the Common Online Dispute Resolution Portal ("ODR Portal") and also to display a link to the ODR Portal on the home page of their website and mobile apps for online conciliation and online arbitration resolution of disputes arising in the Indian Securities Market¹⁸³
- 11.8.2 The ODR Portal i.e. SMART ODR Portal {[hyperlink: https://smartodr.in](https://smartodr.in)} (Securities Market Approach for Resolution Through ODR Portal) is now live. The platform is designed to enhance investor grievance redressal by enabling investors to access Online Dispute Resolution Institutions for the resolution of their complaints. The SMART ODR Portal has been setup by the relevant Market Infrastructure Institutions (MII's) together with the participation of reputed ODR Institutions. To gain access to the SMART ODR platform, the DPs are hereby requested to get themselves registered on the SMART ODR Portal and set up their respective accounts for receiving complaints registered against the concerned DP.
- 11.8.3 The steps involved for completing the aforesaid process is shared with the respective compliance officer vide email ID no-reply@mailers.smartodr.in. The same is also reiterated for reference of all DPs:
 - 11.8.3.1 Click on the verification link provided in the email sent to respective DPs.
 - 11.8.3.2 You will be prompted to set a password for your account as specified in the email.
 - 11.8.3.3 After setting the password, please go through the Portal Terms & Conditions. Upon

¹⁸¹ Reference: CDSL/OPS/DP/POLCY/2022/650 dated November 9, 2022

¹⁸² Reference: CDSL/L&CS/DP/POLCY/2023/459 dated August 04, 2023

¹⁸³ Reference: CDSL/IG /DP/POLCY/2023/473 dated August 09, 2023 and CDSL/IG /DP/POLCY/2023/482 dated August 11, 2023



acceptance of the same your account will be created.

- 11.8.3.4 After setting the password & accepting the Terms & Conditions, your account will be created, and you can start exploring the SMART ODR portal. Please note that your account will only be fully activated once you have clicked the verification link as mentioned in the email and set your password.



Chapter 12: Maintenance of Website by DP

12.1 **Maintenance of a website by depository participants**¹⁸⁴

12.1.1 SEBI, through various circulars, has mandated certain information to be published by depository participants (DP) on their respective websites.

12.1.2 A designated website brings in transparency and helps the investors to keep themselves well informed about the various activities of the DP. In view of the same, considering the advancement in technology and need to provide better services to the investors, all DPs are mandated to maintain a designated website.

12.1.3 Such website shall mandatorily display the following information, in addition to all such information, which have been mandated by SEBI/stock exchanges/depositories from time to time.

12.1.3.1 Basic details of the DP such as registration number, registered address of Head Office and branches, if any.

12.1.3.2 Names and contact details such as email ids etc. of all key managerial personnel (KMPs) including compliance officer.

12.1.3.3 Step-by-step procedures for opening an account, filing a complaint on a designated email id, and finding out the status of the complaint, etc.

The URL to the website of a DP shall be reported to the depositories. Any modification in the URL shall be reported to depositories within 3 days of such changes.

¹⁸⁴Reference: CDSL/OPS/DP/POLCY/2023/113 dated February 17, 2023



Chapter 13: DP Branches/Service Centre's

13.1 DP Branch/ DP Service Centre¹⁸⁵

In addition to the procedure already specified in the Operating Instructions, the Bye Laws, the following additional points have to be complied with on set up of the DP:

- 13.1.1 The branches of the DP must have the requisite hardware/software as prescribed by CDSL.
- 13.1.2 The branch premises must be owned/leased or licensed to the main DP.
- 13.1.3 The branch of the DP must have the communication network registered in the name of the main DP or leased or licensed to the main DP.
- 13.1.4 The branches of the DP must have adequate provisions for safety and security of the documents pertaining to the BOs.
- 13.1.5 The main DP should submit an undertaking to fulfill all rights and obligations on behalf of all its branches.
- 13.1.6 DPs shall through their easiest login able to add new service centres; modify existing details or delete the existing service centre records.

13.2 Outsourcing of activities by DPs¹⁸⁶

- 13.2.1 DPs are advised to comply with the guidelines issued by SEBI vide circular no. CIR/MIRSD/24/2011 Dated December 15, 2011 regarding outsourcing of activities related to services offered by intermediaries.
- 13.2.2 The principles for outsourcing by intermediaries have been framed, which shall be followed by all intermediaries registered with SEBI.
- 13.2.3 The intermediaries desirous of outsourcing their activities shall not, however, outsource their core business activities and compliance functions.
- 13.2.4 Regarding Know Your Client (KYC) requirements, the intermediaries shall comply with the provisions of SEBI {KYC (Know Your Client) Registration Agency} Regulations, 2011 and Guidelines issued thereunder from time to time.
- 13.2.5 The intermediaries shall be responsible for reporting of any suspicious transactions / reports to FIU or any other competent authority in respect of activities carried out by the third parties.

¹⁸⁵ Reference: CDS/OPS/DP/75(A) dated January 22, 2001 and CDSL/ADM/DP/GENRL/6272 dated December 02, 2016

¹⁸⁶ Reference: CDSL/OPS/DP/POLCY/2775 dated December 27, 2011



Chapter 14: Prevention of Money Laundering Act, 2002 (PMLA)

14.1 Guidelines to DPs on PMLA¹⁸⁷

- 14.1.1 DPs are advised to refer SEBI Circular no. SEBI/HO/MIRSD/MIRSD-SEC-5/P/CIR/2023/022 dated February 03, 2023, regarding Guidelines on Anti-Money Laundering (AML) Standards and Combating the Financing of Terrorism (CFT) /Obligations of Securities Market Intermediaries under the Prevention of Money Laundering Act, 2002 and Rules framed there under.
- 14.1.2 The DPs should adopt written procedures to implement the anti-money laundering provisions as envisaged under the PMLA. Such procedures shall include inter alia the following four specific parameters which are related to the overall 'Client Due Diligence Process':
- 14.1.2.1 Policy for acceptance of clients;
 - 14.1.2.2 Procedure for identifying the clients;
 - 14.1.2.3 Risk Management;
 - 14.1.2.4 Monitoring of Transactions.
- 14.1.3 SEBI/CDSL has from time to time issued circulars/directives with regard to Know Your Client (KYC), Client Due Diligence (CDD), Anti-Money Laundering (AML) and Combating the Financing of Terrorism (CFT) specifying the minimum requirements. It is emphasized that the DPs may, according to their requirements, specify additional disclosures to be made by clients to address concerns of money laundering and suspicious transactions undertaken by clients.
- 14.1.4 A DP should adhere to the following aspects spelt out in the guidelines regarding PMLA:
- 14.1.4.1 Essential Principles
 - 14.1.4.2 Obligation to establish policies and procedures
 - 14.1.4.3 Written Anti Money Laundering Procedures
 - 14.1.4.4 Client Due Diligence (CDD)
 - 14.1.4.5 Policy for acceptance of clients
 - 14.1.4.6 Client identification procedure
 - 14.1.4.7 Reliance on third party for carrying out Client Due Diligence (CDD)
 - 14.1.4.8 Risk Management, including Risk-based Approach and Risk Assessment
 - 14.1.4.9 Monitoring of Transactions
 - 14.1.4.10 Suspicious Transaction Monitoring and Reporting
 - 14.1.4.11 Record Management, including Information to be maintained, Record Keeping and Retention of Records
 - 14.1.4.12 Procedure for freezing of funds, financial assets or economic resources or related services
 - 14.1.4.13 List of Designated Individuals/Entities
 - 14.1.4.14 Jurisdictions that do not or insufficiently apply the FATF Recommendations
 - 14.1.4.15 Reporting to Financial Intelligence Unit-India
 - 14.1.4.16 Designation of officers for ensuring compliance with provisions of PMLA
 - 14.1.4.17 Hiring and Training of Employees and / Investor Education
- 14.1.5 DPs shall maintain and preserve the records of information related to transactions, whether attempted or executed, which are reported to the Director, FIU-IND, as required under Rules 7 and 8 of the PML Rules, for a period of five years from the date of the transaction between the client and the DP.

¹⁸⁷ Reference: CDSL/OPS/DP/POLCY/2023/185 dated March 23, 2023



14.1.6 DPs should send a copy of the Policy directly to FIU-IND.¹⁸⁸

14.2 Commonly observed discrepancies in inspection of DPs in the area of PMLA requirements¹⁸⁹

14.2.1 During the inspection of the DPs by CDSL and SEBI, certain non-compliances have been observed in the area of implementation of above referred SEBI circular which may expose DPs to potential risk. In order to raise the compliance level and to mitigate the risk, DPs are advised to ensure that following steps are taken:

14.2.1.1 Anti-Money Laundering policy is framed as per SEBI guidelines and revised periodically.

14.2.1.2 The information on Financial Status/income details of clients is obtained at the time of opening of demat account. Subsequently, it should be periodically updated in CDAS/back office. The DP has to satisfy that the transactions carried out by the client are commensurate with his income. If any abnormality is noticed, DP should file STR.

14.2.1.3 Designated Director is appointed as per SEBI guidelines.

14.2.1.4 Parameters for risk categorization of clients are provided in the AML policy.

14.2.1.5 Independent verification of clients undertaken during client acceptance is indicated in the policy.

14.2.1.6 Categorization of clients into "Clients of Special Category" (CSC) is done by the DP.

14.2.1.7 To conduct ongoing training programme for employees so that DP staff are adequately trained in AML and CFT (Combating Financing of terrorism) procedures.

14.2.1.8 The DP has systems in place for continuous monitoring of transactions vis-à-vis income of the client. Alerts sent by CDSL are monitored and a suspicious transaction register is maintained.

14.2.1.9 Policy on Employees hiring/training and investor education included in PMLA policy.

14.3 Appointment of a Principal Officer¹⁹⁰

14.3.1 To ensure that the DPs properly discharge their legal obligations to report suspicious transactions to the authorities, the Principal Officer would act as a central reference point in facilitating onward reporting of suspicious transactions and for playing an active role in the identification and assessment of potentially suspicious transactions and shall have access to and be able to report to senior management at the next reporting level or the Board of Directors.

14.3.2 Names, designation and addresses (including email addresses) of 'Principal Officer' including any changes therein shall also be intimated to the Office of the Director-FIU-IND. As a matter of principle, it is advisable that the 'Principal Officer' is of a sufficiently senior position and is able to discharge the functions with independence and authority.

14.4 Appointment of a Designated Director¹⁹¹

¹⁸⁸ Reference: CDSL/OPS/DP/793 dated November 21, 2006

¹⁸⁹ Reference: CDSL/A,I&C/DP/POLCY/4690 dated September 08, 2014

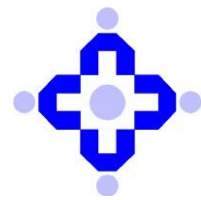
¹⁹⁰ Reference: CDSL/OPS/DP/POLCY/2023/185 dated March 23, 2023

¹⁹¹ Reference: CDSL/OPS/DP/POLCY/2023/185 dated March 23, 2023



- 14.4.1 The DPs shall designate a person as a 'Designated Director'.
- 14.4.2 In terms of Rule 2 (ba) of the PML Rules, the definition of a Designated Director reads as under:
“Designated director means a person designated by the reporting entity to ensure overall compliance with the obligations imposed under chapter IV of the Act and the Rules and includes –
- a) the Managing Director or a Whole-Time Director duly authorized by the Board of Directors if the reporting entity is a company,*
 - b) the managing partner if the reporting entity is a partnership firm,*
 - c) the proprietor if the reporting entity is a proprietorship firm,*
 - d) the managing trustee if the reporting entity is a trust,*
 - e) a person or individual, as the case may be, who controls and manages the affairs of the reporting entity if the reporting entity is an unincorporated association or a body of individuals, and*
 - f) such other person or class of persons as may be notified by the Government if the reporting entity does not fall in any of the categories above”.*
- 14.4.3 In terms of Section 13 (2) of the PMLA, the Director, FIU – IND can take appropriate action, including levying monetary penalty, on the Designated Director for failure of the DP with any of its AML/CFT obligations.
- 14.4.4 DP shall communicate the details of the Designated Director, such as, name designation and address to the Office of the Director, FIU – IND
- 14.5 Reporting of potentially Suspicious Transactions**¹⁹²
- 14.5.1 For the purpose of reporting the details of suspicious transactions to the FIU-IND, CDSL has evolved certain criteria for generating alerts for DPs containing details of transactions that are potentially suspicious. CDSL will send alerts to DPs. Such alerts may enable DPs to identify suspicious transactions.
- 14.5.2 DPs will be required to analyse and ascertain whether the transactions intimated by CDSL are suspicious in nature. For this purpose, DPs are advised to evolve their own procedure for scrutiny of the alerts for identifying suspicious transactions, so as to comply with the provisions of the PMLA and rules and guidelines thereof issued by FIU-IND/ SEBI from time to time.
- 14.5.3 DPs should note that they should not restrict themselves to scrutinizing the transactions appearing in the alerts given by CDSL and should evolve their own mechanism to monitor all transactions.
- 14.5.4 If DPs identify any transaction as suspicious in nature, they should submit the report directly to the Director, FIU-IND, New Delhi, in the prescribed format within 7 working days of establishment of suspicion.
- 14.5.5 DPs are also required to maintain a Register where they should note the action taken on such report.

¹⁹² Reference: CDSL/OPS/DP/762 dated October 06, 2006



- 14.5.6 The DPs are advised to note that CDSL's DP Operating Instructions and various communiqués issued, clearly outline the documents required to be obtained for account opening. However, DPs are required to exercise due diligence while establishing the identity of the intending BO(s), thus ensuring the safety and integrity of the depository system, as the provisions of PMLA stipulates that the DPs are also required to be aware of the nature of business and financial status of the intending BO(s) at the time of account opening or executing any transactions thereafter.
- 14.5.7 DPs are advised to refer email sent to the Designated Director & Principal Officer on 28-Jul-2022 and 07-Dec-2022, informing about the Supplemental Guidelines for detecting suspicious transactions under rule 7(3) of Prevention of Money Laundering (Maintenance of Records) Rules, 2005, issued by FIU-IND.
- 14.5.8 DPs are advised to note that the reports from the month of December 2022, onwards have been provided on surveillance application of CDSL. (CDAS – Surveillance Application – Inquiry – FIU Inquiry) & (CDAS – Surveillance Application – Download – FIU Report Download).
- 14.5.9 DPs are advised to ensure that necessary access rights are provided to concerned officials. Designated Directors & Principal Officers are advised to ensure that all the alerts provided are downloaded on periodic basis, thoroughly analyzed, processed and necessary actions are taken.¹⁹³
- 14.5.10 The DPs should submit the report to FIU- IND in the format developed under the FINnet PROJECT.¹⁹⁴
- 14.5.11 DPs are informed that that FIU-IND has advised that STRs shall not be accepted through FINnet gateway without digital signature.¹⁹⁵
- 14.5.12 DPs are advised to carefully analyze alerts sent by CDSL and file STRs with FIU-IND in appropriate cases. Further, DP should provide the following information in the grounds of suspicion so that FIU-IND will be in a position to analyze STRs correctly.¹⁹⁶
- 14.5.12.1 Details of initial alert sent by CDSL
 - 14.5.12.2 Information collected during analysis of alert
 - 14.5.12.3 KYC information of the client
 - 14.5.12.4 Period of the activities being reported
 - 14.5.12.5 Quantum of the activities being reported
 - 14.5.12.6 ISIN/Issuer Name, if reported transaction relates to a particular ISIN/ Issuer
 - 14.5.12.7 Explanation regarding the reported suspicion

14.6 Registration of the Reporting Entities (REs) in FINnet 2.0 system

- 14.6.1 FIU-IND vide its communication dated May 23, 2022, has informed the depository about the fresh registration of the Reporting Entities (REs) in FINnet 2.0 system from 19.01.2022 and requested to take up the matter with all the registered Depository Participants for registration in FINnet 2.0 system.

¹⁹³ Reference: CDSL/PMLA/DP/POLCY/2023/184 dated March 23, 2023

¹⁹⁴ Reference: CDSL/OPS/DP/POLCY/3252 dated September 29, 2012

¹⁹⁵ Reference: CDSL/OPS/DP/POLCY/5815 dated March 15, 2016

¹⁹⁶ Reference: CDSL/OPS/DP/1448 dated January 29, 2009



- 14.6.2 Depository Participants are Reporting Entities to FIU-INDIA as defined under Section 2(wa) read with Section 2(n) of the PMLA.
- 14.6.3 As part of the envisaged, FINnet 2.0 system all Reporting Entities (REs) registered in FINnet 1.0 are required to re-register themselves in FINnet 2.0 module. Further, it may be noted that as part of the re-registration exercise REs are required to register Principal Officer as well as Designated Director by providing the necessary details.¹⁹⁷
- 14.6.4 DPs are advised to get registered on FINnet 2.0 Mandatorily without fail, otherwise it will be treated as non-compliance with the Reporting Entity's obligations under PMLA.
- 14.6.5 DPs are requested to complete registration in FINnet 2.0 system immediately and confirm by sending an email to pmla@cdslindia.com from email ID of Principal Officer / Designated Director with subject line as <DP ID> registration done on FINnet 2.0¹⁹⁸
- 14.6.6 DPs are advised to refer Advisory Notifications for Registration of Reporting Entity in multiple categories and Reporting of Registered/Mandate accounts to all the reporting entities circulated by FIU IND.¹⁹⁹

14.7 List of Designated Individuals/ Entities²⁰⁰

- 14.7.1 The Ministry of Home Affairs, in pursuance of Section 35(1) of UAPA 1967, declares the list of individuals/entities, from time to time, who are designated as 'Terrorists'. DPs shall take note of such lists of designated individuals/terrorists, as and when communicated by SEBI.
- 14.7.2 All orders under section 35 (1) and 51A of UAPA relating to funds, financial assets or economic resources or related services, circulated by SEBI from time to time shall be taken note of for compliance.
- 14.7.3 An updated list of individuals and entities which are subject to various sanction measures such as freezing of assets/accounts, denial of financial services etc., as approved by the Security Council Committee established pursuant to various United Nations' Security Council Resolutions (UNSCRs) can be accessed at its website at <https://press.un.org/en/content/press-release>. The details of the lists are as under:
- 14.7.3.1 The "ISIL (Da'esh) & Al-Qaida Sanctions List", which includes names of individuals and entities associated with the Al-Qaida. The updated ISIL & Al-Qaida Sanctions List is available at: <https://www.un.org/securitycouncil/sanctions/1267/press-releases>.
- 14.7.3.2 The list issued by United Security Council Resolutions 1718 of designated Individuals and Entities linked to Democratic People's Republic of Korea www.un.org/securitycouncil/sanctions/1718/press-releases.

¹⁹⁷ Reference: CDSL/OPS/DP/POLCY/2022/288 dated May 27, 2022

¹⁹⁸ Reference: CDSL/PMLA/DP/POLCY/2022/648 dated November 09, 2022

¹⁹⁹ Reference: CDSL/OPS/DP/POLCY/5521 dated October 27, 2015

²⁰⁰ Reference: CDSL/OPS/DP/POLCY/2023/185 dated March 23, 2023



- 14.7.4 DPs are directed to ensure that accounts are not opened in the name of anyone whose name appears in said list. DPs shall continuously scan all existing accounts to ensure that no account is held by or linked to any of the entities or individuals included in the list.
- 14.7.5 DPs shall maintain updated designated lists in electronic form and run a check on the given parameters on a regular basis to verify whether the designated individuals/entities are holding any funds, financial assets or economic resources or related services held in the form of securities with them.
- 14.7.6 DPs shall also file a Suspicious Transaction Report (STR) with FIU-IND covering all transactions carried through or attempted in the accounts covered under the list of designated individuals/entities under Section 35 (1) and 51A of UAPA.
- 14.7.7 Full details of accounts bearing resemblance with any of the individuals/entities in the list shall immediately be intimated to the Central [designated] Nodal Officer for the UAPA, at Fax No.011-23092551 and also conveyed over telephone No. 011-23092548. The particulars apart from being sent by post shall necessarily be conveyed on email id: jsctcr-mha@gov.in. DPs shall also send a copy of the communication mentioned above to the UAPA Nodal Officer of the State/UT where the account is held and to SEBI and FIU-IND, without delay. The communication shall be sent to SEBI through post and through email (sebi_uapa@sebi.gov.in) to the UAPA nodal officer of SEBI, Deputy General Manager, Division of FATF, Market Intermediaries Regulation and Supervision Department, Securities and Exchange Board of India, SEBI Bhavan II, Plot No. C7, "G" Block, Bandra Kurla Complex, Bandra (E), Mumbai 400 051. The consolidated list of UAPA Nodal Officers is available at the website of Government of India, Ministry of Home Affairs.
- 14.8 Jurisdictions that do not or insufficiently apply the FATF Recommendations**²⁰¹
- 14.8.1 FATF Secretariat after conclusion of each of its plenary, releases public statements and places jurisdictions under increased monitoring to address strategic deficiencies in their regimes to counter money laundering, terrorist financing, and proliferation financing risks. In this regard, FATF Statements circulated by SEBI from time to time, and publicly available information, for identifying countries, which do not or insufficiently apply the FATF Recommendations, shall be considered by the registered intermediaries.
- 14.8.2 The DPs shall take into account the risks arising from the deficiencies in AML/CFT regime of the jurisdictions included in the FATF Statements. However, it shall be noted that the DPs are not precluded from having legitimate trade and business transactions with the countries and jurisdictions mentioned in the FATF statements.
- 14.8.3 As directed by SEBI to Depositories, a written confirmation as per Template is required from the DP confirming that the actions required are taken and complied with.
- 14.8.4 Actions may include:
- 14.8.4.1 By carrying out appropriate due- diligence on existing clients.
 - 14.8.4.2 Making sure that appropriate alert mechanisms have been put in place to identify the business relationships and transactions with the said jurisdictions.
 - 14.8.4.3 Any other measures necessary to effectively implement the action required.

