

Circular No.: NSDL/POLICY/2024/0165

November 05, 2024

**Subject: Amendment to Business Rule of NSDL - Penalty Structure.**

All Participants are hereby informed that the amendments have been made to rule 18.1.1 of NSDL Business Rules by insertion of new nature of non-compliances observed with respect to online account closure facility provided by Participants and the same is enclosed in track change mode as **Annexure A**.

**For and on behalf of  
National Securities Depository Limited**

**Arockiaraj  
Manager**

Enclosure: One

FORTHCOMING COMPLIANCE			
Particulars	Deadline	Manner of sending	Reference
Investor Grievance Report (Monthly)	By 10 <sup>th</sup> of the following month	Through e-PASS	Para 22 of 'Grievance Redressal' chapter and Para 28 of 'Internal Controls/Reporting to NSDL/SEBI' chapter of NSDL Master Circular for Participants
Compliance report w.r.t Same Mobile number and/ or email address captured for multiple accounts. (monthly)	Before 25 <sup>th</sup> of following month	Through Email.	Circular No.: NSDL/POLICY/2024/0115 dated August 21, 2024
Internal/ Concurrent Audit Report (half yearly)	November 15 <sup>th</sup>	Through e-PASS	Para 20.4 of NSDL Master Circular for Participants on 'Internal Controls/Reporting to NSDL/SEBI' chapter & Circular No.: NSDL/POLICY/2024/0147 dated October 10, 2024

**National Securities Depository Limited**

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Corporate Identity Number: U74120MH2012PLC230380

## Annexure A

18.1.1- The Depository may impose a penalty on the Participant to the extent indicated for non-compliance as described below:

No.	Nature of non-compliances	Proposed penal Action
III	<b>Miscellaneous</b>	
50	Online account closure of demat account facility is not made available by Participants offering the online demat account opening facility as per the guidelines issued by the Depositories.	₹25,000/- per occasion
51	Non execution of online account closure request of clients with or without holdings on the online closure portal provided by Participants within the stipulated timelines.	₹5,000/- per account  If such deviation is observed in two consecutive inspections, penalty would be ₹10,000/- per account  If such deviation is observed in three consecutive inspections, matter would be referred to Member Committee for review.