²⁰¹ Reference: CDSL/OPS/DP/POLCY/2023/185 dated March 23, 2023



14.8.5 In view of the above, DPs are mandatorily required to furnish the information to CDSL as per the prescribed procedure.²⁰²

14.9 Amendments to PMLA Rules

14.9.1 DPs are advised to refer Amendments to Prevention of Money-laundering (Maintenance of Records) Rules, 2005 for necessary compliance.²⁰³

²⁰² Reference: CDSL/OPS/DP/POLCY/2022/175 dated March 29, 2022

²⁰³ Reference: CDSL/OPS/DP/1847 dated January 06, 2010 and CDSL/OPS/DP/POLCY/2018/294 dated June 07, 2018



Chapter 15: Cyber Security and Cyber Resilience Framework

15.1 Cyber Security & Cyber Resilience Framework for DPs

- 15.1.1 SEBI vide its circular no. **SEBI/HO/ITD-1/ITD_CSC_EXT/P/CIR/2024/113 dated August 20, 2024**²⁰⁴ and **SEBI/HO/ITD-1/ITD_CSC_EXT/P/CIR/2024/184 dated December 31, 2024**²⁰⁵ has issued a Cyber Security and Cyber Resilience Framework for Depository Participants. DPs should take note of the contents of the aforesaid SEBI circular and should have robust cyber security and cyber resilience framework to protect the integrity of data and essential facilities and perform systemically critical functions without breach of privacy.
- 15.1.2 SEBI vide its circular no. SEBI/HO/ITD-1/ITD_CSC_EXT/P/CIR/2025/60 dated April 30, 2025, and SEBI/HO/ITD-1/ITD_CSC_EXT/P/CIR/2025/119 dated August 28, 2025²⁰⁶ has issued Clarifications to Cyber Security and Cyber Resilience Framework for Depository Participants.²⁰⁷
- 15.1.3 DPs should formulate a comprehensive Cyber Security and Cyber Resilience policy document approved by its Board / Partners / Proprietor and should be reviewed at least annually. Quarterly reports containing information on cyber-attacks and threats experienced by Depository Participants and measures taken to mitigate vulnerabilities, threats and attacks including information on bugs / vulnerabilities / threats should be submitted to Depositories.
- 15.1.4 DPs should regularly conduct vulnerability assessment to detect security vulnerabilities in their IT environments exposed to the internet.
- 15.1.5 DPs shall arrange to have their systems audited on an annual basis by a CERT-IN empanelled auditor or an independent CISA/CISM qualified auditor to check compliance with the aforesaid SEBI circular and shall submit the report to Depositories along with the comments of the Board / Partners / Proprietor of DP within three months of the end of the financial year.²⁰⁸
- 15.1.6 DPs shall identify and classify critical assets based on their sensitivity and criticality for business operations, services and data management. The Board/Partners/Proprietor of the DPs shall approve the list of critical systems. To this end, DPs shall maintain up-to date inventory of its hardware and systems, software and information assets (internal and external), details of its network resources, connections to its network and data flows.²⁰⁹

15.2 Submission of Cyber Incident by DPs

- 15.2.1 All Cyber-attacks, threats, cyber-incidents and breaches experienced by DPs shall be reported to Depositories & SEBI within 6 hours of noticing / detecting such incidents or being brought to notice about such incidents.²¹⁰ Further the incident shall also be reported to Indian Computer Emergency Response team (CERT-In) in accordance with the guidelines / directions issued by CERT-In from time to time. Additionally, the Stockbrokers / Depository Participants, whose systems have been identified as “Protected system” by National Critical

²⁰⁴ Reference: CDSL/OPS/DP/POLCY/2024/468 dated August 21, 2024

²⁰⁵ Reference: CDSL/OPS/DP/P OLCY/2025/3 dated January 01, 2024

²⁰⁶ Reference: CDSL/OPS/DP/POLCY/2025/583 dated September 01, 2025

²⁰⁷ Reference: CDSL/OPS/DP/POLCY/2025/294 dated May 06, 2025

²⁰⁸ Reference: CDSL/OPS/DP/POLCY/2018/641 dated December 04, 2018

²⁰⁹ Reference: CDSL/OPS/DP/POLCY/2022/323 dated June 09, 2022

²¹⁰ Reference: CDSL/OPS/DP/POLICY/2022/374 dated July 01, 2022, CDSL/OPS/DP/POLICY/2022/420 dated July 26, 2022 & CDSL/AUDIT/DP/POLICY/2021/302 dated July 9, 2021



Information Infrastructure Protection Centre (NCIIPC) shall also report the incident to NCIIPC.
²¹¹ The details of such incidents should be submitted to dpinfosec@cdslindia.com.

- 15.2.2 The incident shall also be reported to Indian Computer Emergency Response team (CERT-In) in accordance with the guidelines / directions issued by CERT-In from time to time. Additionally, the DPs, whose systems have been identified as “Protected system” by National Critical Information Infrastructure Protection Centre (NCIIPC) shall also report the incident to NCIIPC.²¹²
- 15.2.3 DPs are required to make online submissions in prescribed format to CDSL on Quarterly reports containing information on cyber-attacks, threats, cyber-incidents and breaches experienced by DPs and measures taken to mitigate vulnerabilities, threats and attacks including information on bugs / vulnerabilities / threats that may be useful for other DPs/ Depositories and SEBI.²¹³
- 15.2.4 The time period for submission of the report shall be 15 days after the end of the quarter.²¹⁴ The above information shall be shared to SEBI through the dedicated e-mail id: sbdp-cyberincidents@sebi.gov.in.

15.3 Comprehensive Cyber Audit to check the compliance of Cyber Security and Cyber Resilience provisions.

- 15.3.1 Auditors qualified in following certifications can audit the systems DPs to check the compliance of Cyber Security and Cyber Resilience provisions:
CERT-IN empanelled auditor, an independent DISA (ICAI) Qualification, CISA (Certified Information System Auditor) from ISACA, CISM (Certified Information Securities Manager) from ISACA, CISSP (Certified Information Systems Security Professional) from International Information Systems Security Certification Consortium (commonly known as (ISC)).
The periodicity of audit for the purpose of compliance with Cyber Security and Cyber Resilience provisions for depository participants shall be annual.²¹⁵
- 15.3.2 DPs shall submit with Depository a declaration from the MD/CEO/Partners/ Proprietors certifying compliance by the DPs with all SEBI Circulars and advisories related to Cyber security from time to time, along with the Cyber audit report.^{216 217}

15.4 Standard Operating Procedures (SOP) for handling Cyber Security Incidents²¹⁸

- 15.4.1 DPs are advised to formulate and adhere with the SOP for handling and reporting of Cyber Security Incidents.
- 15.4.2 The following aspects shall form part of the SOP which needs to be complied with by DPs:

²¹¹ Reference: CDSL/A,I&C/DP/POLCY/2024/96 dated February 15, 2024

²¹² Reference: CDSL/OPS/DP/POLCY/2022/374 dated July 01, 2022

²¹³ Reference: CDSL/OPS/DP/POLCY/2022/374 dated July 01, 2022, CDSL/OPS/DP/POLCY/2019/535 dated October 23, 2019, CDSL/OPS/DP/POLCY/2022/420 dated July 26, 2022 & CDSL/AUDIT/DP/POLCY/2021/302 dated July 9, 2021

²¹⁴ Reference: CDSL/OPS/DP/POLCY/2019/535 dated October 23, 2019 and CDSL/OPS/DP/POLCY/2022/374 dated July 01, 2022

²¹⁵ Reference: CDSL/OPS/DP/POLCY/2019/535 dated October 23, 2019

²¹⁶ Reference: CDSL/OPS/DP/POLCY/2022/323 dated June 09, 2022

²¹⁷ Reference: CDSL/A,I&C/DP/POLCY/2023/298 dated May 16, 2023

²¹⁸ Reference: CDSL/OPS/DP/POLCY/2021/207 dated May 04, 2021



- 15.4.2.1 DPs shall have documented Cyber Security incident handling process document i.e., Standard Operating Procedure (SOP) in place.
- 15.4.2.2 DPs shall examine the incidents and classify the incidents into High/Medium/Low as per their cyber security incident handling document.
- 15.4.2.3 The cyber security incident handling document shall define Actions/Response Mechanisms for the incident based on severity.
- 15.4.2.4 DPs shall report the incident to Indian Computer Emergency Response Team (CERT-In).
- 15.4.2.5 DPs shall provide the reference details of the reported incident to the Depository and SEBI. DPs shall also provide details regarding whether CERT-In team is in touch with the DPs for any assistance on reported incident. If the incident is not reported to CERT-In, DPs shall submit the reasons for the same to the Depository and SEBI.
- 15.4.2.6 DPs shall communicate with CERT-In/MHA/Cybercrime police for further assistance on the reported incident.
- 15.4.2.7 DPs shall submit details on whether the incident has been registered as a complaint with law enforcement agencies such as Police or cyber security cell. If yes, details need to be provided to Depository and SEBI. If not, reason for not registering complaint should also be provided to Depository and SEBI.
- 15.4.2.8 The details of reported incidents and submission to various agencies by the DPs shall also be submitted to Division Chiefs (in charge of divisions at the time of submission) of DOS-MIRSD and CISO of SEBI.
- 15.4.2.9 The Designated Officer of the DPs shall continue to report any unusual activities and events within 24 hours of receipt of such Information as well as submit the quarterly report on the cyber-attacks & threats within 15 days after the end of the respective quarter.

15.5 Cyber Security - Information of Designated Officer²¹⁹

All DPs are required to designate a senior official or management personnel as Designated officer for the purpose of enforcing the SEBI circular on the framework for cyber security & cyber resilience for DPS.

DPs shall provide the information of the Designated Officer to CDSL.

15.6 Cyber Security Advisory²²⁰

15.6.1 As financial services are a critical information infrastructure, it has been observed that it is one of the primary targets of cyber-attacks. To ensure continuous availability of services and to prevent cyber-attacks, all DPs are requested to ensure the following:

- 15.6.1.1 Take review of the cyber security safeguards put in place, and any gaps found should be fixed on priority.
- 15.6.1.2 Adequate safety and security measures (like intrusion detection/prevention system, anti-virus, firewall, etc.) are in place to protect the critical data, infrastructure, and applications.
- 15.6.1.3 Review the communication links provisioned for trading, communications and other services exposed to the customers and partners on the internet / private

²¹⁹ Reference: CDSL/OPS/DP/POLCY/2021/210 dated May 06, 2021

²²⁰ Reference: CDSL/OPS/DP/POLCY/2021/515 dated November 16, 2021



- networks. Ensure that all the internet links and services are adequately protected from cyber-attacks including DoS / DDoS attacks.
- 15.6.1.4 Continuously monitor the applications and services for their availability and response time.
- 15.6.1.5 Any cybersecurity incident is promptly reported to the relevant authorities including CDSL. Such incident should be reported to CDSL on dpinfosec@cdslindia.com and helpdesk@cdslindia.com.
- 15.6.1.6 All Depository Participants are also advised to continue to adhere to cyber security guidelines / advisories issued by SEBI in the past and follow best industry practices and comply with other guidelines issued by CERT-In (<https://cert-in.org.in>) and NCIIPC (<https://www.nciipc.gov.in>) from time to time.
- 15.6.1.7 ²²¹RE/ Depository Participants (DP)/ Member shall ensure to report any cyber security incident within 6 hours of noticing /detecting such incident or being brought to the notice about such incidents (In case of inability in submitting cyber security incident by REs/ Depository Participants (DP)/Member may report the cyber incident over email in the prescribed format on common group email ID specified by SEBI/Market Infrastructure Institutions (MIIs), so as to ensure adherence with the above prescribed timelines of 6 hours). Further, the Depositories / Exchanges may take /implement various precautionary containment measures /action to prevent any lateral movement of the threat/malware to the Depositories/ Exchanges or to other Trading Member networks through Depository/ Exchange connectivity. The following precautionary measures /action may be taken based on the classification /severity of the reported cyber incident.

15.7 Vulnerability Assessment and Penetration Tests (VAPT)

- 15.7.1 DPs shall carry out periodic Vulnerability Assessment and Penetration Tests (VAPT) which inter-alia include critical assets and infrastructure components like Servers, Networking systems, Security devices, load balancers, other IT systems pertaining to the activities done as DPs etc., in order to detect security vulnerabilities in the IT environment and in-depth evaluation of the security posture of the system through simulations of actual attacks on its systems and networks.
- 15.7.2 DPs shall conduct VAPT at least once in a financial year. All DPs are required to engage only CERT-In empanelled organizations for conducting VAPT. The final report on said VAPT shall be submitted to the Depositories after approval from Technology Committee of DPs, within 1 month of completion of VAPT activity. In addition, DPs shall perform vulnerability scanning and conduct penetration testing prior to the commissioning of a new system which is a critical system or part of an existing critical system.
- 15.7.3 Any gaps/vulnerabilities detected shall be remedied on immediate basis and compliance of closure of findings identified during VAPT shall be submitted to the Depositories within 3 months post the submission of final VAPT report.²²²
- 15.7.4 DPs are required to communicate the status of the implementation of the provisions of the SEBI Circular no. SEBI/HO/MIRSD/ TPD/P/CIR/2022/80 dated June 07, 2022 to CDSL within 10 days from the date of the Circular.²²³

²²¹ Reference: CDSL/AUDIT/DP/POLCY/2026/151 dated March 05, 2026

²²² Reference: CDSL/OPS/DP/POLCY/2022/323 dated June 09, 2022

²²³ Reference: CDSL/A,I&C/DP/POLCY/2022/331 dated June 14, 2022



15.7.5 VAPT shall be carried out and completed during the period September to November of every financial year and the final report on said VAPT shall be submitted to the CDSL within one month from the date of completion of VAPT after approval from Technology Committee of respective DPs.²²⁴

15.7.6 DPs to submit the final report on VAPT carried out for the current financial year by a CERT-In empaneled entity. This report is required to be uploaded on Audit Web Portal on <https://auditweb.cdslindia.com> by December 31 in pdf format.²²⁵

15.8 Advisory for Cybersecurity Best Practices²²⁶

15.8.1 Financial Computer Security Incident Response Team (CSIRT-Fin) has provided important recommendations in the form of an advisory, in its report sent to SEBI. This advisory should be read in conjunction with the applicable SEBI circulars (including but not limited to Cybersecurity and Cyber Resilience framework, Annual System Audit framework, etc.) and subsequent updates issued by SEBI from time to time.

15.8.2 The compliance of the advisory shall be provided by the DPs along with their cybersecurity audit report (conducted as per the applicable SEBI Cybersecurity and Cyber Resilience framework). The compliance shall be submitted as per the existing reporting mechanism and frequency of the respective cybersecurity audit.

15.9 Advisory for Cyber Security Preparedness²²⁷

15.9.1 In light of the ongoing current geopolitical situation, we urge all Depository Participants to remain extra vigilant against potential cyber threats. During such period, threat actors often exploit uncertainty to launch phishing attacks, spread misinformation, and attempt to compromise systems and data.

15.9.2 To safeguard your organization and your personal digital security, you are advised to follow the cybersecurity guidelines mentioned below:

15.9.2.1 Issue a Security Alert to All Staff

15.9.2.1.1 Inform employees of the increased risk of phishing, social engineering, or malware.

15.9.2.1.2 Remind them not to trust and report system anomalies, unusual links, or requests for sensitive information.

15.9.2.2 Patch Critical Vulnerabilities

15.9.2.2.1 Apply all relevant security patches and firmware updates promptly.

15.9.2.2.2 Prioritize fixes for internet-facing and critical systems (VPNs, firewalls, email servers, etc).

15.9.2.3 Enhance Threat Monitoring

²²⁴ Reference: CDSL/AUDIT/DP/POLICY/2023/58 dated January 25, 2023 and Reference: CDSL/AUDIT/DP/POLICY/2023/696 dated November 30, 2023

²²⁵ Reference: CDSL/RISK/DP/POLICY/2024/738 dated December 06, 2024

²²⁶ Reference: CDSL/OPS/DP/POLICY/2023/133 dated March 1, 2023

²²⁷ Reference: CDSL/OPS/DP/POLICY/2025/297 dated May 06, 2025



- 15.9.2.3.1 Act swiftly on alerts from brand monitoring tools. These alerts may indicate phishing campaigns or impersonation attempts targeting the organization or high-profile personnel.
- 15.9.2.3.2 Activate 24/7 security operations centre (SOC) or assign an on-call response team.
- 15.9.2.3.3 Increase real-time monitoring using SIEM tools for unusual login attempts, data exfiltration, or system changes.
- 15.9.2.3.4 Exercise caution with macro-enabled Excel files, particularly those with the .XLAM extension. These are Excel add-ins that load automatically and may contain embedded malicious code. Attackers often use them as a stealthy delivery mechanism for malware.
- 15.9.2.3.5 Restrict powershell usage within the organisation.
- 15.9.2.3.6 Closely monitor your systems for DDoS alerts. Reduce exposure of your applications on the Internet.
- 15.9.2.3.7 Report any anomalies immediately, including unusual system behaviour, unauthorized login attempts, or suspicious user activity. Prompt notification to the Security Operations Centre (SOC) is critical for early detection and response.

- 15.9.2.4 Tighten Access Controls**
 - 15.9.2.4.1 Enforce least privilege access—only essential personnel should access critical systems.
 - 15.9.2.4.2 Temporarily restrict admin-level access unless absolutely required.

- 15.9.2.5 Secure Backup Systems**
 - 15.9.2.5.1 Ensure offline, immutable, or cloud-based backups are in place and tested.

- 15.9.2.6 Strengthen Endpoint Security**
 - 15.9.2.6.1 Ensure all endpoints (laptops, desktops, servers,) have updated antivirus, EDR, and firewall rules.
 - 15.9.2.6.2 Block unauthorized USB devices or removable media.

- 15.9.2.7 Cyber Incident Response Plan**
 - 15.9.2.7.1 Review your team's response time, communication flow, recovery actions, corrective and preventive measures.

- 15.9.2.8 Coordinate with External Agencies**
 - 15.9.2.8.1 Report incidents to CERT-In, SEBI and relevant authorities.
 - 15.9.2.8.2 Report real-time incidents or suspicious activity as per applicable guidelines.

15.10 Immediate Cyber Incident & Quarterly Cyber Incident Reporting by DPs²²⁸

- 15.10.1 Based on SEBI circular No: SEBI/HO/MIRSD/TPD/P/CIR/2022/93 dated June 30, 2022, wherein all Cyber-attacks, threats, cyber-incidents and breaches experienced by Stockbrokers / Depositories Participants shall be reported to Stock Exchanges / Depositories & SEBI within 6 hours of noticing / detecting such incidents.

- 15.10.2 Depository Participants are informed that CDSL has developed a facility for online submission of cyber incident reporting through audit web portal. Depository Participants shall also report about such incidents to CDSL through the dedicated e-mail id: dpincident@cdslindia.com.

²²⁸ Reference: CDSL/OPS/DP/POLCY/2025/27 dated January 10, 2025 & CDSL/IS/DP/POLCY/2025/423 dated June 23, 2025



- 15.10.3 The process for submitting immediate cyber incident report to Depositories is mentioned in the referred communique.
- 15.10.4 Depository Participants are informed that CDSL has developed a facility for online submission for quarterly cyber incident reporting through audit web portal. Depository Participants must submit a mandatory quarterly report to CDSL on all the cyber-attacks, threats, incidents, breaches, within 15 days after the end of each quarter.
- 15.10.5 Depository Participants are advised to note that SEBI vide circular SEBI/HO/ITD-1/ITD_CSC_EXT/P/CIR/2024/113 dated August 20, 2024 has extended the compliance timelines to ensure ease of compliance for CSCRF by two months i.e., till August 31, 2025 to all REs, except Market Infrastructure Institutions (MIIs), KYC Registration Agencies (KRAs), and Qualified Registrars to an Issue and Share Transfer Agents (QRTAs).²²⁹

15.11 Reporting for Artificial Intelligence (AI) and Machine Learning (ML) Applications²³⁰

- 15.11.1 DPs should take note of the contents of SEBI circular no. SEBI/HO/MIRSD/DOS2/CIR/P/2019/10 Dated January 04, 2019 regarding Reporting for Artificial Intelligence (AI) and Machine Learning (ML) applications and systems offered and used by market intermediaries.
- 15.11.2 DPs using AI / ML based application or system as defined in the SEBI circular, are required to make submissions in prescribed format on annual basis within three months of the end of the financial year.²³¹

15.12 Submission of Annual System Audit Report²³²

In terms of SEBI Circular nos. SEBI/HO/MIRSD/CIR/PB/2018/147 and SEBI/HO/MIRSD/DOP/ CIR/P/2019/109 dated December 03, 2018 and October 15, 2019 respectively, the DPs are required to submit the system audit report to Depositories annually within three months of the end of the financial year along with the Action Taken Report (ATR) as per format prescribed by SEBI from time to time.

15.13 Framework for Adoption of Cloud Services²³³

- 15.13.1 DPs are advised to refer SEBI Circular no. SEBI/HO/ITD/ITD_VAPT/P/CIR/2023/033 dated March 06, 2023, regarding Framework for Adoption of Cloud Services by SEBI Regulated Entities (REs).
- 15.13.2 The RE should also be aware of the new cyber security risks and challenges which cloud computing introduces. In view of the above, this cloud framework has been drafted to provide baseline standards of security and for the legal and regulatory compliances by the RE. The framework shall be seen as an addition to already existing SEBI circulars /guidelines /advisories.

²²⁹ Reference: CDSL/IS/DP/POLCY/2025/449 dated July 03, 2025

²³⁰ Reference: CDSL/OPS/DP/POLCY/2019/12 dated January 07, 2019 & CDSL/AUDIT/DP/POLCY/2021/302 dated July 9, 2021

²³¹ Reference: CDSL/RISK/DP/POLCY/2024/214 dated April 22, 2024

²³² Reference: CDSL/A,I&C/DP/POLCY/2022/298 May 31, 2022, CDSL/AUDIT/DP/POLCY/2021/302 dated July 9, 2021, CDSL/A,I&C/DP/POLCY/2023/298 dated May 16, 2023 & CDSL/RISK/DP/POLCY/2024/301 dated June 6, 2024

²³³ Reference: CDSL/OPS/DP/POLCY/2023/149 dated March 09, 2023 & CDSL/IS/DP/POLCY/2025/431 dated June 26, 2025



- 15.13.3 The major purpose of this framework is to highlight the key risks, and mandatory control measures which REs need to put in place before adopting cloud computing. The document also sets out the regulatory and legal compliances by REs if they adopt such solutions.
- 15.13.4 The framework shall be applicable for all new or proposed cloud onboarding assignments/projects of the REs. REs which are availing cloud services shall ensure that, wherever applicable, all such arrangements are revised and they (RE) shall be in compliance with this framework.
- 15.13.5 Additionally, the REs which are availing cloud services, shall provide milestone-based updates as follows:
- 15.13.5.1 REs shall provide details of the cloud services, if any, currently deployed by them in the prescribed format within one month of issuance of framework
 - 15.13.5.2 The REs shall submit a roadmap (including details of major activities, timelines, etc.) for the implementation of the framework within three months of issuance of framework
 - 15.13.5.3 Quarterly progress report as per the roadmap submitted by the RE, from three to twelve months of issuance of framework
 - 15.13.5.4 Compliance with respect to the framework to be reported regularly
- The above-mentioned reporting shall be done to the authority as per the existing mechanism of reporting for systems audit/ cybersecurity audit.
- 15.13.6 The cloud framework provides mandatory requirements to be fulfilled by the RE for adopting cloud computing to augment the business prospects through scalability, reduced operational cost, digital transformation and reduced IT infrastructure complexity.
- 15.13.7 This cloud framework is applicable for adoption of public cloud and community cloud. Consequently, REs are permitted to deploy public cloud and community cloud models, subject to the conditions specified herein. A private cloud shall be considered as an on-premise deployment model and consequently, private cloud deployments shall be governed by SEBI circulars (for example cybersecurity circular, outsourcing circular, BCP-DR, etc.), guidelines, advisories, etc. issued from time to time. Therefore, private cloud deployments (by REs) are permitted, however, such deployments may not be governed by this cloud framework.
- 15.13.8 A hybrid cloud is a combination of two or more out of public cloud, community cloud and private cloud. Therefore, this cloud framework as well as the relevant SEBI circulars/ guidelines/ advisories shall be applicable for hybrid cloud deployments. In view of the above, hybrid cloud deployment is permitted, subject to the conditions specified herein.
- 15.13.9 Deployment of any other cloud model is prohibited unless explicitly permitted under this framework. However, as the field of cloud computing is a dynamic and emerging area, SEBI may allow deployment of other models after due consultations. The same may be specified by SEBI from time to time.
- 15.13.10 The cloud framework is a principle-based framework which has nine high-level principles. The framework highlights the risks associated with cloud adoption and recommends the necessary mandatory controls. The document also recommends baseline security measures required to be implemented (by RE and CSP), and RE may decide to add additional measures as per its business needs, technology risk assessment, risk appetite, compliance requirements in all the applicable circulars/ guidelines/ advisories issued by SEBI from time to time, etc.



15.13.11 When contemplating cloud adoption, factors including risk identification, control mechanisms, security and operational standards, vendor lock-in and compliance with the legal, technical and regulatory requirements must be taken into account.

15.13.12 The summary of the framework is as follows:

15.13.12.1 The RE may opt for any model of deployment on the basis of its business needs and technology risk assessment. However, compliance should be ensured with this cloud framework as well as other rules/ laws/ regulations/ circulars made by SEBI/ Government of India/ respective state government.

15.13.12.2 Although the IT services/ functionality may be outsourced (to a CSP), RE is solely accountable for all aspects related to the cloud services adopted by it including but not limited to availability of cloud applications, confidentiality, integrity and security of its data and logs, and ensuring RE's compliance with the laws, rules, regulations, circulars, etc. issued by SEBI/Government of India/ respective state government. Accordingly, the RE shall be responsible and accountable for any violation of the same.

15.13.12.3 The principles are broadly stated guidelines to set the standards by which RE must comply with while adopting cloud services. While deploying cloud services, the REs shall adopt the nine (9) principles as provided in this framework:

Principle 1: Governance, Risk and Compliance Sub-Framework

Principle 2: Selection of Cloud Service Provider

Principle 3: Data Ownership and Data Localization

Principle 4: Responsibility of the Regulated Entity

Principle 5: Due Diligence by the Regulated Entity

Principle 6: Security Controls

Principle 7: Contractual and Regulatory Obligations

Principle 8: BCP, Disaster Recovery & Cyber Resilience

Principle 9: Vendor Lock-in and Concentration Risk Management

The REs shall ensure that their cloud deployments are compliant, in letter and spirit, with the above-mentioned principles.

15.13.12.4 The cloud services shall be taken only from the Ministry of Electronics and Information Technology (MeitY) empaneled CSPs. The CSP's data center should hold a valid STQC (or any other equivalent agency appointed by Government of India) audit status. For selection of CSPs offering PaaS and SaaS services in India, RE shall choose only such CSPs which:

15.13.12.4.1 Utilize the underlying infrastructure of MeitY empaneled CSPs for providing services to the RE.

15.13.12.4.2 Host the application/ platform/ services provided to RE as well as store/ process data of the RE, only within the data centers as empaneled by MeitY and holding a valid STQC (or any other equivalent agency appointed by Government of India) audit status.

15.13.12.4.3 Have a back-to-back, clear and enforceable agreement with their partners/ vendors/ sub-contractors (including those that provide the underlying infrastructure/ platform) for ensuring



their compliance with respect to the requirements provided in this framework including those in Principles 6 (Security Controls), 7 (Contractual and Regulatory Obligations) and 8 (BCP, Disaster Recovery & Cyber resilience).

- 15.13.12.5 In a multi-tenant cloud architecture, adequate controls shall be provisioned to ensure that data (in motion, at rest and in use) shall be isolated and inaccessible to any other tenant. RE shall assess and ensure that the multi tenancy segregation controls are placed by CSP, and shall place additional security controls if required.
- 15.13.12.6 Data shall be encrypted at all lifecycle stages (at rest, in motion and in use), source or location to ensure the confidentiality, privacy and integrity.
- 15.13.12.7 RE shall retain complete ownership of all its data, encryption keys, logs etc. residing in cloud.
- 15.13.12.8 Compliance with legal and regulatory requirements, including the requirements provided in this framework, has to be ensured by the RE at all times.
- 15.13.12.9 The cloud deployments of RE shall be monitored through Security Operations Centre (SOC) [in-house, third-party SOC or a managed SOC].
- 15.13.12.10 The agreement between the RE and CSP shall cover security controls, legal and regulatory compliances, clear demarcation of roles, and liabilities, appropriate services and performance standards etc.
- 15.13.12.11 There should be an explicit and unambiguous delineation/ demarcation of responsibilities for all activities (technical, managerial, governance related, etc.) of the cloud services between the RE and CSP (and MSP/SI wherever applicable). There shall be no "joint/ shared ownership" for any function/ task/ activity between the RE and CSP. If any function/ task/ activity has to be performed jointly by the RE and CSP, there should be a clear delineation and fixing of responsibility between the RE and the CSP (and MSP/SI wherever applicable) for each sub-task/ line-item within the task. The same should be a part of the agreement (as an annexure) between the RE and the CSP (and MSP/SI wherever applicable).
- 15.13.12.12 There should be an explicit and unambiguous delineation/ demarcation of responsibilities between the RE and CSP (and MSP/SI wherever applicable) for ensuring compliance with respect to circulars (for example cybersecurity and cyber resilience circular, outsourcing circular, BCP- DR etc.) issued by SEBI from time to time. There shall be no "joint/ shared ownership" for ensuring compliance with respect to any clause. If compliance for any clause has to be jointly ensured by RE and CSP (and MSP/SI wherever applicable), there should be a clear delineation and fixing of responsibility between the RE and the CSP (and MSP/SI wherever applicable) for each sub- task/ line-item within the clause. This delineation shall also be added explicitly in the agreement (as an annexure) signed between the RE and the CSP (and MSP/SI wherever applicable).



- 15.13.12.13 As part of system audit of the RE, the auditor shall verify, and certify, whether there is a clear delineation/ demarcation of roles and responsibilities between the RE and CSP/MSP/SI (in-line with the “Principle 4: Responsibility of the RE” of the framework):
- 15.13.12.13.1 For each task/ function/ activity/ component.
 - 15.13.12.13.2 For each clause of applicable/ relevant SEBI circular/ guidelines/ regulations
- 15.13.12.14 The auditor shall also verify, and certify, whether the above-mentioned demarcations of roles and responsibilities have been incorporated in the agreement/ contract signed between the RE and CSP (and MSP/SI wherever applicable).
- 15.13.12.15 The contractual/agreement terms between RE and CSP shall include the provisions for audit, and information access rights to the RE as well as SEBI, for the purpose of performing due diligence and carrying out supervisory reviews. RE shall also ensure that its ability to manage risks, provide supervision and comply with regulatory requirements is not hampered by the contractual terms and agreement with CSP.
- 15.13.12.16 SEBI/ CERT-In/ any other government agency shall at any time:
- 15.13.12.16.1 Conduct direct audits and inspection of resources of CSP (and its sub- contractors/ vendors) pertaining to the RE or engage third party auditor to conduct the same and check the adherence with SEBI and government guidelines/ policies/ circulars and standard industry policies.
 - 15.13.12.16.2 Perform search and seizure of CSP's resources storing/ processing data and other relevant resources (including but not limited to logs, user details, etc.) pertaining to the RE. In this process, SEBI or SEBI authorized personnel/ agency may access RE's IT infrastructure, applications, data, documents, and other necessary information given to, stored or processed by the CSP and/ or its sub-contractors.
 - 15.13.12.16.3 Engage a forensic auditor to identify the root cause of any incident (cyber security or other incidents) related to RE.
 - 15.13.12.16.4 Seek the audit reports of the audits conducted by CSP.
- 15.13.12.17 The RE shall ensure that adequate provisions are included in the agreement/ contract with CSP to enable the above functionalities. Additionally, RE shall also include provisions (in the contract/ agreement with CSP) mandating that CSP extends full cooperation to SEBI while conducting the above-mentioned activities.
- 15.13.12.18 The cloud framework should be read along with the circulars (including circulars on outsourcing, cybersecurity, BCP-DR, etc.), directions, advisories, etc. issued by SEBI from time to time.
- 15.13.12.19 The compliance with respect to the framework shall be submitted by the REs as part of their systems audit, cybersecurity audit, and VAPT reports, and no separate reporting is envisaged. The reporting shall be done as per the standardized format notified by SEBI from time to time. All other conditions for



reporting (for example reporting authority, duration of reporting, etc.) shall be as per the existing mechanism of reporting for systems audit/ cybersecurity audit/VAPT. The format for online submission of Framework for adoption of Cloud Services reporting through an audit web portal should be in accordance with the Communiqué issued by CDSL from time to time in this regard.

15.14 Implementation of SEBI CSCRF Circular for VAPT report submission²³⁴

15.14.1 DPs are advised to refer to SEBI circular No: *SEBI/HO/ ITD-1/ITD_CSC_EXT/P/CIR/2024/113 August 20, 2024* & CDSL communique no. CDSL/OPS/DP/POLCY/2024/468 August 21, 2024 on 'Cybersecurity and Cyber Resilience Framework (CSCRF) for SEBI Regulated Entities (REs) and subsequent clarification circulars issued by SEBI dated December 31, 2024, March 28, 2025, April 30, 2025, August 28, 2025, and Frequently Asked Questions (FAQ) dated June 11, 2025.

15.14.2 As per point no 4.3.2 of the CSCRF circular dated August 20, 2024, RE / Depository Participants shall plan their VAPT activity in the beginning of the financial year. RE / Depository Participants shall ensure that no audit cycle shall be left unaudited (if any) due to the change in categorization. In all such cases, the unaudited period shall be included in the upcoming/next audit cycle.

15.14.3 For the implementation of CSCRF guidelines for VAPT audit, following timelines have been prescribed in consultation with SEBI, for the conduct & submission of VAPT Report for Depository Participants falling under Self-certification RE's, Small-size RE's, Mid-size RE's and Qualified RE's (not categorized as QSB's):

15.14.4 Once in a Year - Financial Year (April 2025 – March 2026)

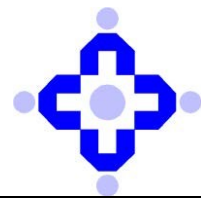
Yearly Submission for the period ending March 31, 2026	Due Date
Conduct of VAPT through Cert-in Auditor	June 30, 2026
VAPT report shall be submitted to Depository after approval from respective IT Committee	July 31, 2026
Submission of ATR/Revalidation report through Cert-in Auditor providing closure status after approval from respective IT Committee	November 30, 2026

15.14.5 Further, the timelines for the conduct & submission of VAPT report for Depository Participants categorised as QSB by any Stock Exchange or RE / Depository Participants which have been identified as 'Protected systems' and/or CII by NCIIPC are as follows: -

15.14.5.1 Half-yearly period-April 2025 – September 2025 (applicable to QSBs & protected REs)

VAPT for Half Yearly period ending September 30, 2025	Due Date
Conduct of VAPT through Cert-in Auditor and report shall be submitted to Depository after approval from respective IT Committee	December 31, 2025

²³⁴ Reference: CDSL/IS/DP/POLCY/2025/681 dated October 09, 2025



Submission of ATR/Revalidation report through Cert-in Auditor providing closure status after approval from respective IT Committee	March 31, 2026
--	----------------

15.14.5.2 Half-yearly period- October 2025 – March 2026 (applicable to QSBs & protected REs)

VAPT for Half Yearly period ending March 31, 2026	Due Date
Conduct of VAPT through Cert-in Auditor and report shall be submitted after approval from respective IT Committee	June 30, 2026
Submission of ATR/Revalidation report through Cert-in Auditor providing closure status after approval from respective IT Committee	September 30, 2026

- 15.14.6 RE / Depository Participants should note that the modified timelines mentioned above for conduct of VAPT & Closure of vulnerabilities along with approval by IT Committee are as per Pt no- 4.3.4 (Page No- 49) of CSCRF, which states that “any open vulnerabilities after 3 months of VAPT activity shall be approved by IT Committee for REs and shall be closed before start of next VAPT exercise”.
- 15.14.7 The comprehensive scope of VAPT shall include all critical assets and infrastructure components including (not limited to) Networking systems, Security devices, Servers, Databases, Storage Systems, Applications, Cloud deployments, Systems accessible through WAN, LAN as well as with public IP’s, websites, etc. The detailed scope of VAPT and testing methodologies for conduct of VAPT activity (Half Yearly/Yearly) shall be in accordance with Annexure – L of the SEBI CSCRF circular dated August 20, 2024, same is enclosed as Annexure–1 of the communique.
- 15.14.8 The updated formats of VAPT Audit report/Summary, Declaration from REs and Auditor, Assessment Details in accordance with SEBI CSCRF has been enclosed as Annexure–2 of the communique. Further as per SEBI Circular no- SEBI/HO/ ITD-1/ITD_CSC_EXT/P/CIR/2025/119 dated August 28, 2025- on Technical Clarifications to CSCRF for SEBI Regulated Entities (REs), REs shall NOT submit details of explicit vulnerabilities (detailed report) unless and otherwise asked for the details by SEBI/Depositories.
- 15.14.9 However, RE / Depository Participants are required to maintain records of detailed VAPT report as per format provided in Point 7 of Annexure- A of SEBI circular no. SEBI/HO/ITD-1/ITD_CSC_EXT/P/CIR/2024/113 dated August 20, 2024, and retain records of VAPT report along with POCs for a minimum period of three years. The detailed report shall be required to submit by REs as & when sought by SEBI/Depositories.
- 15.14.10 For the conduct of VAPT and appointment of auditor/auditing organization, RE / Depository Participants are required to refer auditor selection norms provided in Annexure-3, which are in accordance with norms specified in SEBI Cir no- SEBI/HO/ITD-1/ITD_CSC_EXT/P/CIR/2024/113 dated August 20, 2024.
- 15.14.11 Further, guidelines for submission of reports on online portal details shall be communicated through a separate circular.



15.14.12 All Depository Participants are advised to take note of the above to bring the provisions of this circular to the notice of the auditors and put in place adequate systems and procedures to ensure strict adherence to the compliance requirements.

15.15 Implementation Of SEBI CSCRF Circular For Cyber Audit Report Submission:²³⁵

15.15.1 DPs are advised to refer to SEBI circular No: SEBI/HO/ ITD-1/ITD_CSC_EXT/P/CIR/2024/113 August 20, 2024 & CDSL communique no. CDSL/OPS/DP/POLCY/2024/468 August 21, 2024 on 'Cybersecurity and Cyber Resilience Framework (CSCRF) for SEBI Regulated Entities (REs) and subsequent clarification circulars issued by SEBI dated December 31, 2024, March 28, 2025, April 30, 2025, August 28, 2025, and Frequently Asked Questions (FAQ) dated June 11, 2025, issued by SEBI.

15.15.2 As per clause no. 4.4. Cyber Audit of the CSCRF circular dated August 20, 2024, Cyber audit shall cover 100% of the critical systems and 25% of non-critical systems chosen on a sample basis for which the rationale of checking it on sample basis (non-critical systems) and the chosen sample size shall be explicitly mentioned in the audit report by auditor. Further, as per clause no. 4.4.1. of the CSCRF circular dated August 20, 2024, REs shall ensure that no audit cycle shall be left unaudited (if any) due to the change in category in the beginning of the financial year. In all such cases, the unaudited period shall be included in the upcoming/next audit cycle.

15.15.3 For the implementation of CSCRF guidelines for Cyber Audit by REs, following timelines have been prescribed in consultation with SEBI, for the conduct & submission of Cyber Audit Report on half yearly basis for all the Depository Participants falling under the following categories:

- Qualified REs
- Mid-size REs (providing IBT or Algo trading as a Stockbroker)
- Small-size REs (providing IBT or Algo trading as Stockbroker).

Cyber Audit for Half Yearly period ending September 30, 2025	Due date
Conduct of Cyber Audit through Cert-in Auditor and report shall be submitted to Depository after approval from respective IT Committee	December 31, 2025
Submission of ATR/Revalidation report through Cert-in Auditor providing closure status after approval from respective IT Committee	March 31, 2026

15.15.4 All the other Depository Participant that does not fall under the criteria mentioned above must submit an auditor's certificate, confirming that the categorization determined or provided by the Depository Participant (RE) complies with the SEBI CSCRF framework.

15.15.5 Further, many RE's are holding multiple registrations/licenses with SEBI for services such as Custody, AIF, RA/IA, PMS, Merchant Bankers etc., for which Depositories are not reporting authority, hence for the compliance towards standards & guidelines published under SEBI CSCRF circular dated August 20,2024 & subsequent clarification circulars issued by SEBI, RE's shall categorized themselves as per criteria laid down in the said circulars.

15.15.6 Criteria and thresholds for DPs categorisation:

Sr. No.	DP also registered as	Classification for CSCRF
----------------	------------------------------	---------------------------------

²³⁵ Reference: CDSL/IS/DP/POLCY/2025/806 dated December 10, 2025



1.	Stock Broker	To be classified as per the criteria followed for stock brokers
2.	Other than Stock Brokers #	Qualified RE

Banks, NBFC, Mutual Funds, RTA, Financial Institution, Custodians, Clearing Corporations, Public Financial Institution, State Finance Corporation

15.15.7 The categorization determined by REs shall be reviewed & approved by the entity's Board of Directors/Designated Director, or the Proprietor or Partner or technical advisory committee, as applicable for each financial year. Additionally, during the course of the Cyber Audit under CSCRf, auditors shall verify/validate whether the categorization determined/provided by the Depository Participant (RE) is in accordance with SEBI CSCRf framework.

15.15.8 Submission of Cyber Security and Cyber Resilience Audit Report shall be considered complete only after the Depository Participants submits the report to the depository after providing management comments. Further, the auditor must provide compliance status for each TOR item as Compliant/Non-Compliant/Not Applicable and in case of any TOR item which is not applicable, auditor is required to provide justification for non-applicability of said TOR.

15.16 Extension For Submission Of Cyber Audit Report as per SEBI CSCRf Circular:²³⁶

Depository Participants are hereby informed that the deadline for Cyber Security Audit report submission has been extended to 31st January 2026. The timeline for submission of ATR may revised accordingly as per provision of CSCRf.

²³⁶ Reference: CDSL/IS/DP/POLCY/2025/847 dated December 24, 2025



Chapter 16: Implementation of the Multilateral Competent Authority Agreement (MCAA) and Foreign Accounts Tax Compliance Act (FATCA)

- 16.1 DPs should take note of the contents of SEBI circular no. CIR/MIRSD/2/2015 dated August 26, 2015 regarding Implementation of the Multilateral Competent Authority Agreement and Foreign Accounts Tax Compliance Act. The Government of India has notified Rules 114F to 114H under the Income Tax Rules, 1962 and Form no, 61B for furnishing of statement of reportable accounts as specified in the Rules.
- 16.2 All registered intermediaries are advised to take necessary steps to ensure compliance with the requirements specified in the aforesaid Rules after carrying out necessary due diligence.²³⁷
- 16.3 DPs should take note of SEBI circular no. CIR/MIRSD/3/2015 Dated September 10, 2015 regarding Reporting Requirement under Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standards (CRS)- Guidance Note. The Guidance note as mentioned in the SEBI Circular is available in the below mentioned link:
http://www.incometaxindia.gov.in/communications/notification/guidance_notes_on_implementation_31_08_2015.pdf²³⁸
- 16.4 The financial institutions are advised that all efforts should be made by the financial institutions to obtain the self-certification. The account holders may be informed that, in case self-certifications are not provided till 30 April 2017, the accounts would be blocked, which would mean that the financial institution would prohibit the account holder from effecting any transaction with respect to such accounts. The transactions by the account holder in such blocked accounts may, thereafter, be permitted once the self-certification is obtained and due diligence completed.²³⁹
- 16.5 CDSL has introduced an additional freeze reason code: No. 19 “FATCA Non-Compliance (under IT Rule 114H(8))”, which the DP will be required to use at the time of blocking the accounts.²⁴⁰
- 16.6 DPs are advised to refer to SEBI Master Circular no. SEBI/HO/AFD-2/CIR/P/2022/175 dated December 19, 2022 regarding Valid FATCA / CRS documentations to be submitted by FPI at the time of account opening.²⁴¹

²³⁷ Reference: CDSL/OPS/DP/POLCY/5410 dated August 27, 2015

²³⁸ Reference: CDSL/OPS/DP/POLCY/5434 dated September 11, 2015

²³⁹ Reference: CDSL/OPS/DP/POLCY/196 dated April 18, 2017

²⁴⁰ Reference: CDSL/OPS/DP/POLCY/2017/213 April 28, 2017

²⁴¹ Reference: CDSL/OPS/DP/POLCY/2022/733 dated December 29, 2022



Chapter 17: Telecom Commercial Communication Regulations, 2018

17.1 Principal Entities under Telecom Commercial Communication Regulations, 2018²⁴²

- 17.1.1 DPs are advised to refer to communique no. CDSL/OPS/DP/POLCY/2023/517 dated September 01, 2023. regarding measures to curb misuse of headers and content templates –SMSs.
- 17.1.2 Further Telecom Regulatory Authority of India (“TRAI”) wherein it has been requested to direct all entities/institutions under the jurisdiction of SEBI for effective implementation of guidelines for sending commercial communication using telecom resources through Voice Calls or SMSs. Important aspects of guidelines for the Senders of the Commercial Communications, as per Telecom Commercial Communication Customer Preference Regulations, 2018 (“TCCCPR-2018”) and various Directions issued thereunder, for prevention of Unsolicited Commercial Communication (“UCC”) and hence potential misuse by fraudsters, are as received from TRAI vide letter dated May 09, 2024. DPs to take necessary measures for effective implementation of the guidelines issued by TRAI and ensure compliance.
- 17.1.3 DPs to refer to the Telecom Regulatory Authority of India (TRAI) Direction no.F.No. D-27/1/(2)/2024-QoS (E-13563) dated August 20, 2024, regarding Amendment measures to curb misuse of Headers and Content Templates under Telecom Commercial Communications Customer Preference Regulations, 2018 (6 of 2018).²⁴³
- 17.1.4 DPs to refer to Telecom Regulatory Authority of India (TRAI) direction dated April 07, 2025 received through SEBI, regarding Direction under section 13, read with sub-clauses (i) and (v) of clause (b) of sub-section (1) of section 11, of the TRAI Act, 1997 (24 of 1997) regarding compliance of Standard Operating Procedure for restoration of telecom resources disconnected under the Telecom Commercial Communications Customer Preference Regulations, 2018.²⁴⁴
- 17.1.5 DPs to note that the Authority, in exercise of the powers conferred upon it under section 13, read with sub-clauses (i) and (v) of clause (b) of subsection (1) of section 11, of the Telecom Regulatory Authority of India Act, 1997 (24 of 1997) and the provisions of the Telecom Commercial Communications Customer Preference Regulations, 2018 (6 of 2018), hereby directs all the Access Providers to ensure that —

17.1.5.1 *end-to-end implementation of 140xxx numbering series on DLT platform, including migration of existing telemarketers and scrubbing of calls as per regulations, is completed latest by 30th September 2024;*

17.1.5.2 *traffic containing URLs/ APKs/ OTT links/ Call back numbers, which are not whitelisted, is not permitted with effect from 01st September 2024;*

17.1.5.3 *the messages from Principal Entities to the recipients are traceable and, with effect from 01st November 2024, all messages, where the chain of Telemarketers is not defined or does not match, are rejected.*

17.1.5.4 *whenever misuse of Headers and/ or Content Templates is noticed or reported –*
17.1.5.4.1 *traffic from concerned Sender is suspended by all the Access Providers immediately, till such time the Sender files a complaint/ FIR with the Law Enforcement Agency for such misuse of its Headers and*

²⁴² Reference: CDSL/OPS/DP/P OLCY/2024/274 dated May 22, 2024

²⁴³ Reference: CDSL/OPS/DP/POLCY/2024/489 dated August 27, 2024

²⁴⁴ Reference: CDSL/OPS/DP/P OLCY/2025/245 dated April 11, 2025



Content Templates under the law of land, and the Sender reviews all its Headers and Content Templates and takes corrective measures as per the regulations to prevent misuse of its Headers and other credentials.

17.1.5.4.2 *Delivery-Telemarketer identifies the entity that has pushed traffic from such Headers or Content Templates into the network and files a complaint/ FIR for misusing Headers and Content Templates of other entity with the Law Enforcement Agency (LEA), under the law of the land, against such entity within two business days, failing which the Originating Access Provider (OAP) files a complaint/ FIR against the concerned Delivery-Telemarketer and traffic from concerned Delivery-Telemarketer is suspended by all the Access Providers immediately, till such time a complaint/ FIR is made by the Delivery-Telemarketer; and the entity that pushed the traffic is blacklisted by Originating Access Provider as well as all other Access Providers for a period of one year;*

17.1.5.5 *when a complaint is registered due to registration of Content Template in wrong category, the Content Template is blacklisted by the OAP; and if five Content Templates of such Sender are blacklisted for registration under wrong category, the OAP suspends the services of the Sender, for one month or till such time all the Content Templates of the Sender are reverified, whichever is later;*

17.1.5.6 *one Content Template is not linked with more than one Header;*

17.1.5.7 *all the Headers and Content Templates registered on DLT comply with the regulations and directions issued thereunder latest within 30 days of the issue of this direction.*

17.1.6 DPs to refer to the SEBI report dated April 18, 2024 of Indian Cyber Crime Coordination Centre titled *Abuse of 'SMS Headers' in Transnational 'Stock Market Investment Fraud'* (copy of the report attached herewith). In this regard, DPs to take necessary measures, as mentioned in the report, including the following:

17.1.6.1 Measures to prevent misuse of their SMS headers, entity and template ID by telemarketer or through DLT platform.

17.1.6.2 Measures to follow directions dated February 16, 2023 issued by TRAI (Ref. CDSL Circular No.: CDSL/OPS/DP/POLCY/2023/200 dated March 29, 2023) to curb misuse of Headers and Content Templates. Also review all Headers and Content Templates and surrender/close unused Header and Template.

17.1.6.3 Measures for prompt reporting of any impersonation of their identity, trademark, logo etc. by any fraudster on National Cybercrime Reporting Portal.²⁴⁵

17.1.7 DPs to educate investors on the procedures for filing complaints concerning Unsolicited Communication and fraudulent schemes utilizing telecommunications resources as detailed below:

17.1.7.1 In case of receiving spam or commercial communication make "DND" complaint at respective Telecom Service Provider's App/Website, TRAI DND App, or Call/SMS to 1909

17.1.7.2 In case of receiving suspected fraud communication, report the same to "Chakshu Platform" of DoT (<https://sancharsaathi.gov.in/sfc/Home/sfc-complaint.jsp>)

²⁴⁵ Reference: CDSL/OPS/DP/P OLCY/2024/404 dated July 19, 2024



- 17.1.7.3** In case fraud has already happened Report the same to Cyber Crime helpline number 1930 or website (<https://www.cybercrime.gov.in>)²⁴⁶
- 17.1.8 DPs to note that the Telecom Regulatory Authority of India (“TRAI”) has notified amendments to the Telecom Commercial Communications Customer Preference Regulations (“TCCCPR”), 2018 with an objective to strengthen the consumer protection against Unsolicited Commercial Communication (“UCC”).²⁴⁷
- 17.1.9 In view of the above, DPs are advised to take note of the following:
- 17.1.9.1** Ensure full compliance with the provisions of the amended TCCCPR, 2018.
 - 17.1.9.2** Complete whitelisting of URLs, APKs, etc., used by Investment Advisers (Principal Entities).
 - 17.1.9.3** Using 1600 series for outbound service and transactional calls.
 - 17.1.9.4** Not to use normal 10-digit numbers for making any commercial communications including service and transactional calls.
 - 17.1.9.5** Using Session Initiation Protocol (SIP) / Primary Rate Interface (PRI) connections only in compliance with TCCCPR, 2018.
 - 17.1.9.6** Extend full cooperation with the Indian Cybercrime Coordination Centre (“I4C”) and TRAI with respect to any reporting and advisory protocols issued.
 - 17.1.9.7** Strengthen internal systems and controls to ensure there is no inadvertent or malicious use of registered headers and content templates associated with the Investment Advisers.

17.2 Mandatory Phase-wise Adoption of 1600-Series Numbers²⁴⁸

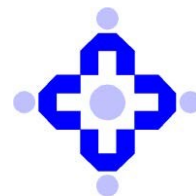
- 17.2.1 DPs are hereby informed that the Telecom Regulatory Authority of India (“TRAI”) has issued a Direction dated November 19, 2025 under section 13, read with sub-clauses (i) and (v) of clause (b) of sub-section (1) of section 11 of the TRAI Act, 1997, mandating phase-wise adoption of the 1600-series for all service and transactional voice calls made by entities regulated by RBI, SEBI and PFRDA.
- 17.2.2 **The Direction has been issued after:**
- 17.2.2.1** FY2024–25 consumer awareness findings indicating persistent misuse of 10-digit numbers for service/transactional calls by BFSI entities, potentially resulting in Commercial Communication (UCC), spoofing and impersonation frauds;
 - 17.2.2.2** DoT’s allocation of a dedicated “1600” series (letter dated December 23, 2024) exclusively for Government and BFSI entities.
 - 17.2.2.3** Consultations with sector regulators and timelines submitted in response to TRAI’s letter dated September 03, 2025.
- 17.2.3 **Key compliance requirements:**
Mandatory adoption of 1600-series strictly as per timelines in Annexure-I of the Direction (refer annexure). Further the important of dates of the same are:

Phase	Category of Entities	Last Date for mandatory
Phase-II	Qualified Stockbrokers (QSBs), as identified in	March 15, 2026

²⁴⁶ Reference: CDSL/PMLA/DP/POLCY/2024/436 dated August 05, 2024

²⁴⁷ Reference: CDSL/OPS/DP/POLCY/2025/433 dated June 27, 2025

²⁴⁸ Reference: CDSL/OPS/DP/POLCY/2025/769 dated November 24, 2025



	the list published annually on the websites of the Stock Exchanges	
Phase-III	SEBI-registered intermediaries, other than those mentioned above	Voluntary adoption for time being

17.2.4 Post-deadline, any entity not adopting the 1600-series will be subject to regulatory action applicable to unregistered telemarketers in case of UCC complaints.

17.2.5 Entities must not initiate any service or transactional voice calls from non-1600 numbers after the specified dates, even where explicit or inferred customer consent exists.

17.3 TRAI Direction To Mandate Pre-Tagging of Variables In SMS Content Templates²⁴⁹

17.3.1 DPs are hereby informed that the Telecom Regulatory Authority of India (TRAI) has issued a Directions dated November 18, 2025 under section 13 of the TRAI Act, prescribing mandatory measures to curb misuse of Headers and SMS Content Templates under the Telecom Commercial Communications Customer Preference Regulations, 2018.

17.3.2 The Direction mandates pre-tagging of every variable field in SMS templates with descriptive labels indicating content type, purpose, and validation criteria, along with compulsory scrubbing against pre-whitelisted URLs, OTT/APK links and callback numbers. The deadlines notified by the Authority are as under:

17.3.2.1 Within 10 days of the Direction:

All newly registered SMS templates must comply with mandatory variable pre-tagging before approval.

17.3.2.2 Within 30 days of the Direction:

Access Providers must commence automated scrubbing and validation of all tagged variables.

17.3.2.3 Within 60 days from commencement of scrubbing:

All existing content templates must be updated to comply with the prescribed pre-tagging standards.

17.3.2.4 During the initial 60 days of scrubbing:

Messages will be allowed in logger mode with fault messages; After this period, any message failing variable-tag validation shall be rejected outright.

²⁴⁹ Reference: CDSL/OPS/DP/POLCY/2025/782 dated December 01, 2025



Chapter 18: Rights of Persons with Disabilities Act, 2016

18.1 Compliance with Rights of Persons with Disabilities Act, 2016²⁵⁰

- 18.1.1 DPs to refer communicate no. CDSL/OPS/DP/POLCY/2024/371 dated July 03, 2024. SEBI vide its email dated June 19, 2024 has advised the Depository to issue advisory to DPs, for the necessary compliance with regard to the provisions given under Rights of Persons with Disabilities Act, 2016 and rules thereunder (wherever applicable) specifically the following provisions:

Section 42: Access to information and communication technology.

The appropriate Government shall take measures to ensure that, —

- a) all contents available in audio, print and electronic media are in accessible format to the disabled persons.
- b) persons with disabilities have access to electronic media by providing audio description, sign language interpretation and close captioning.
- c) electronic instructions which are meant for everyday use are available in universal design.

Section 46: Time limit for accessibility by service providers.

The service providers whether Government or private shall provide the services in accordance with the rules on accessibility formulated by the Central Government under section 40 within a period of two years from the date of notification of such rules:

Provided that the Central Government in consultation with the Chief Commissioner may grant extension of time for providing certain category of services in accordance with the said rules.

Rule 15 of the Rights of Persons with Disabilities Rules, 2017: Rules for Accessibility

- a) Every DPs shall comply with the following standards relating to physical environment and information and communication technology, namely: -
 - i) standard for public buildings as specified in the Harmonized Guidelines and Space Standards for Barrier Free Built Environment for Persons with Disabilities and Elderly Persons as issued by the Government of India, Ministry of Urban Development in March, 2016;
 - ii) standard for Bus Body Code for transportation system as specified in the notification of the Government of India in the Ministry of Road Transport and Highways, vide number G.S.R. 895(E), dated 20th September, 2016;
 - iii) Information and Communication Technology-
 - (i) DPs shall design the website standard as specified in the guidelines for Indian Government websites, as adopted by Department of Administrative Reforms and Public Grievances, Government of India.
 - (ii) necessary documents to be placed on websites of the DPs in Electronic Publication (ePUB) or Optical Character Reader (OCR) based pdf format:

²⁵⁰ Reference: CDSL/OPS/DP/POLCY/2024/371 dated July 03, 2024



Provided that the standard of accessibility in respect of other services and facilities shall be specified by the Central Government within a period of six months from the date of notification of these rules.

DPs to comply with the above-mentioned Acts and the Rules, wherever applicable.

18.2 Rights of persons with Disabilities Act, 2016 and rules made thereunder- Mandatory Compliance by all Regulated Entities²⁵¹

18.2.1 DPs are advised to refer to the SEBI Circular no. SEBI/HO/ITD1/ITD_VIAP/P/CIR/2025/111 dated July 31, 2025, regarding Rights of Persons with Disabilities Act, 2016 and rules made thereunder- mandatory compliance by all Regulated Entities.

18.2.2 The Compliance Guidelines are enclosed at Annexure A to the communique²⁵² .

18.2.3 DPs shall provide updates on the status of implementation of accessibility provisions on all this Digital Platforms, specifically in accordance to the following milestones:

Sl. No.	Timeline Compliance required	Milestone
1	REs shall submit a list of digital platforms provided by them for the investors ²⁵³	September 30, 2025
2	REs shall submit a status of their readiness and compliance to the accessibility requirement for each of their digital platforms ²⁵⁴	March 31, 2026
3	Conduct of Accessibility Audit for the digital platforms. ²⁵³	April 30, 2026
4	Remediation of findings from the audit and ensuring compliance with this circular. ²⁵³	July 31, 2026
5	Annually give compliance to conducting annual accessibility audits of all the digital platforms and submit final report of such audit to SEBI ²⁵²	April 30, 2027*

* Annual compliance is to be submitted within 30 days of each Financial Year, effective April 30, 2027

18.2.4 The compliance with this circular shall be reviewed and approved by Managing Director or the Managing Partner or the Proprietor of the DPs, as may be applicable. DPs shall designate any senior officer as the Nodal Officer for digital accessibility compliance. In the absence of an officially designated Nodal Officer, the Compliance Officer of the Proprietor shall be deemed to be the Nodal Officer for ensuring digital accessibility compliance.

18.2.5 The major roles and responsibilities of the Nodal Officer shall be to ensure digital accessibility for every investor by ensuring that activities, including but not limited to conducting accessibility audits, mitigation of accessibility audit findings, implementation of accessibility guidelines, and timely redressal of grievance. The Nodal Officer shall serve as the contact point for SEBI in any matter pertaining to digital accessibility.

²⁵¹ Reference: CDSL/OPS/DP/POLCY/2025/516 dated August 04, 2025

²⁵² Reference: CDSL/OPS/DP/POLCY/2025/656 dated September 29, 2025

²⁵³ Reference: CDSL/OPS/DP/POLCY/2025/584 dated September 01, 2025

²⁵⁴ Reference: CDSL/OPS/DP/POLCY/2025/804 dated December 09, 2025



- 18.2.6 A grievance redressal mechanism specific to accessibility issues shall be institutionalized within the DPs. Channels such as email, helpline, and web forms must be user-friendly for PWDs. The system must include provisions for escalation to senior officers.
- 18.2.7 The Digital Platforms of the DPs shall include features such as Indian Sign Language (ISL) videos, closed captioning, descriptive audio, and alternate text for images. For instance, an explainer video on KYC must include captions and ISL interpretation.
- 18.2.8 All circulars, notices, and investor documents published on the Digital Platforms of the DP's (website, mobile application, etc.) in PDF or other formats must follow accessible document standards—such as tagged PDFs, logical reading order, proper use of headings, and alt text. The DP shall follow the PDF techniques (<https://www.w3.org/TR/WCAG20-TECHS/pdf>) covered in WCAG 2.1 for the same. If a revised standard for accessibility of Text documents is published by W3C (World Wide Web Consortium, the owner of WCAG standards) the compliance to the venue standard should be ensured.
- 18.2.9 Training modules that give detailed understanding on digital accessibility (website, mobile application, etc.) shall be part of all internal training programs for staff and third-party service providers who are developing and publishing content for dissemination via Digital Platforms. The Digital Platform shall be “accessible by design”. Trainings should emphasize on design wise digital accessibility. The trainings should cover behavioural training, assistive tools, and inclusive experience for normal as well as differently abled users.
- 18.2.10 All DPs shall ensure that digital KYC, e-KYC, and video KYC processes include alternatives to accommodate differently abled users/clients. For example, human-assisted video KYC, allowing scanned document uploads, or voice-assisted KYC for visually impaired users.
- 18.2.11 KYC and client registration forms shall include a mandatory field to indicate disability status and options to select specific provisions such as helpdesk call back for assistance. Any application of a client with disability shall be rejected by the DPs only after a review by a designated human officer and the said officer shall be empowered to override automated rejections and approve applications on a case by case basis, thereby ensuring equitable access to services of the DPs for persons with disabilities.
- 18.2.12 All DPs shall initiate a comprehensive accessibility audit of their digital platforms including websites, mobile apps, portals through International Association of Accessibility Professionals (“IAAP”). The audit shall follow the latest WCAG, GIGW guidelines and RPwD Act and rules made thereunder and also SEBI from time to time. The said accessibility audit shall include usability testing by persons with disabilities.
- 18.2.12.1 Based on the audit findings, DPs shall prepare and implement a plan for remediation of audit observations.
- 18.2.12.2 Existing digital platforms must be upgraded to meet accessibility standards within the transition timeline.
- 18.2.12.3 All DPs shall conduct annual accessibility audits of their digital platforms including websites, mobile apps, portals through IAAP certified accessibility professionals.
- 18.2.13 All newly developed/procured digital solutions shall conform to latest WCAG, IS17802, GIGW guidelines and the provisions of the RPwD Act, 2016 and rules made thereunder. In case of



Software as a Service (“SaaS”)/ customised SaaS products, vendors must seek conformance with the accessibility guidelines by conducting audit of their product/service in accordance with WCAG 2.1 (or latest) accessibility guidelines. The responsibility to ensure the accessibility of a Digital Platform shall lie with the DPs.

- 18.2.14 Accessibility requirements shall be part of all Request for Proposals (“RFPs”) and procurement contracts of the DPs and evaluation criteria of the DPs shall assign due weightage to accessibility readiness.

18.3 Submission of Status of readiness and compliance to the accessibility requirements

- 18.3.1 ²⁵⁵In accordance with paragraph 3 (a) of the afore-mentioned SEBI Circular, DPs are advised to submit the status of their readiness and compliance with the accessibility requirements for each of their digital platforms latest by **March 31, 2026**, the submission should be made in the prescribed format through <https://auditweb.cdslindia.com>. The detailed procedure for submission is provided in Annexure A of the communique.

- 18.3.2 ²⁵⁶ Depository Participant (DPs) are advised to refer Communique CDSL/AUDIT/DP/POLCY/2026/162 dated March 09, 2026, along with SEBI Circular no. HO/13/19/13(2)2025-ITD-1_VIAP/II/187/2025 dated December 08, 2025, regarding Clarification on the Digital Accessibility circulars.

- 18.3.3 In continuation of the communique issued pursuant to paragraph 3(a) of the captioned SEBI Circular, and with a view to providing further clarity on the scope and manner of submission, Depository Participants (DPs) are hereby advised as under:

18.3.3.1 DPs are required to submit the status of their readiness and compliance with the accessibility requirements in respect of the digital platforms, including website, mobile application, or any other online services provided by the DP, as disclosed to CDSL in accordance with SEBI Circular no. SEBI/HO/ITD-1/ITD_VIAP/P/CIR/2025/131 dated September 25, 2025. As per the said circular, DPs were required to submit the list of their digital platforms to CDSL by September 30, 2025.

18.3.3.2 The submission shall be made by manually entering the platform-wise details and the corresponding accessibility readiness status in the prescribed format provided in the Annexure-A to the aforementioned communique, through <https://auditweb.cdslindia.com>.

18.3.3.3 With reference to the field titled “Supporting Document (PDF)” specified under Clause 4 of the Annexure-A to the aforementioned communique, it is hereby clarified that, wherever a supporting document is uploaded, the same shall comprise of a report duly signed by certified accessibility professional(s) pertaining to the respective digital platform for which the accessibility readiness details are being submitted.

18.3.3.4 With further reference to Clause 7 in the Annexure – A of the aforementioned communique,

²⁵⁵ Reference: CDSL/AUDIT/DP/POLCY/2026/162 dated March 09, 2026

²⁵⁶ Reference: CDSL/AUDIT/DP/POLCY/2026/206 dated March 24, 2026



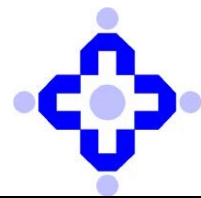
- 18.3.3.5 regarding the provision relating to modification of entries, it is clarified that DPs may edit or delete the respective row, including modification or deletion of the supporting document, as applicable.
- 18.3.3.6 All other instructions, manner of submission, and timelines specified in the earlier communique, including the requirement to submit the information, latest by March 31, 2026, shall remain unchanged.



Chapter 19: Reporting Timelines

19.1 Information/ documents to be submitted to CDSL

Sr. No.	Particulars	Periodicity for submission of reports	Due dates for receipt by CDSL	Mode of submission
1.	BO Grievances Report	Monthly	10 th of the following month	Online Submission
2.	Internal Audit Reports (IAR) and Concurrent Audit Report (CAR) of risk prone areas	Half yearly	15 th May for half year ended 31 st March & 15 th November for half year ended 30 th September	Online Submission
3.	Audited Net Worth Certificate	Yearly	31 st October, after end of financial year	DPs are required to submit the net worth certificate and audited financial statements online through https://auditweb.cdslindia.com
4.	Audited Financial Statements	Yearly	31 st October, after end of financial year	DPs are required to submit the net worth certificate and audited financial statements online through https://auditweb.cdslindia.com
5.	Submission/ Dissemination of DP Tariff/ Charges structure	Yearly	On or before 30 th April every year and as and when tariff structure is revised	Data on tariff structure to be uploaded on CDSL website. No need to submit the hardcopy of the tariff to CDSL which is uploaded by them through their DP easiest login
6.	Compliance Officer Details	If new officer appointed or any change in the compliance officer	Immediately	Hard copy in the format as specified by CDSL in the Operating Instructions
7.	Compliance Certificate	Half yearly	Before 31 st July for the half year period from January to June & 31 st January for the half year period from July to December	Online submission of compliance certificate through audit web portal
8.	Information in Risk Assessment	Half Yearly	Before 31 st October for the half year	Online submission of Risk Assessment Template



Sr. No.	Particulars	Periodicity for submission of reports	Due dates for receipt by CDSL	Mode of submission
	Template		period from April to September & 30 th April for the half year period from October to March	through web-CDAS
10.	Reporting for Artificial Intelligence (AI) and Machine Learning (ML) applications and systems ²³¹	Annually	Within three months from the end of the financial year.	Online submission of Cyber Security & Cyber Resilience framework through audit web portal.
11.	Number of Suspicious Transaction Report (STR) filed directly with FIU-IND during the a given month	Monthly	Within 7 days of the following month (Nil report need not be submitted)	Soft copy in prescribed format to pmla@cdslindia.com
12.	Status of the Surveillance alerts generated by DPs	Quarterly	within 15 days from end of the quarter	Online Submission
13.	Reporting of Cyber-attacks, threats (CYBER INCIDENT REPORT) ²⁵⁷	Immediately on occurrence of the incident	Immediately on occurrence of the incident	Through email to the designated email id
14.	Reporting of Cyber-attacks, threats ²²⁸ (Cyber Incident Report)	Quarterly	15 days after expiry of the quarter	Online Submission
15.	System Audit Report ²³² (Cyber Security Annual Report)	Annually	3 months from the end of Financial year	Online Submission
16.	VAPT	Annually	Within one month of completion of VAPT	Online Submission
16.a	VAPT	Half-yearly period-April 2025 – September 2025 (applicable to QSBs & protected REs)	Within Three month of completion of VAPT after approval from respective IT Committee	Online Submission

²⁵⁷ Reference: CDSL/AUDIT/DP/POLCY/2021/302 dated July 9, 2021



Sr. No.	Particulars	Periodicity for submission of reports	Due dates for receipt by CDSL	Mode of submission
16b.	VAPT	Half-yearly period- October 2025 – March 2026 (applicable to QSBs & protected REs)	Within Three month of completion of VAPT approval from respective IT Committee	Online Submission
17.	Compliance of closure of findings identified during VAPT	As and when	Within three months post the submission of final VAPT report	Online Submission
18.	DIS Scanning & upload	Daily	After execution - By the end of next working day	WebCDAS
19.	Roadmap (including details of major activities, timelines, etc.) for the implementation of the framework wrt cloud services	One time	Within three months of issuance of framework	In format prescribed by CDSL
20.	Quarterly progress report as per the roadmap submitted by the RE	Quarterly	From three to twelve months of issuance of framework	In format prescribed by CDSL
21.	Compliance with respect to the cloud services framework	Ongoing basis	Regularly	In format prescribed by CDSL

19.2 Information/ documents to be submitted to CDSL

Sr. No.	Compliance Reports
22.	Compliance report in respect of Inspection / Internal Audit / Concurrent Audit, duly counter signed by concurrent / internal auditor should be submitted to CDSL within 30 days from receipt of non-compliance letter from CDSL.

19.3 Information/ Documents To Be Submitted To FIU-IND

Sr. No.	Particulars	Periodicity for submission of reports	Due dates for receipt by CDSL	Mode of submission
23.	Suspicious Transaction Report (STR)	Fortnightly - on receiving alerts from CDSL or whenever	To be submitted within 7 days of discovering the	Online Submission



		alerts are generated by DP or whenever suspicious transactions are noticed by DPs	suspicious transaction to FIU-IND, New Delhi	
--	--	---	--	--

19.4 Online facility for mandatory submissions to CDSL by Depository Participants:²⁵⁸

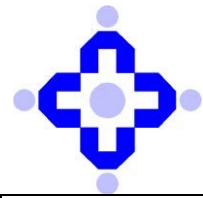
Regarding online facility for mandatory submissions to CDSL by depository participants, DPs to note that an online facility is made available for the following additional mandatory submissions to CDSL by the Depository Participants (DPs) with effect from January 2025.

Sr. No.	Mandatory Submission to CDSL by DPs	Timeline for submission	Frequency
1.	Modification in URL reported to CDSL within 3 days of such changes	By 10th of the succeeding month (i.e. by 10th February for the Month of January)	Monthly
2.	Non profit organization transactions report by 15th of next month to FIU-Ind	By 20th of the succeeding month (i.e. by 20th February for the Month of January)	Monthly
3.	Details of all the associated persons other than those engaged in basic elementary/clerical activities are NISM Series VI - DOCE certified.	By 31st of the succeeding month (i.e. by 31st January for the Period ending December and July 31 for the period ending June)	Half yearly
4.	Details of NISM-Series-III A: Securities Intermediaries Compliance (Non-Fund) Certification Examination ("SICCE") obtained by Compliance Officer of the DP as per SEBI notification dated 11th March 2013.	By 31st of the succeeding month (i.e. by 31st January for the Period ending December and July 31 for the period ending June)	Half yearly
5.	Details of 2 days' notice given to BO prior to stopping the process of instructions in case of default in payment ²⁵⁹	By 10th of the succeeding month (i.e. by 10th May for the Month of April)	Monthly
6.	Investor Grievance received at DP (Record of all the BO grievances received at DP, Main / Branch) ²⁶⁰	By 10th of the succeeding month (i.e. by 10th May for the Month of April)	Monthly
7.	Indictment order against the DP (Information w.r.t. the indictment or any other orders passed against the DP by any competent authority, if any)	By 10th of the succeeding month (i.e. by 10th May for the Month of April)	Monthly
8.	Tariff Structure of the DP	By 10th of the succeeding	Monthly

²⁵⁸ Reference: CDSL/AUDIT/DP/POLICY/2025/48 dated January 20, 2025

²⁵⁹ Reference: CDSL/AUDIT/DP/POLICY/2025/221 dated April 02, 2025

²⁶⁰ Reference: CDSL/AUDIT/DP/POLCY/2025/275 dated April 25, 2025



	(Information w.r.t increase in charges / fees providing 30 days notice to the BOs, if any)	month (i.e. by 10th May for the Month of April)	
9.	Reporting of STR finding with FIU-India by DP (Information w.r.t. the STRs filed by the DP with FIU IND, if any)	By 10th of the succeeding month (i.e. by 10th May for the Month of April)	Monthly



Chapter 20: Miscellaneous

20.1 **Unauthenticated news circulated by DPs through various modes of communication**²⁶¹

- 20.1.1 It is directed that the following monitoring mechanism to be adhered by DP in respect of unauthenticated news related to various scrips which are circulated through social media platforms/ instant messaging services/ VoIP/ blogs/chat forums/e-mail or any such medium by its employees:
- 20.1.1.1 Proper internal code of conduct and controls are in place.
 - 20.1.1.2 Employees/temporary staff/voluntary workers etc. employed/working in the Offices of market intermediaries do not encourage or circulate rumours or unverified information obtained from client, industry, any trade or any other sources without verification.
 - 20.1.1.3 Access to Blogs/Chat forums/Messenger sites etc. is either restricted under supervision or access should not be allowed.
 - 20.1.1.4 Logs for any usage of such Blogs/Chat forums/Messenger sites (called by any nomenclature) are treated as records and the same are maintained as specified by the respective Regulations which govern the concerned intermediary.
 - 20.1.1.5 Employees are directed that any market related news received by them either in their official mail/personal mail/blog or in any other manner, should be forwarded only after the same has been seen and approved by the concerned Intermediary's Compliance Officer. If an employee fails to do so, he/she shall be deemed to have violated the various provisions contained in SEBI Act/Rules/Regulations etc. and shall be liable for actions. The Compliance Officer shall also be held liable for breach of duty in this regard.

20.2 **Dealing with Conflicts of Interest**²⁶²

- 20.2.1 DPs are advised to refer to SEBI Circular no. CIR/MIRSD/5/2013 Dated August 27, 2013, in relation to general guidelines for dealing with conflicts of Interest of various Intermediaries.
- 20.2.2 DPs shall adhere to these guidelines for avoiding or dealing with or managing conflict of interest, They shall:
- 20.2.2.1 lay down, with active involvement of senior management, policies and internal procedures to identify and avoid or to deal or manage actual or potential conflict of interest, develop an internal code of conduct governing operations and formulate standards of appropriate conduct in the performance of their activities, and ensure to communicate such policies, procedures and code to all concerned;
 - 20.2.2.2 at all times maintain high standards of integrity in the conduct of their business;
 - 20.2.2.3 ensure fair treatment of their clients and not discriminate amongst them;
 - 20.2.2.4 ensure that their personal interest does not, at any time conflict with their duty to their clients and client's interest always takes primacy in their advice, investment decisions and transactions;
 - 20.2.2.5 make appropriate disclosure to the clients of possible source or potential areas of conflict of interest which would impair their ability to render fair, objective and unbiased services;

²⁶¹ Reference: CDSL/OPS/DP/POLCY/2023/189 dated March 24, 2023

²⁶² Reference: CDSL/OPS/DP/POLCY/3894 dated August 29, 2013



- 20.2.2.6 endeavor to reduce opportunities for conflict through prescriptive measures such as through information barriers to block or hinder the flow of information from one department/ unit to another, etc.;
 - 20.2.2.7 place appropriate restrictions on transactions in securities while handling a mandate of issuer or client in respect of such security so as to avoid any conflict;
 - 20.2.2.8 not deal in securities while in possession of material nonpublished information;
 - 20.2.2.9 not to communicate the material non published information while dealing in securities on behalf of others;
 - 20.2.2.10 not in any way contribute to manipulate the demand for or supply of securities in the market or to influence prices of securities;
 - 20.2.2.11 not have an incentive structure that encourages sale of products not suiting the risk profile of their clients;
 - 20.2.2.12 not share information received from clients or pertaining to them, obtained as a result of their dealings, for their personal interest;
- 20.2.3 The boards of DPs shall put in place systems for implementation of this circular and provide necessary guidance enabling identification, elimination or management of conflict of interest situations. The boards shall review the compliance of this circular periodically.
- 20.2.4 The said guidelines shall be in addition to the provisions, if any, contained in respective regulations/circulars issued by the Board from time to time regarding dealing with conflict of interest, in respect of DPs.
- 20.3 Due Diligence in the Depository Operations**²⁶³
- 20.3.1 DPs are advised to take precautions as mentioned in the Communique while carrying out the depository operations. During the inspection of the DPs by CDSL, certain non-compliances have been observed in following areas which may expose the DPs to potential risk. In order to raise the compliance level and to mitigate the risk, DPs are advised to take note of the same:
- 20.3.2 **Account opening:**
- 20.3.2.1 Corrective actions are not taken by DP, for cases kept on hold/ rejected by KRA.
 - 20.3.2.2 SEBI guidelines for implementation of KRA Regulations have not been followed.
 - 20.3.2.3 In case of HUF account, POA is not signed by all members.
 - 20.3.2.4 DP does not follow the procedure of carrying out initial KYC nor upload the information along with scanned images of KYC documents to KRA.
 - 20.3.2.5 DP has not reassessed the eligibility of BOs at the end of every billing cycle and acted on SEBI circular no. SEBI/HO/MIRSD/MIRSD-PoD1/P/CIR/2024/91 dated June 28, 2024.
 - 20.3.2.6 Guidelines as per SEBI circular no. CIR/MIRSD/2/2013 dated January 24, 2013 on Identification of Beneficial Ownership are not followed by DP.
- 20.3.3 **Demat Related**
Demat certificates along with rejection letters are not returned to the concerned BO within 7 days of receipt of the same from RTA.
- 20.3.4 **DIS Related**

²⁶³ Reference: CDSL/A,I&C/DP/POLCY/2019/111 dated March 01, 2019



- 20.3.4.1 DIS does not contain information on consideration amount/Reason/purpose in cases of transfers from one BO account to another for off-market transactions.
- 20.3.4.2 DP does not verify transactions originating from dormant accounts independently with the account holders before execution and record the details of the process on instruction slip.
- 20.3.4.3 If delivery instruction slip booklet is not issued on the basis of requisition slip, the procedure prescribed under operating instruction is not followed.
- 20.3.4.4 The delivery instructions accompanied by annexures are not accepted and processed as per the procedure prescribed by CDSL.

20.3.5 **PMLA Related**

- 20.3.5.1 DP has not updated the income details of the BO in CDAS and Back office system.
- 20.3.5.2 DP does not check/monitor the transactions/ value of securities in the demat account of the BO(s) based on income and occupation details as per PMLA guidelines and follow ongoing due diligence for ensuring effectiveness of the AML procedures.
- 20.3.5.3 DP has not updated and incorporated all the points in its PMLA policy as per guidelines of PMLA and SEBI Circular SEBI/HO/MIRSD/MIRSDSECFATF/P/CIR/2024/78 dated June 06, 2024.
- 20.3.5.4 DP has not categorized clients into low, medium and high risk based on perceived risk depending upon client's background, type of business activity and transactions.
- 20.3.5.5 The periodicity of review of policy is not defined in the PMLA policy.
- 20.3.5.6 PMLA policy does not have clause defining the periodicity of updating of documents taken during the client due diligence (CDD) process.

20.3.6 **Other Areas**

- 20.3.6.1 All associated persons other than those engaged in basic elementary / clerical level activities & supervised by NISM DOCE certified personnel, are not NISM-Series VI DOCE certified/ attended CPE programme as applicable to grandfathered employees.
- 20.3.6.2 Compliance Officer of the DP has not obtained NISM-Series-III A: Securities Intermediaries Compliance (Non-Fund) Certification Examination ("SICCE") as per SEBI notification dated March 11, 2013.
- 20.3.6.3 DP has not uploaded separate mobile number and e-mail address for each client as per SEBI guidelines.
- 20.3.6.4 All formats used by the DP are not in conformity with CDSL's prescribed format.
- 20.3.6.5 The DP does not use its 'easiest' login for processing of instruction(s) at least once in a month.
- 20.3.6.6 Back-office software is not used extensively for all DP activities.
- 20.3.6.7 The DPs are further advised to ensure that, in case of In-person verification (IPV), details like name of the person doing IPV, his/ her designation, organization with his/ her signatures and date are recorded on the KYC form at the time of IPV.

- 20.3.7 Compliance / DP officers are advised to take proper care to strengthen the internal controls and take steps to avoid such non-compliances.

20.4 **Comprehensive Strategy to address scams soliciting investments impersonating as recognized Intermediaries**²⁶⁴

²⁶⁴ Reference: CDSL/OPS/DP/GENRL/2024/234 dated April 30, 2024



- 20.4.1 Depository Participants (DPs) to note that SEBI vide email dated April 10, 2024, has informed about the “Comprehensive strategy to address scams soliciting investments impersonating as recognized intermediaries”.
- 20.4.2 SEBI has been receiving complaints from investors/intermediaries about fraudulent trading activities in the name of prominent SEBI registered financial institutions. Impersonators carry out their activities via social media platforms and messaging apps, such as Facebook, WhatsApp etc. making enticing promises of guaranteed high returns. Investors, believing they are dealing with legitimate registered intermediaries, download these apps and invest through it. However, their investments never actually occur with the Depository and instead, these transactions remain paper-based within the App. Subsequently, when investors try to withdraw the securities, these apps suddenly become non-functional.
- 20.4.3 It is observed from the complaints that majority of the victims of these transacting scheme/App frauds are retail investors who have knowledge of transacting and participated in the Indian securities market. Such impersonation not only poses a threat to the trust and confidence of investors but also damages the credibility of the entire Indian capital market.
- 20.4.4 In order to increase awareness regarding fraudulent trading schemes/Apps DPs are advised to:
- 20.4.4.1 Regularly monitor the web portal and social media platforms to check for any instances of impersonation or unauthorized use of the respective DP’s name / logo, or branding etc.
- 20.4.4.2 Take steps to take down such App/website/social media posts etc. by filing police complaints/public notices and report such instances to Depositories periodically.

20.5 Undertaking on compliance with Regulation 82B Restriction on association with Certain Persons²⁶⁵

- 20.5.1 DPs are advised to refer SEBI Circular no. SEBI/HO/MIRSD/ MIRSD-PoD-1/P/CIR/2025/11 dated January 29, 2025, pertaining to the Details/clarifications on provisions related to association of persons regulated by the Board, MIIs, and their agents with persons engaged in prohibited activities.
- 20.5.2 DPs are requested to submit an undertaking on their official letterhead confirming compliance with Regulation 82B concerning restrictions on association with certain persons.

20.6 Prescribed limits on holding Sovereign Gold Bonds²⁶⁶

- 20.6.1 DPs are advised to note that as part of our continuing efforts to promote regulatory compliance and investor awareness, all Depository Participants (DPs) are hereby advised to note the prescribed limits on holding Sovereign Gold Bonds (SGBs) as outlined by the Reserve Bank of India (RBI).
- 20.6.2 The maximum subscription limit per fiscal year (April to March) across primary issuance and secondary market purchases is as follows:

²⁶⁵ Reference: CDSL/OPS/DP/POLCY/2025/313 dated May 09, 2025

²⁶⁶ Reference: CDSL/OPS/CA/GENRL/SGB/2025/462 dated July 10, 2025



- 20.6.2.1 4 kg for individuals,
20.6.2.2 4 kg for Hindu Undivided Family (HUF) and
20.6.2.3 20 kg for trusts and similar entities notified by the government from time to time per fiscal year (April – March).
- 20.6.3 In case of joint holding, the limit applies to the first applicant only.
- 20.6.4 The annual ceiling will include bonds subscribed under different tranches during initial issuance by the Government and those purchased from the secondary market. The ceiling on investment will not include the holdings as collateral by banks and other Financial Institutions.
- 20.6.5 Individual investors with subsequent change in residential status from resident to non-resident may continue to hold SGB till early redemption/maturity.
- 20.6.6 It is essential that investors remain informed about these limits to ensure compliance and avoid any unintentional breaches.
- 20.6.7 We therefore request you to take proactive measures to communicate these regulatory limits to your clients through appropriate channels such as emails, notifications on trading platforms, investor webinars, and FAQs.
- 20.6.8 Responsibility for adherence to these limits lies with the Investor. Any breach or non-compliance with RBI guidelines will be attributed to that respective investor. All DPs are therefore urged to take adequate preventive and monitoring measures to ensure their clients' SGB holdings remain within permissible limits.
- 20.6.9 Your cooperation in this initiative will help safeguard investor interests while ensuring adherence to regulatory mandates.
- 20.7 Non-charging of AMC in demat accounts consisting of illiquid, suspended or delisted securities²⁶⁷**
- 20.7.1 DPs are advised to note that Several representations are received from Beneficial Owner (BO)s holding securities that are illiquid, suspended for trading, or delisted, and therefore do not carry any economic value. Such BO/s are unable to close their demat accounts due to the continued presence of these securities, which has resulted in the levy of Annual Maintenance Charges (AMC).
- 20.7.2 If the BO/s has submitted a closure request and having securities balances such demat accounts are placed under the status "To be closed." It has been now decided that if such "To be closed" accounts have only securities balances that are illiquid, suspended for trading, or delisted, such demat accounts shall be exempted from payment of AMC. Further, Depository Participants (DPs) will not be required to send transactions or holding statements to the BO/s for such accounts.
- 20.7.3 It is clarified that if, at a later stage, if the securities in these accounts become liquid or if the BO/s wishes to retain them, the BO/s may be advised to open a new demat account and transfer the securities from "To be closed" account to new demat account. Once the transfer is completed and the "To Be Closed" account status will change to Closed.

²⁶⁷ Reference: CDSL/OPS/DP/POLCY/2025/661 dated September 30, 2025



- 20.7.4 However, the said option shall not be available under the following circumstances:
- 20.7.4.1 The demat account of the BO/s is frozen due to regulatory requirements, for example, deficiency in KYC, order passed by any statutory authority, etc.
 - 20.7.4.2 The BO/s is debarred from entering into securities market due to any statutory order.
 - 20.7.4.3 The promoter/person acting in concert of the company, whose securities are illiquid, as such facility can be misused by promoter/PACs for exiting the company.
 - 20.7.4.4 The securities are marked as 'pledged' or 'hold' or 'encumbered' in the depository system.
 - 20.7.4.5 The company is under insolvency or liquidation process under the Insolvency and Bankruptcy Code, 2016.
 - 20.7.4.6 Certain dues are outstanding by BO/s towards the Depository Participant.
- 20.7.5 To prevent potential misuse of this facility, it shall be applicable strictly to accounts that contain only illiquid, suspended, or delisted securities. DPs must carry out due verification of the status of securities before processing such requests.
- 20.7.6 ²⁶⁸In view of the above Communique, DPs are advised to note that list of Beneficial Owner (BO)s having demat accounts in “To be Closed” status and holding only securities that are illiquid, suspended for trading, or delisted. is being shared with the DPs for reviewing at their end and not charging the AMC. The list of securities that are illiquid, suspended for trading, or delisted are considered basis on the details received from Stock Exchange/s.
- 20.7.7 DP wise list of said “To be closed” demat accounts have been kept in respective DPs billing folder with file naming convention as “**BLNG<<DP ID>>NO_AMC_ISINS_10102025.tar**”. In case of no such BO IDs are available for your DP, then said file will not be available for download in your DP billing folder.

20.8 Mandatory requirement of proper reason during rejection of easiest requests²⁶⁹

- 20.8.1 DPs are hereby informed to make a note that the rejection reason while rejecting any Easiest application request received from BO is a mandatory requirement **w.e.f. October 10, 2025**. The rejection reason will be sent to your customer through Email whose Easiest registration application was rejected by you. Hence the rejection reason must be specific and proper.

20.9 Introduction of new transaction type for seamless transfers of Government Securities between Demat and Retail Direct Gilt (RDG) Accounts²⁷⁰

- 20.9.1 DPs are requested to note that, to facilitate seamless transfers of Government Securities (G-Secs) between CDSL, NSDL, and RBI Retail Direct Gilt (RDG) accounts, CDSL has introduced new transaction type as “RDG Transfer”.
- 20.9.2 The new Transaction type will include transfer of Government Securities from Demat Account to RDG Account and RDG Account to Demat Account for “Own Account Transfers” where in there is no change in the Ownership.

²⁶⁸ Reference: CDSL/OPS/DP/POLCY/2025/689 dated October 10, 2025

²⁶⁹ Reference: CDSL/OPS/DP/EASI/2025/702 dated October 16, 2025

²⁷⁰ Reference: CDSL/OPS/CA/GENRL/SGB/2025/743 dated November 07, 2025 & CDSL/OPS/CA/GENRL/SGB/2025/815 dated December 11, 2025



- 20.9.3 Further, CDSL system will also allow transfer of Government securities between demat accounts maintained by BO across depository for “Transfer to own account” reason code only.
- 20.9.4 Currently this process, viz. transfers between RDG and Demat accounts including inter-depository own account transfers is being done through the Demat / Remat route. Introduction of New Transaction type aims to simplify and expedite these transfers by enabling direct movement of securities between these accounts.
- 20.9.5 The new Transaction Type will be made available under “Transactions” menu as “RDG Transfer” in the BO’s Easiest login for CDSL to RDG Transfer and under Setup Menu of Settlement module in CDAS as “RDG Transfer” for CDSL to RDG transfer. Transactions setup through BO easiest login or through CDAS will have to be approved by DP from the verify menu under Settlement module.
- 20.9.6 Please refer Annexure of the circular for the copy of the DIS slip with modifications incorporated to accommodate CDSL to RDG transfers.
- 20.9.7 In respect of own account transfers between the depositories the existing functionality of Inter Depository Transfers (IDT) would be applicable.
- 20.9.8 The system will allow users to set up transactions by entering mandatory details such as Source BOID, ISIN, Quantity, Target RDG Account, Transfer Type, Execution Date, Reason Code and Remarks. Transfer Value for the transaction will be auto calculated based on ISIN face value and quantity of given ISIN.
- 20.9.9 Transactions initiated after 4:30 PM on weekdays or after 1:00 PM on RBI working Saturdays will be scheduled for the execution on the next business day. Future-dated transactions will be permitted only for the next working day. Additionally, transactions will not be allowed for accounts with more than two holders in respect of CDSL to RDG transfers.
- 20.9.10 For any Beneficial Owner who is having any unpaid coupon or redemption payments in CDSL record, the transaction request will be rejected.

20.10 CDSL Investor Mobile Application- MYEASI²⁷¹

- 20.10.1 Depository participants are advised to note that, to enhance investor awareness, improve transparency, and provide easier access to securities-holding information, CDSL in coordination with SEBI has upgraded its investor mobile application.
- 20.10.2 The enhanced app now offers investors a consolidated, comprehensive, and user-friendly view of their securities market holdings, facilitating a more seamless and informed investor experience. It may be noted that Phase I of the investor mobile applications has been rolled out with, inter alia, the key features listed in the communique.
- 20.10.3 This enhanced CDSL investor mobile app are designed to empower investors by providing them with convenient, secure, and real-time access to their securities holdings and related information. The upgraded digital interface enables investors to easily view, monitor, and track their portfolios within a trusted and seamless environment.

²⁷¹ Reference: CDSL/BD-NP/DP/SEBI/2026/78 dated February 04, 2026



20.11 FPIs investing only in Government Securities:²⁷²

DPs are advised to refer to the SEBI Circular no. SEBI/HO/AFD/AFD-PoD-3/P/CIR/2025/127 dated September 10, 2025, regarding Ease of regulatory compliances for FPIs investing only in Government Securities.

20.12 Payment of Stamp Duty by Beneficial Owners (BOs) through valid UPI handle²⁷³:

20.12.1 DPs are advised to refer to CDSL Communique No. CDSL/OPS/DP/POLCY/2025/392 dated June 12, 2025, disseminating the SEBI Circular SEBI/HO/DEPA-II/DEPA-II_SRG/P/CIR/2025/86 dated June 11, 2025, regarding the adoption of standardized, validated, and exclusive UPI IDs for collection of payments by SEBI registered intermediaries from investors.

20.12.2 DPs are also advised to refer CDSL Communique Nos. CDSL/OPS/DP/POLCY/2020/18 dated January 8, 2020, and CDSL/OPS/DP/GENRL/2023/748 dated December 26, 2023, about operational procedure / modalities for making stamp duty payment through the online payment portal. In addition to the said facility, CDSL is pleased to inform its DPs that their clients (BOs) can now start making the stamp duty payment to CDSL **through valid UPI handle** for execution of their off-market or invocation transactions. The said facility has already been enabled to BOs effective from today i.e., September 18, 2025.

20.12.3 In addition to the said facility, CDSL is pleased to inform its DPs that their clients (BOs) can now also start making the stamp duty payment to CDSL through dynamic QR code for execution of their off-market or invocation transactions. The said facility has already been enabled to BOs.²⁷⁴

20.12.4 DPs are requested to take note of the following operational steps / modalities for making stamp duty payment by BOs to CDSL through valid UPI handle and disseminate the same to their clients.

20.12.4.1 BO will require to visit CDSL website www.cdslindia.com

20.12.4.2 On the CDSL homepage, BO will require to follow following steps to make a stamp duty payment.

20.12.3.1.1 Click on the **'Quick Links'** menu.

20.12.3.1.2 From the dropdown list, select **'Stamp Duty'** and click on **'Stamp Duty Payment'** link.

20.12.3.1.3 On the **'Stamp Duty Details'** page, select **Entity Type as 'Beneficial Owner (BO)'**.

20.12.3.1.4 On selection, BO will mandatorily require entering the following details:

- **BOID:** 16 digits demat account number for which stamp duty is to be paid.

- **BO Name:** On entering the BOID, name of the account holder will be auto displayed on the screen which BO is required to verify. BO should enter further information only if the name of the account holder is verified.

²⁷² Reference: CDSL/OPS/DP/POLCY/2025/611 dated September 11, 2025

²⁷³ Reference: CDSL/OPS/DP/SETT/2025/633 dated September 18, 2025

²⁷⁴ Reference: CDSL/OPS/DP/SETT/2026/6 dated January 2, 2026



- **Mobile Number:** 10 digits mobile number of the person making the payment is to be entered.
 - **Email ID:** Email address of the person making the payment is to be entered.
 - **Stamp Duty Amount:** Stamp duty amount to be paid will require to be entered by the BO.
 - **Enter Captcha:** To proceed further, BO should enter the correct captcha as displayed on the screen.
- 20.12.4.3 On entering all the details, BO will require to click on 'Proceed for Payment' option.
- 20.12.4.4 A dialog box will be displayed showing the options "Pay by QR" and "Pay by VPA".
- If option "Pay by QR" is selected, then the system will prompt an option "Show QR" which needs to be clicked to view and scan the QR for making the payment.
 - If option "Pay by VPA" is selected, then the system will prompt to enter his / her VPA (Virtual Payment Address) or UPI ID through which payment is to be made and then click on verify option to validate his / her UPI ID.
 - After validation of his / her VPA / UPI ID, BO will require to click on 'Make Payment' option to proceed for the payment.²⁷⁵
- 20.12.4.5 An Order ID for stamp duty shall be generated.
- 20.12.4.6 BO will receive the payment request from valid UPI handle of CDSL i.e. cdsl.stamp.dep@validhdfc in his / her UPI App.
- 20.12.4.7 BO will then require approving the payment request in his / her UPI App.
- 20.12.4.8 After approving the payment through UPI App, the successful message will be displayed on the payment screen.
- 20.12.4.9 Payment details will be sent on Email ID entered as above and registered email id of the BO.

20.13 **Introduction Of Stamp Duty Payment Indicator:**²⁷⁶

- 20.13.1 In response to feedback from market participants, CDSL is pleased to inform its DPs that the introduction of a new facility that enables DPs to specify the 'Stamp Duty Payment Indicator' within the CDSL system during transaction processing. This enhancement will allow DPs to indicate whether the stamp duty amount should be debited from the client's virtual bank account or the DP's virtual bank account.
- 20.13.2 Currently, stamp duty is deducted from the virtual bank account of the entity initiating the transaction in the CDSL system. For example, if a DP initiates a transaction, the stamp duty is debited from the DP's virtual bank account. Conversely, if a transaction is initiated by a client or member via their 'easiest' login, the corresponding stamp amount is deducted from the respective client or member's virtual bank account. With the implementation of this new feature, DPs will have the flexibility to utilize the Stamp Duty Payment Indicator to determine whether the stamp duty is to be debited from the DP's or the client's virtual bank account.
- 20.13.3 Below-mentioned standard values of the stamp duty payment indicator during transaction processing are being introduced for the above-mentioned facility:

Field description	ISO Tags	Standard	Meaning
-------------------	----------	----------	---------

²⁷⁵ Reference: CDSL/OPS/DP/SETT/2026/6 dated January 2, 2026

²⁷⁶ Reference: CDSL/OPS/DP/SYSTEM/2026/116 dated February 17, 2026



		Value	
Stamp duty payment indicator	StmpDtyInd	DP	Stamp duty to be paid by the Depository Participant
Stamp duty payment indicator	StmpDtyInd	CL	Stamp duty to be paid by the Client

20.13.4 DPs are hereby informed that the implementation of the above-mentioned standard values shall be communicated separately. In the meantime, DPs are advised to undertake all necessary changes in their back-office systems to ensure seamless implementation of the same.

20.14 Direct Credit of Securities in Dematerialisation account of the investor²⁷⁷

20.14.1 DPs are advised to refer CDSL communique no. CDSL/OPS/DP/POLCY/2026/70 dated February 01, 2026 including SEBI Circular no. HO/38/13/(3)2026-MIRSD-POD/II/3763/2026 dated January 30, 2026, regarding Ease of Doing Investment and Ease of Doing Business – Doing away with requirement of issuance of Letter of Confirmation (“LOC”) and to effect direct credit of securities in dematerialisation account of the investor/s.

20.14.2 In view of the above, CDSL is making necessary system enhancement, whereby the respective RTAs / Issuers will be able to setup the dematerialisation request through online / single entry mode in the CDSL systems. Only investor service requests such as issuance of duplicate certificates, transmission, transposition, claims from unclaimed suspense account and corporate actions will be processed through this enhanced system functionalities under RTA module.

20.14.3 Given below is the Dematerialisation process to be followed by the DPs for the abovementioned Investor Service Requests:

20.14.3.1 DPs shall provide the Latest Client Master List (CML) to the demat account holder/s.

20.14.3.2 Beneficial Owner(s) will affix their signature(s) on the said CML, and the signature of the BO(s) should be duly attested by the DP Official with the sign & seal, after due verification of the signature(s) of the BO with the specimen signature of the account holder(s) available in demat account.

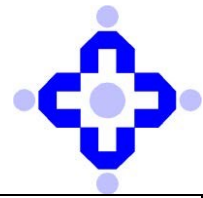
20.14.4 DPs to take note about the introduction of new Standard Values for Transaction status and Transaction code to be reflected in COD report for demat setup from RTA end as given below. The changes are already incorporated in UDIFF version 3.0.1.1 available for download from <https://www.cdslindia.com/DP/Harmonization.html>

20.14.4.1 Transaction Status

Harmonized value	Description
POTP	Pending for OTP Authentication
AOAT	Accepted OTP Authenticated Transaction
REJ	Rejected/ OTP Not Entered / Rejected by Investor

20.14.4.2 Transaction Code

²⁷⁷ Reference: CDSL/OPS/DP/POLCY/2026/202 dated March 23, 2026



Harmonized value	Description
POC	Pending OTP Confirmation
OCS	OTP Confirmed Successfully
SCR	Setup Checker Reject / Rejected OTP Authenticated Transaction/ OTP Not Entered / Rejected By Investor

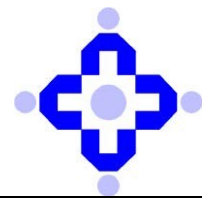
20.14.5 The above system changes in CDSL systems are scheduled to release on live on April 02, 2026.

20.14.6 Any LOC issued before releasing the CDSL systems, may be submitted by the investors to DP for dematerialisation within the specified timeline i.e. 120 days from the date of issuance of LOC.



LIST OF RESCINDED COMMUNIQUÉS

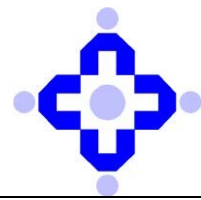
Sr. No.	Communiqué No.	Communiqué Date	Communiqué description
1.	CDSL/OPS/DP/649	23-Jan-2006	Guidelines on anti-money laundering measures
2.	CDSL/OPS/DP/817	3-Jan-2007	Unfreeze-option-for-entering-pan and re-activation.
3.	CDSL/OPS/DP/1408	31-Dec-2008	Guidelines on anti-money laundering measures
4.	CDSL/OPS/DP/1454	5-Feb-2009	Pan modification exclusively at CDSL-end.
5.	CDSL/OPS/DP/1459	10-Feb-2009	Pan modification at CDSL end
6.	CDSL/OPS/DP/1467	12-Feb-2009	Pan modification at CDSL-end
7.	CDSL/OPS/DP/1519	26-Mar-2009	Pan modification at CDSL's end
8.	CDSL/OPS/DP/1706	4-Sep-2009	Guidelines on anti-money laundering measures
9.	CDSL/OPS/DP/1751	24-Oct-2009	Procedure for implementation of section 51a of the unlawful activities -prevention act- 1967
10.	CDSL/OPS/DP/1861	19-Jan-2010	Clarification on "in-person" verification
11.	CDSL/OPS/DP/1751	18-Feb-2010	Guidelines on anti-money laundering measures
12.	CDSL/OPS/DP/2236	6-Jan-2011	Sebi circular anti money laundering combating financing of terrorism standards master circular
13.	CDSL/OPS/DP/POLC Y/2370 March 24, 2011	24-Mar-2011	Unauthenticated news circulated by sebi registered market intermediaries through various modes of communication
14.	CDSL/OPS/DP/POLC Y/2596	8-Aug-2011	Revised procedure for seeking prior approval for change in control through single window
15.	CDSL/OPS/DP/POLC Y/2635	15-Sep-2011	Redressal of investor grievances against Depository participants (DPs) in Sebi complaints redress system (scores)
16.	CDSL/OPS/DP/POLC Y/2748	08-Dec-2011	The securities and exchange board of India (KYC registration agency) regulations, 2011
17.	CDSL/OPS/DP/POLC Y/2774	27-Dec-2011	Guidelines in pursuance of the SEBI KYC registration agency (KRA) regulations, 2011 and for In-person verification (IPV)
18.	CDSL/OPS/DP/POLC Y/2012/2808	16-Jan-2012	Sebi-circular-investment-by-qualified-foreign-investors- in- Indian-equity-shares
19.	CDSL/OPS/DP/POLC Y/2976	21-Apr-2012	Uploading of the existing clients' KYC details in the KYC Registration agency (KRA) system by the intermediaries
20.	CDSL/OPS/DP/POLC Y/2012/3051	8-Jun-2012	Revision in framework for qualified foreign investor investment in equity shares and mutual fund schemes
21.	CDSL/OPS/DP/POLCY/3173	16-Aug-2012	Aadhaar letter as proof of address for know your client (KYC) norms
22.	CDSL/OPS/DP/POLCY/3190	28-Aug-2012	Sebi circular - Facility for basic services demat account (BSDA)
23.	CDSL/OPS/DP/POLC Y/2012/3203	6-Sep-2012	Sebi-circular-KYC-requirements-clarification-for-foreign-investors
24.	CDSL/OPS/DP/POLC Y/3417	07-Jan-2013	Rationalization process for obtaining pan by investors
25.	CDSL/OPS/DP/POLC	25-Jan-2013	Guidelines on identification of beneficial ownership



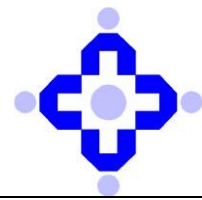
Sr. No.	Communiqué No.	Communiqué Date	Communiqué description
	Y/3451		
26.	CDSL/OPS/DP/POLC Y/3578	25-Mar-2013	The securities and exchange board of India (KYC registration agency) (amendment) regulations, 2013
27.	CDSL/OPS/DP/POLC Y/2013/3921	16-Sep-2013	Sebi circular know your client requirements for eligible foreign investors
28.	CDSL/OPS/DP/POLC Y/3969	09-Oct-2013	Know your client requirements
29.	CDSL/OPS/DP/POLC Y/4150	30-Dec-2013	Know your client requirements
30.	CDSL/OPS/DP/POLC Y/2014/4203	24-Jan-2014	Operational guidelines for designated depository participants
31.	CDSL/OPS/DP/POLC Y/4309	13-Mar-2014	Sebi circular- on anti-money laundering
32.	CDSL/OPS/DP/POLC Y/2014/4370	9-Apr-2014	Sebi circular - change in investment conditions- restrictions for FII-QFI
33.	CDSL/OPS/DP/POLC Y/2014/4412	2-May-2014	Sebi circular- infrastructure facilities and submission of periodic reports by DDPs
34.	CDSL/OPS/DP/POLC Y/2014/4506	17-Jun-2014	Sebi circular- know your client -KYC- requirements for foreign portfolio investors -FPIs
35.	CDSL/OPS/DP/POLC Y/2015/4979	5-Feb-2015	Change in investment conditions restrictions for FPI investments in corporate debt securities
36.	CDSL/OPS/DP/POLC Y/2015/4983	6-Feb-2015	Change in investment conditions for FPI investments in government debt securities
37.	CDSL/OPS/DP/POLC Y/5088	25-Mar-2015	Saral account opening form for resident individuals
38.	CDSL/OPS/DP/POLC Y/2015/5487	8-Oct-2015	Sebi circular investments by FPIs in government securities
39.	CDSL/OPS/DP/POLCY/5705	27-Jan-2016	Know your client requirements - clarification On voluntary adaptation of Aadhaar based e-KYC process
40.	CDSL/OPS/DP/POLC Y/2016/5821	17-Mar-2016	Investments by FPIs in REITs INVITs AIFs and corporate bonds under default
41.	CDSL/OPS/DP/ACCTS/6040	26-Jul-2016	Pan modification at CDSL end
42.	CDSL/OPS/DP/POLC Y/2016/6061	5-Aug-2016	Foreign investment in rupee denominated bonds
43.	CDSL/OPS/DP/POLC Y/2016/6170	4-Oct-2016	Sebi circular investments by FPIs in government securities
44.	CDSL/OPS/DP/POLC Y/6049	29-Jul-2016	Operationalization of central KYC records registry (CKYCR)
45.	CDSL/OPS/DP/POLC Y/6244	11-Nov-2016	Uploading of the existing clients' KYC details with central KYC records registry (CKYCR) system by the registered intermediaries
46.	CDSL/OPS/DP/POLC Y/2016/6253	21-Nov-2016	Sebi circular FPIs requirement of pan
47.	CDSL/OPS/DP/POLC Y/2017/15	5-Jan-2017	Sebi circular guidelines participation functioning FPI in IFSC



Sr. No.	Communiqué No.	Communiqué Date	Communiqué description
48.	CDSL/OPS/DP/POLC Y/2017/59	1-Feb-2017	Sebi circular credit of proceeds due to write off of securities held by FPI
49.	CDSL/OPS/DP/POLC Y/2017/116	3-Mar-2017	Sebi circular investments by FPIs in corporate debt securities
50.	CDSL/OPS/DP/POLC Y/2017/332	5-Jul-2017	Sebi circular investments by FPIs in government securities
51.	CDSL/OPS/DP/POLC Y/2017/333	5-Jul-2017	Sebi circular acceptance of e-pan card for KYC purpose for FPIs
52.	CDSL/OPS/DP/POLC Y/2017/347	13-Jul-2017	Sebi circular FPI IFSC amendments
53.	CDSL/OPS/DP/POLC Y/2017/364	24-Jul-2017	Investments by fpis in corporate debt
54.	CDSL/OPS/DP/POLC Y/2017/487	5-Oct-2017	Sebi circular investments by FPIs in government securities
55.	CDSL/OPS/DP/POLC Y/2017/551	17-Nov-2017	Sebi circular investments by FPIs in hybrid securities
56.	CDSL/OPS/DP/POLC Y/2017/608	21-Dec-2017	Sebi circular investments by FPIs in government securities
57.	CDSL/OPS/DP/POLC Y/2018/81	17-Feb-2018	Sebi circular easing of access norms for investment by FPIs
58.	CDSL/OPS/DP/POLC Y/2018/122	12-Mar-2018	Sebi circular separate limit of interest rate futures IRFs for FPIs
59.	CDSL/OPS/DP/POLC Y/2018/125	14-Mar-2018	Clarifications in respect of investment by certain category ii FPIs
60.	CDSL/OPS/DP/POLC Y/2018/132	16-Mar-2018	Sebi letter – flashing a link to scores on the dashboard of Demat account
61.	CDSL/OPS/DP/POLC Y/2018/169	2-Apr-2018	Due diligence and reporting under FATCA and common reporting standards
62.	CDSL/OPS/DP/POLC Y/2018/193	11-Apr-2018	SEBI circular - know your client requirements for foreign portfolio investors
63.	CDSL/OPS/DP/POLC Y/2018/192	11-Apr-2018	SEBI circular - clarification on clubbing of investment limits of foreign government
64.	CDSL/OPS/DP/POLC Y/2018/202	16-Apr-2018	Investments by FPIs in government and corporate debt securities
65.	CDSL/OPS/DP/POLC Y/2018/314	18-Jun-2018	SEBI circular review of investment by foreign portfolio investors FPI in debt
66.	CDSL/OPS/DP/POLC Y/2018/368	13-Jul-2018	SEBI circular investment by FPI through primary market issuances
67.	CDSL/OPS/DP/POLC Y/2018/352	7-Jul-2018	SEBI circular guidelines on AML standards and combating the financing of terrorism
68.	CDSL/OPS/DP/POLC Y/2018/448	24-Aug-2018	SEBI circular amendment to know your client requirements for FPIs
69.	CDSL/OPS/DP/POLC Y/2018/506	24-Sep-2018	SEBI circular eligibility conditions for foreign portfolio investors
70.	CDSL/OPS/DP/POLC Y/2018/507	24-Sep-2018	SEBI circulars know your client requirements for foreign portfolio investors



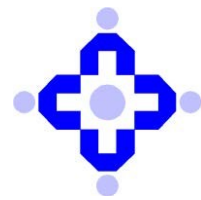
Sr. No.	Communiqué No.	Communiqué Date	Communiqué description
71.	CDSL/OPS/DP/POLC Y/2018/548	16-Oct-2018	SEBI circular monthly report of FPI registration on s website
72.	CDSL/OPS/DP/POLC Y/2018/666	14-Dec-2018	SEBI circular clarification on clubbing of investment limits of FPI
73.	CDSL/OPS/DP/POLC Y/2019/140	15-Mar-2019	Sebi circular review of investment by FPI in debt
74.	CDSL/OPS/DP/POLC Y/2019/200	10-Apr-2019	Separate BSDA limit for debt securities
75.	CDSL/OPS/DP/POLC Y/2019/234	10-May-2019	Sebi circular permitting FPI to invest in municipal bonds
76.	CDSL/OPS/DP/POLC Y/2019/263	29-May-2019	Sebi circular CFT under unlawful activities prevention act 1967
77.	CDSL/OPS/DP/POLC Y/2019/332	04-Jul-2019	Sebi letter – displaying of information regarding SEBI Complaint redress system (scores) in the website
78.	CDSL/OPS/DP/POLCY/2019/542	25-Oct-2019	Anti money laundering combating financing of terrorism standards
79.	CDSL/OPS/DP/POLC Y/2019/535	23-Oct-2019	Cyber security & cyber resilience framework for stockbrokers / depository participants – clarifications
80.	CDSL/OPS/DP/POLC Y/2019/560	06-Nov-2019	E-KYC authentication facility under prevention of money laundering act, 2002 by entities in the securities market for residents' investor
81.	CDSL/OPS/DP/POLC Y/2019/561	6-Nov-2019	Sebi circular - operational guidelines for FPIs
82.	CDSL/OPS/DP/POLC Y/2020/85	12-Feb-2020	Common application form for foreign portfolio investors
83.	CDSL/OPS/DP/POLC Y/2020/203	27-Apr-2020	Clarification on know your client (KYC) process and use of Technology for KYC
84.	CDSL/OPS/DP/POLC Y/2020/226	13-May-2020	Entities permitted to undertake e-KYC Aadhaar authentication service of UIDAI in securities market
85.	CDSL/OPS/DP/POLC Y/2020/394	10-Sep-2020	Entities permitted to undertake e-KYC Aadhaar authentication service of UIDAI in securities market – Addition of NSE to the list
86.	CDSL/OPS/DP/POLC Y/2020/414	24-Sep-2020	Write off of shares held by FPIs
87.	CDSL/OPS/DP/POLC Y/2021/122	18-Mar-2021	Rollout of legal entity template
88.	CDSL/OPS/DP/POLC Y/2021/149	1-Apr-2021	Guidelines pertaining to surrender of fpi registration
89.	CDSL/AUDIT/DP/POLCY/2021/160	7-Apr-2021	Combating financing of terrorism
90.	CDSL/OPS/DP/POLC Y/2021/248	2-Jun-2021	Off market transfer of securities by FPI
91.	CDSL/OPS/DP/POLC Y/2021/379	31-Aug-2021	Modification in operational guidelines for FPIs and DDPs



Sr. No.	Communiqué No.	Communiqué Date	Communiqué description
92.	CDSL/OPS/DP/POLC Y/2021/507	10-Nov-2021	Sebi - write off of debt securities held by FPIs surrendering their registration
93.	CDSL/OPS/DP/POLC Y/2022/243	4-May-2022	Modification in the operational guidelines for FPIs DDPs eligible foreign investors
94.	CDSL/OPS/DP/POLC Y/2022/348	22-Jun-2022	Modification in operational guidelines for FPIs, DDPs and eligible foreign investors
95.	CDSL/OPS/DP/POLC Y/2022/362	27-Jun-2022	Implementation of circular on guidelines in pursuance of amendment to SEBI KYC
96.	CDSL/OPS/DP/POLC Y/2022/412	21-July-2022	Entities allowed to use e-KYC Aadhaar authentication services of UIDAI in securities market as sub KUA
97.	CDSL/OPS/DP/POLC Y/2022/423	27-July-2022	Implementation of circular on guidelines in pursuance of amendment to SEBI KYC (know your client) registration agency (KRA) regulations 2011
98.	CDSL/OPS/DP/POLC Y/2022/524	14-Sep-2022	Master circular on surveillance of securities market
99.	CDSL/OPS/DP/POLC Y/2022/556	28-Sep-2022	Modification in the operational guidelines for FPIs, DDPS and EFIs
100.	CDSL/OPS/DP/P OLCY/2022/650	9-Nov-2022	Sebi CIR- master circular on the redressal of investor grievances through the score's platform
101.	CDSL/OPS/DP/POLC Y/2022/733	29-Dec-2022	Sebi master circular for FPI, DDP & EFI
102.	CDSL/OPS/DP/POLC Y/2023/185	23-Mar-2023	Guidelines on AM standards and CFT/obligations of securities market
103.	CDSL/OPS/DP/POLC Y/2023/189	24-Mar-2023	Master circular on surveillance of securities market
104.	CDSL/OPS/DP/P OLCY/2023/204	31-Mar-2023	STREAMLINING THE ONBOARDING PROCESS OF FPIs
105.	CDSL/OPS/DP/POLC Y/2023/268	2-May-2023	Procedure for implementation of section 12a of the weapons of mass destruction
106.	CDSL/OPS/DP/SYST M/2023/360	20-Jun-2023	Aadhaar seeding (linkage of pan with Aadhaar)
107.	CDSL/OPS/DP/POLC Y/2023/363	21-Jun-2023	Amendment to guidelines on AML standards and combating the financing of terrorism (CFT) /obligations
108.	CDSL/OPS/DP/SYST M/2023/380	30-Jun-2023	Aadhaar seeding (linkage of pan with Aadhaar)
109.	CDSL/OPS/DP/SYST M/395	06-Jul-2023	Aadhaar seeding (linkage of pan with Aadhaar)
110.	CDSL/OPS/DP/SYST M/2023/403	12-Jul-2023	Aadhaar seeding (linkage of pan with Aadhaar)
111.	CDSL/OPS/DP/POLC Y/2023/411	14-Jul-2023	Master circular for depository participants (DPs)
112.	CDSL/OPS/DP/POLC Y/2023/417	19-Jul-2023	Sebi - extending framework for restriction of trading by designated persons
113.	CDSL/OPS/DP/POLC Y/2023/435	28-Jul-2023	Sebi – mandating legal entity identifier (lei)
114.	CDSL/OPS/DP/POLC	08-Aug-2023	Sebi - transactions in corporate bonds through

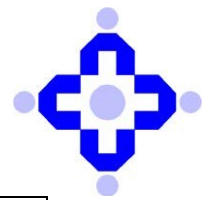


Sr. No.	Communiqué No.	Communiqué Date	Communiqué description
	Y/2023/466		request for quote (RFQ) platform by FPI
115.	CDSL/OPS/DP/POLC Y/2023/483	14-Aug-2023	Simplification of KYC process and rationalisation of risk management framework at KYC (know your client) registration agencies (KRAs)
116.	CDSL/OPS/DP/POLC Y/2023/505	25-Aug-2023	Sebi – mandating additional disclosures by foreign portfolio investors
117.	CDSL/OPS/DP/POLC Y/2023/605	16-Oct-2023	Amendments to the guidelines on AML standards and CFT
118.	CDSL/OPS/DP/P OLCY/2024/62	29-Jan-2024	Streamlining regulatory reporting by designated depository participants and custodians
119.	CDSL/OPS/DP/P OLCY/2024/163	21-Mar-2024	Amendment to circular for mandating additional disclosures by fps that fulfil certain objective criteria
120.	CDSL/OPS/DP/POLC Y/2024/230	29-Apr-2024	Master circular for Depository Participants (DPs)
121.	CDSL/RCD/DP/GENR L/2025/280	30-Apr-2025	Master circular for Depository Participants (DPs)
122.	CDSL/AUDIT/DP/POL CY/2023/580	04-Oct-2023	Revised Format for Report on Internal Audit And Concurrent Audit of Risk Prone Areas of DP Operations for Half Year Ended 30th September 2023
123.	CDSL/AUDIT/DP/POL CY/2025/234	08-Apr- 2025	Revised format for report on internal audit and Concurrent audit of risk prone areas of DP.

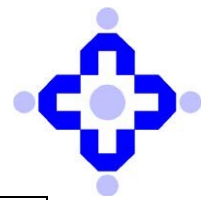


LIST OF COMMUNIQUES

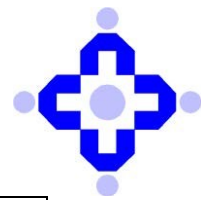
Sr. No.	Reference Number	Date
1.	CDSL/OPS/DP/POLCY/5139	April 15, 2015
2.	CDSL/OPS/DP/1931	March 22, 2010
3.	CDSL/OPS/DP/POLCY/4095	December 04, 2013
4.	CDSL/OPS/DP/POLCY/6029	July 18, 2016
5.	CDSL/OPS/DP/POLCY/4134	December 23, 2013
6.	CDSL/OPS/DP/POLCY/2021/152	April 05, 2021
7.	CDSL/OPS/DP/POLCY/2021/333	July 29, 2021
8.	CDSL/OPS/DP/POLCY/2021/595	December 28, 2021
9.	CDSL/OPS/DP/POLCY/2022/275	May 19, 2022
10.	CDSL/OPS/DP/POLCY/2025/137	February 27, 2025
11.	CDSL/OPS/DP/POLCY/2024/290	May 30, 2024
12.	CDSL/OPS/DP/POLCY/2021/325	July 26, 2021
13.	CDSL/OPS/DP/POLCY/2022/107	February 25, 2022
14.	CDSL/OPS/DP/POLCY/2024/317	June 11, 2024
15.	CDSL/OPS/DP/POLCY/2025/32	January 13, 2025
16.	CDSL/OPS/DP/POLCY/2025/145	February 28, 2025
17.	CDSL/OPS/DP/POLCY/2516	June 24, 2011
18.	CDSL/OPS/DP/POLCY/2021/589	December 25, 2021
19.	CDSL/OPS/DP/POLCY/5202	May 19, 2015
20.	CDSL/OPS/DP/POLCY/2022/496	August 29, 2022
21.	CDSL/OPS/DP/POLCY/2024/358	June 29, 2024
22.	CDSL/OPS/DP/POLCY/5088	March 25, 2015
23.	CDSL/OPS/DP/POLCY/5311	July 13, 2015
24.	CDSL/OPS/DP/POLCY/2774	December 27, 2011
25.	CDSL/A,I&C/DP/POLCY/2806	January 12, 2012
26.	CDSL/OPS/DP/POLCY/2022/202	April 08, 2022
27.	CDSL/OPS/DP/SYSTEM/2023/261	April 27, 2023
28.	CDSL/OPS/DP/SYSTEM/2023/525	September 05, 2023
29.	CDSL/OPS/DP/SYSTEM/2023/643	November 3, 2023
30.	CDSL/OPS/DP/SYSTEM/2023/493	August 18, 2023
31.	CDSL/OPS/DP/POLCY/2023/693	November 29, 2023
32.	CDSL/OPS/DP/POLCY/2023/207	March 31, 2023
33.	CDSL/OPS/DP/POLCY/2024/400	July 18, 2024
34.	CDSL/OPS/DP/POLCY/6244	November 11, 2016
35.	CDSL/OPS/DP/POLCY/6049	July 29, 2016
36.	CDSL/OPS/DP/POLCY/2021/122	Internal March 18, 2021
37.	CDSL/OPS/DP/POLCY/3969	October 09, 2013
38.	CDSL/OPS/DP/POLCY/2019/560	November 06, 2019
39.	CDSL/OPS/DP/POLCY/2020/203	April 27, 2020
40.	CDSL/OPS/DP/POLCY/2020/444	October 14, 2020
41.	CDSL/OPS/DP/POLCY/2021/127	March 22, 2021
42.	CDSL/OPS/DP/GENRL/2021/447	October 04, 2021



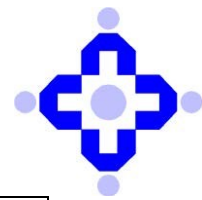
Sr. No.	Reference Number	Date
43.	CDSL/OPS/DP/GENRL/2021/518	November 17, 2021
44.	CDSL/OPS/DP/POLCY/2022/67	February 07, 2022
45.	CDSL/OPS/DP/POLCY/3451	January 25, 2013
46.	CDSL/OPS/DP/POLCY/2019/580	November 18, 2019
47.	CDSL/OPS/DP/POLCY/2020/141	March 16, 2020
48.	CDSL/OPS/DP/SETTL/2023/65	January 31, 2023
49.	CDSL/OPS/DP/POLCY/2022/194	April 05, 2022
50.	CDSL/OPS/DP/POLCY/2022/585	October 7, 2022
51.	CDSL/OPS/DP/SYSTEM/2022/166	March 25, 2022
52.	CDSL/OPS/DP/POLCY/2020/115	March 02, 2020
53.	CDSL/OPS/DP/POLCY/2020/234	May 22, 2020
54.	CDSL/OPS/DP/POLCY/2020/309	July 16, 2020
55.	CDSL/OPS/DP/POLCY/2022/658	November 11, 2022
56.	CDSL/OPS/DP/SETTL/2023/151	March 09, 2023
57.	CDSL/OPS/DP/SETTL/2023/178	March 21, 2023
58.	CDSL/OPS/DP/SETTL/2024/279	May 23, 2024
59.	CDSL/OPS/DP/POLCY/2023/204	March 31, 2023
60.	CDSL/OPS/DP/POLCY/2024/638	October 23, 2024
61.	CDSL/OPS/DP/POLCY/2023/505	August 25, 2023
62.	CDSL/OPS/DP/POLCY/2024/163	March 21, 2024
63.	CDSL/OPS/DP/POLCY/2024/429	August 02, 2024
64.	CDSL/OPS/DP/POLCY/2024/305	June 06, 2024
65.	CDSL/OPS/DP/POLCY/2024/335	June 18, 2024
66.	CDSL/OPS/DP/POLCY/2022/733	December 29, 2022
67.	CDSL/OPS/DP/POLCY/2024/680	November 12, 2024
68.	CDSL/OPS/DP/POLCY/2671	October 05, 2011
69.	CDSL/OPS/DP/POLCY/3121	July 23, 2012
70.	CDSL/A,I&C/DP/POLCY/2022/458	August 11, 2022
71.	CDSL/OPS/DP/POLCY/2019/17	January 9, 2019
72.	CDSL/OPS/DP/1759	October 30, 2009
73.	CDSL/OPS/DP/POLCY/2532	June 30, 2011
74.	CDSL/OPS/DP/POLCY/2019/337	July 05, 2019
75.	CDSL/OPS/DP/POLCY/2024/657	October 30, 2024
76.	CDSL/OPS/DP/857	March 02, 2007
77.	CDSL/OPS/DP/606	November 17, 2005
78.	CDSL/OPS/DP/POLCY/2021/395	September 07, 2021
79.	CDSL/OPS/DP/POLCY/4664	August 27, 2014
80.	CDSL/OPS/DP/POLCY/5577	November 24, 2015
81.	CDSL/OPS/DP/POLCY/5327	July 20, 2015
82.	CDSL/A,I&C/DP/POLCY/4685	September 04, 2014
83.	CDSL/A,I&C/DP/POLCY/4729	September 25, 2014
84.	CDSL/OPS/DP/989	November 13, 2007
85.	CDSL/OPS/DP/SYSTEM/6085	August 17, 2016
86.	CDSL/OPS/DP/SYSTEM/2019/352	July 15, 2019



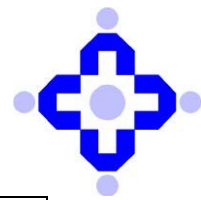
Sr. No.	Reference Number	Date
87.	CDSL/OPS/DP/POLCY/2020/447	October 14, 2020
88.	CDSL/OPS/DP/SYSTEM/2021/569	December 15, 2021
89.	CDSL/OPS/DP/SYSTEM/2022/340	June 20, 2022
90.	CDSL/OPS/DP/SYSTEM/2023/346	June 13, 2023
91.	CDSL/OPS/DP/POLCY/2023/745	December 22, 2023
92.	CDSL/OPS/DP/SETTL/2021/54	February 08, 2021
93.	CDSL/OPS/DP/GENRL/2021/446	October 04, 2021
94.	CDSL/OPS/DP/POLCY/2021/314	July 19, 2021
95.	CDSL/OPS/DP/POLCY/2022/627	October 28, 2022
96.	CDSL/OPS/DP/SETTL/2022/638	November 03, 2022
97.	CDSL/OPS/DP/POLCY/2022/540	September 21, 2022
98.	CDSL/OPS/DP/SETTL/2023/60	January 25, 2023
99.	CDSL/OPS/DP/SETTL/2023/208	March 31, 2023
100.	CDSL/OPS/DP/POLCY/6160	September 29, 2016
101.	CDSL/OPS/DP/POLCY/2022/342	June 21, 2022
102.	CDSL/OPS/DP/POLCY/2022/368	June 28, 2022
103.	CDSL/OPS/DP/POLCY/2022/427	July 28, 2022
104.	CDSL/OPS/DP/SETTL/2023/370	June 23, 2023
105.	CDSL/OPS/DP/SETTL/2025/75	January 30, 2025
106.	CDSL/OPS/DP/SETTL/2025/81	January 31, 2025
107.	CDSL/OPS/DP/1622	June 22, 2009
108.	CDSL/OPS/DP/POLCY/4546	July 01, 2014
109.	CDSL/OPS/DP/POLCY/2024/367	July 02, 2024
110.	CDSL/OPS/DP/SYSTEM/2024/425	July 31, 2024
111.	CDSL/OPS/DP/POLCY/2022/451	August 08, 2022
112.	CDSL/OPS/DP/POLCY/2022/385	July 05, 2022
113.	CDSL/OPS/DP/POLCY/2024/314	June 07, 2024
114.	CDSL/OPS/DP/POLCY/2024/326	June 14, 2024
115.	CDSL/OPS/DP/EASI/4768	October 17, 2014
116.	CDSL/A,I&C/DP/POLCY/2022/515	September 08, 2022
117.	CDSL/AI&C/DP/POLCY/2022/683	November 29, 2022
118.	CDSL/A,I&C/DP/POLCY/2023/256	April 26, 2023
119.	CDSL/OPS/DP/POLCY/2445	May 12, 2011
120.	CDSL/OPS/DP/POLCY/2021/311	July 16, 2021
121.	CDSL/OPS/DP/POLCY/2024/574	September 27, 2024
122.	CDSL/OPS/DP/MFUND/2021/407	September 14, 2021
123.	CDSL/OPS/DP/POLCY/2022/567	October 3, 2022
124.	CDSL/OPS/DP/POLCY/2021/453	October 06, 2021
125.	CDSL/OPS/DP/517	January 27, 2005
126.	CDSL/OPS/DP/POLCY/3549	March 13, 2013
127.	CDSL/OPS/DP/447	August 11, 2004
128.	CDSL/AUDIT/DP/POLCY/2022/571	October 03, 2022
129.	CDSL/AUDIT/DP/POLCY/2024/595	October 8, 2024
130.	CDSL/AUDIT/DP/POLCY/2023/580	October 4, 2023



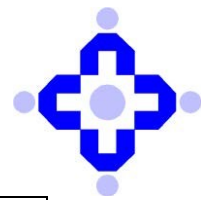
Sr. No.	Reference Number	Date
131.	CDSL/A,I&C/DP/POLCY/2022/535	September 19, 2022
132.	CDSL/A,I&C/DP/POLCY/3770	June 27, 2013
133.	CDSL/AUDIT/DP/POLCY/4605	July 28, 2014
134.	CDSL/OPS/DP/POLCY/6184	October 13, 2016
135.	CDSL/A,I&C/DP/POLCY/2535	July 01, 2011
136.	CDSL/A,I&C/DP/POLCY/2023/276	May 04, 2023
137.	CDSL/OPS/DP/SYSTEM/2021/309	July 15, 2021
138.	CDSL/OPS/DP/SYSTEM/2024/552	September 20, 2024
139.	CDSL/SURV/DP/POLCY/2023/88	February 10, 2023
140.	CDSL/OPS/DP/SYSTEM/2024/341	June 20, 2024
141.	CDSL/OPS/DP/POLCY/2024/561	September 24, 2024
142.	CDSL/OPS/DP/GENRL/2022/731	December 27, 2022
143.	CDSL/OPS/DP/2258	January 17, 2011
144.	CDSL/A,I&C/DP/GENRL/2350	March 10, 2011
145.	CDSL/OPS/DP/POLCY/2022/263	May 16, 2022
146.	CDSL/OPS/DP/POLCY/2022/694	December 06, 2022
147.	CDSL/AUDIT/DP/POLCY/2021/302	July 9, 2021
148.	CDSL/OPS/DP/816	January 03, 2007
149.	CDSL/AI&C/DP/POLCY/2020/163	March 30, 2020
150.	CDSL/OPS/DP/POLCY/4675	September 02, 2014
151.	CDSL/IG/DP/GENRL/2024/188	April 05, 2024
152.	CDSL/A,I&C/DP/POLCY/2022/319	June 07, 2022
153.	CDSL/OPS/DP/POLCY/2024/289	May 30, 2024
154.	CDSL/IG/DP/2022/468	August 17, 2022
155.	CDSL/IG/DP/2022/653	November 10, 2022
156.	CDSL/OPS/DP/POLCY/2022/650	November 9, 2022
157.	CDSL/L&CS/DP/POLCY/2023/459	August 04, 2023
158.	CDSL/IG/DP/POLCY/2023/473	August 09, 2023
159.	CDSL/IG/DP/POLCY/2023/482	August 11, 2023
160.	CDSL/OPS/DP/POLCY/2023/113	February 17, 2023
161.	CDS/OPS/DP/75(A)	January 22, 2001
162.	CDSL/ADM/DP/GENRL/6272	December 02, 2016
163.	CDSL/OPS/DP/POLCY/2775	December 27, 2011
164.	CDSL/OPS/DP/POLCY/2023/185	March 23, 2023
165.	CDSL/OPS/DP/793	November 21, 2006
166.	CDSL/A,I&C/DP/POLCY/4690	September 08, 2014
167.	CDSL/OPS/DP/762	October 06, 2006
168.	CDSL/PMLA/DP/POLCY/2023/184	March 23, 2023
169.	CDSL/OPS/DP/POLCY/3252	September 29, 2012
170.	CDSL/OPS/DP/POLCY/5815	March 15, 2016
171.	CDSL/OPS/DP/1448	January 29, 2009
172.	CDSL/OPS/DP/POLCY/2022/288	May 27, 2022
173.	CDSL/PMLA/DP/POLCY/2022/648	November 09, 2022
174.	CDSL/OPS/DP/POLCY/5521	October 27, 2015



Sr. No.	Reference Number	Date
175.	CDSL/OPS/DP/POLCY/2022/175	March 29, 2022
176.	CDSL/OPS/DP/1847	January 06, 2010
177.	CDSL/OPS/DP/POLCY/2018/294	June 07, 2018
178.	CDSL/OPS/DP/POLCY/2024/468	August 21, 2024
179.	CDSL/OPS/DP/POLCY/2025/3	January 01, 2024
180.	CDSL/OPS/DP/POLCY/2018/641	December 04, 2018
181.	CDSL/OPS/DP/POLCY/2022/323	June 09, 2022
182.	CDSL/OPS/DP/POLICY/2022/374	July 01, 2022
183.	CDSL/OPS/DP/POLICY/2022/420	July 26, 2022
184.	CDSL/AUDIT/DP/POLICY/2021/302	July 9, 2021
185.	CDSL/A,I&C/DP/POLCY/2024/96	February 15, 2024
186.	CDSL/OPS/DP/POLCY/2022/374	July 01, 2022
187.	CDSL/OPS/DP/POLCY/2019/535,	October 23, 2019
188.	CDSL/OPS/DP/P OLCY/2022/420	July 26, 2022
189.	CDSL/OPS/DP/POLCY/2019/535	October 23, 2019
190.	CDSL/A,I&C/DP/POLCY/2023/298	May 16, 2023
191.	CDSL/OPS/DP/POLCY/2021/207	May 04, 2021
192.	CDSL/OPS/DP/POLCY/2021/210	May 06, 2021
193.	CDSL/OPS/DP/POLCY/2021/515	November 16, 2021
194.	CDSL/A,I&C/DP/POLCY/2022/331	June 14, 2022
195.	CDSL/AUDIT/DP/POLICY/2023/58	January 25, 2023
196.	CDSL/AUDIT/DP/POLICY/2023/696	November 30, 2023
197.	CDSL/RISK/DP/POLCY/2024/738	December 06, 2024
198.	CDSL/OPS/DP/P OLCY/2023/133	March 1, 2023
199.	CDSL/OPS/DP/POLCY/2025/27	January 10, 2025
200.	CDSL/OPS/DP/POLCY/2019/12	January 07, 2019
201.	CDSL/RISK/DP/POLCY/2024/214	April 22, 2024
202.	CDSL/A,I&C/DP/POLCY/2022/298	May 31, 2022
203.	CDSL/A,I&C/DP/POLCY/2023/298	May 16, 2023
204.	CDSL/RISK/DP/POLCY/2024/301	June 6, 2024
205.	CDSL/OPS/DP/POLCY/2023/149	March 09, 2023
206.	CDSL/OPS/DP/POLCY/5410	August 27, 2015
207.	CDSL/OPS/DP/POLCY/5434	September 11, 2015
208.	CDSL/OPS/DP/POLCY/196	April 18, 2017
209.	CDSL/OPS/DP/POLCY/2017/213	April 28, 2017
210.	CDSL/OPS/DP/POLCY/2023/189	March 24, 2023
211.	CDSL/OPS/DP/POLCY/3894	August 29, 2013
212.	CDSL/A,I&C/DP/POLCY/2019/111	March 01, 2019
213.	CDSL/OPS/DP/GENRL/2024/234	April 30, 2024
214.	CDSL/OPS/DP/P OLCY/2024/274	May 22, 2024
215.	CDSL/OPS/DP/POLCY/2024/489	August 27, 2024
216.	CDSL/OPS/DP/P OLCY/2024/404	July 19, 2024
217.	CDSL/PMLA/DP/POLCY/2024/436	August 05, 2024
218.	CDSL/OPS/DP/SETTL/2024/308	June 06, 2024



Sr. No.	Reference Number	Date
219.	CDSL/OPS/DP/POLCY/2024/371	July 03, 2024
220.	CDSL/OPS/DP/POLCY/2024/626	October 21, 2024
221.	CDSL/AUDIT/DP/POLICY/2025/48	January 20, 2025
222.	CDSL/OPS/DP/POLCY/2024/565	September 25, 2024
223.	CDSL/OPS/DP/POLCY/2025/27	January 10, 2025
224.	CDSL/OPS/DP/POLCY/2025/137	February 27, 2025
225.	CDSL/AUDIT/DP/POLICY/2025/221	April 02, 2025
226.	CDSL/OPS/DP/POLCY/2025/245	April 11, 2025
227.	CDSL/SURV/DP/POLCY/2025/267	April 23, 2025
228.	CDSL/AUDIT/DP/POLCY/2025/275	April 25, 2025
229.	CDSL/OPS/DP/POLCY/2025/289	May 02, 2025
230.	CDSL/OPS/DP/POLCY/2025/294	May 06, 2025
231.	CDSL/OPS/DP/POLCY/2025/297	May 06, 2025
232.	CDSL/OPS/DP/POLCY/2025/313	May 09, 2025
233.	CDSL/OPS/DP/POLCY/2025/313	May 09, 2025
234.	CDSL/OPS/DP/POLCY/2025/307	May 09, 2025
235.	CDSL/OPS/DP/SYSTM/2022/5	January 04, 2022
236.	CDSL/SURV/DP/POLCY/2025/316	May 12, 2025
237.	CDSL/OPS/DP/SETT/2025/324	May 15, 2025
238.	CDSL/OPS/DP/POLCY/2025/330	May 16, 2025
239.	CDSL/AUDIT/DP/POLCY/2025/345	May 22, 2025
240.	CDSL/OPS/DP/POLCY/2025/355	May 27, 2025
241.	CDSL/OPS/DP/POLCY/2025/395	June 12, 2025
242.	CDSL/OPS/DP/POLCY/2025/409	June 17, 2025
243.	CDSL/IS/DP/POLCY/2025/423	June 23, 2025
244.	CDSL/IS/DP/POLCY/2025/431	June 26, 2025
245.	CDSL/OPS/DP/POLCY/2025/433	June 27, 2025
246.	CDSL/OPS/DP/SETT/2025/443	July 01, 2025
247.	CDSL/IS/DP/POLCY/2025/449	July 03, 2025
248.	CDSL/IS/DP/POLCY/2025/451	July 04, 2025
249.	CDSL/OPS/CA/GENRL/SGB/2025/462	July 10, 2025
250.	CDSL/OPS/DP/POLCY/2025/492	July 24, 2025
251.	CDSL/OPS/DP/POLCY/2025/506	July 30, 2025
252.	CDSL/OPS/DP/SETT/2025/518	August 04, 2025
253.	CDSL/OPS/DP/POLCY/2025/516	August 04, 2025
254.	CDSL/OPS/DP/SETT/2025/543	August 13, 2025
255.	CDSL/OPS/DP/POLCY/2025/552	August 14, 2025
256.	CDSL/OPS/DP/POLCY/2025/554	August 19, 2025
257.	CDSL/OPS/DP/POLCY/2025/567	August 25, 2025
258.	CDSL/OPS/DP/POLCY/2025/581	August 29, 2025
259.	CDSL/OPS/DP/POLCY/2025/583	September 01, 2025
260.	CDSL/OPS/DP/POLCY/2025/584	September 01, 2025
261.	CDSL/OPS/DP/POLCY/2025/611	September 11, 2025
262.	CDSL/A,I&C/DP/POLCY/2025/616	September 12, 2025



Sr. No.	Reference Number	Date
263.	CDSL/OPS/DP/SETT/2025/633	September 18, 2025
264.	CDSL/OPS/DP/POLCY/2025/636	September 19, 2025
265.	CDSL/OPS/DP/POLCY/2025/639	September 22, 2025
266.	CDSL/OPS/DP/SETT/2025/641	September 22, 2025
267.	CDSL/OPS/DP/POLCY/2025/656	September 29, 2025
268.	CDSL/OPS/DP/POLCY/2025/661	September 30, 2025
269.	CDSL/IS/DP/POLCY/2025/681	October 09, 2025
270.	CDSL/AUDIT/DP/POLCY/2025/684	October 09, 2025
271.	CDSL/OPS/DP/POLCY/2025/688	October 10, 2025
272.	CDSL/OPS/DP/POLCY/2025/689	October 10, 2025
273.	CDSL/OPS/DP/SYSTM/2025/693	October 14, 2025
274.	CDSL/OPS/DP/EASI/2025/702	October 16, 2025
275.	CDSL/OPS/DP/POLCY/2025/710	October 20, 2025
276.	CDSL/OPS/CA/GENRL/SGB/2025/743	November 07, 2025
277.	CDSL/OPS/DP/SETTL/2025/749	November 12, 2025
278.	CDSL/OPS/DP/POLCY/2025/769	November 24, 2025
279.	CDSL/OPS/DP/POLCY/2025/779	November 28, 2025
280.	CDSL/OPS/DP/POLCY/2025/780	November 28, 2025
281.	CDSL/OPS/DP/POLCY/2025/782	December 01, 2025
282.	CDSL/OPS/DP/POLCY/2025/804	December 09, 2025
283.	CDSL/IS/DP/POLCY/2025/806	December 10, 2025
284.	CDSL/OPS/DP/POLCY/2025/810	December 11, 2025
285.	CDSL/OPS/DP/POLCY/2025/813	December 11, 2025
286.	CDSL/OPS/CA/GENRL/SGB/2025/815	December 11, 2025
287.	CDSL/OPS/DP/POLCY/2025/818	December 12, 2025
288.	CDSL/IS/DP/POLCY/2025/847	December 24, 2025
289.	CDSL/OPS/DP/POLCY/2025/849	December 26, 2025
290.	CDSL/OPS/DP/SETT/2026/6	January 02, 2026
291.	CDSL/OPS/DP/POLCY/2026/39	January 19, 2026
292.	CDSL/BD-NP/DP/SEBI/2026/78	February 04, 2026
293.	CDSL/OPS/DP/POLCY/2026/91	February 09, 2026
294.	CDSL/OPS/DP/SYSTEM/2026/116	February 17, 2026
295.	CDSL/AUDIT/DP/POLCY/2026/151	March 05, 2026
296.	CDSL/AUDIT/DP/POLCY/2026/162	March 09, 2026
297.	CDSL/OPS/DP/SETT/2026/180	March 13, 2026
298.	CDSL/OPS/DP/POLCY/2026/196	March 20, 2026
299.	CDSL/OPS/DP/POLCY/2026/202	March 23, 2026
300.	CDSL/OPS/DP/POLCY/2026/209	March 24, 2026
301.	CDSL/OPS/DP/POLCY/2026/218	March 28, 2026