National Securities Depository Ltd.

BUSINESS RULES

NOVEMBER 2011

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L	Delivery Instructions By Clients (New Format)
L	Delivery Instructions By Clients (Old Format)
LA - I	Combined - Delivery Instructions By Clients
LA - II	Combined - Delivery Instructions By Clients
LA	***
LB	Erroneous Transfer Form
LC	Format for Erroneous Transfer Indemnity
M	Receipt Instructions
N	Inter Depository Delivery Instruction

Notes:

* Inserted w.e.f. July 2, 2010. Earlier Annexure B was for Hardware and Software Setup for an Issuer/ Registrar and Transfer Agent which was deleted w.e.f. September 3, 2001, consequent to amendment in Business Rule 9.1.1. Latest configuration can be obtained from NSDL.

** Annexure C & CC pertaining to Hardware And Software Setup For A Participant & Hardware And Software Setup For A Participant Which is a Clearing Corporation deleted w.e.f. September 3, 2001 consequent to amendment in Business Rule 9.2.1. Latest configuration can be obtained from NSDL

*** Annexure LA pertaining to Deferred Delivery Order (DDO) Form deleted w.e.f. September 3, 2009.

NA	Inter Depository Receipt Instruction
O	Transmission Form
OA	Transposition Form
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U	Dematerialisation Request Form (For Government Securities)
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W	Pledge/Hypothecation Form
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Note:

**** Annexure X & XX pertaining to Securities Lending Form For Lender/Borrower & Securities Lending Form For Intermediary deleted w.e.f. May 10, 2008.

1. INTRODUCTION

These Business Rules framed hereunder shall be known as National Securities Depository Limited Business Rules, 1996. These Business Rules shall be in addition to the provisions of The Depositories Act, 1996, Securities and Exchange Board of India Act, 1992, Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 and the Bye Laws of the Depository, as may be applicable to the Participants and other Users of the Depository. These Business Rules shall come into effect from October 23, 1996.

2. APPLICABILITY

These Business Rules (read in conjunction with the Bye Laws) shall be applicable to all the Users of the Depository as well as the Clients to the extent specified therein. They shall be subject to the jurisdiction of the courts of Mumbai irrespective of the place of business of the Users of the Depository system in India.

3. DEFINITIONS

3.1. Unless the context otherwise requires:-

3.1.1. BOD Processing means the Beginning-of-Day processing which is carried out before the start of business of each working day by the Depository and the Users. Such processing shall commence at such time as may be notified by the Depository;

3.1.2. Clearing Members are persons who have been admitted as members by a Clearing Corporation which has been admitted as a User by the Depository;

3.1.3. CM Account means a Clearing Member account with a Participant, opened by a Clearing Member in accordance with Rule 13.3.1 of these Business Rules;

3.1.4. Delivery Account means the account of a Clearing Member maintained with a Participant for receiving securities from the Pool account and transferring the same to the Clearing Corporation;

3.1.5. Depository Module (DM) means the software installed at the Depository;

3.1.6. [1] Depository Participant Module (DPM) means the software(s) provided by the depository relating to the Depository operations deployed and/or accessed using the User hardware system. This shall be either the DPM (DP), DPM (CC) or the DPM (SHR).The DPM (DP) shall include the eDPM (DP) and the Local DPM (DP).

3.1.7. [2] Depository Participant Module (Depository Participant) - [DPM (DP)] means the software relating to the Depository operations installed on the hardware system of the Participant and Depository Participant Module (Clearing Corporation) - [(DPM (CC)] means the software relating to the Depository operations installed on the hardware system of the Participant which is a Clearing Corporation;

3.1.8. Depository Participant Module (Issuers/Registrars) - [DPM (SHR)] means the software installed on the hardware system of the Issuer or its Registrar and Transfer Agent;

Notes:

[1] **Amended w.e.f. Dec. 18, 2010. Prior to this amendment, the Rule 3.1.6 was amended on January 20, 1998 read as follows:**
Depository Participant Module (DPM) means the software relating to the Depository operations installed on the User hardware system. This shall be either the DPM (DP), DPM (CC) or the DPM (SHR);

Prior to this amendment, the Rule 3.1.6 read as follows:
3.1.6. Depository Participant Module (DPM) means the software relating to the Depository operations installed on the User hardware system. This shall be either the DPM (DP) or the DPM (SHR);

[2] **Amended w.e.f. January 20, 1998. Prior to this amendment, the Rule 3.1.7 read as follows:**
3.1.7. Depository Participant Module (Depository Participant)-[DPM(DP)] means the software relating to the Depository operations installed on the hardware system of the Participant.

3.1.9. Depository system means the hardware, software and telecommunication network established by the Depository to facilitate the operations of the Depository. This shall include the Depository Module, Depository Participant Module, User Hardware System and the hardware installed at the Depository;

3.1.10. EOD Processing means the processing which is carried out at the close of each working day by the Depository and the Participant. Such processing shall commence at such time as may be notified by the Depository;

3.1.11. Market Trades are trades concluded on a stock exchange and cleared and settled through a Clearing Corporation which has been admitted as a User by the Depository. Trades which are negotiated privately and reported for clearing and settlement through a Clearing Corporation, which has been admitted as a User by the Depository, shall also be treated as market trades;

3.1.12. Off Market Trades means trades that are not cleared and settled through a Clearing Corporation admitted as a User by the Depository;

3.1.13. Pool Account means the account of a Clearing Member maintained with a Participant which is used for the transfer of securities from the accounts of the Clients to the Clearing Corporation in the case of sale of securities and from the Clearing Corporation to the accounts of the Clients in the case of purchase of securities;

3.1.14. [3] User Hardware System (UHS) means the hardware set up of the User based on the hardware specifications supplied by the Depository. This shall be either the UHS (DP), UHS (CC) or the UHS (SHR);

3.1.15. [4] User Hardware System (Depository Participant)-(DP) means the hardware set up of the Participant relating to Depository operations and User Hardware System (Clearing Corporation)-(CC) means the hardware set up of the Participant which is a Clearing Corporation relating to Depository operations. This shall consist of servers, workstations, router and the communication line linking them to the Depository;

Notes:

Rule 3.1.14 has been deleted w.e.f. Dec. 18, 2010. Prior to deletion, Rule 3.1.14 read as follows:
3.1.14. Receipt-in Account means the account of a Clearing Member maintained with a Participant for receiving securities from the accounts of Clearing Corporation and transferring the same to the Pool account;

Consequently, Rules 3.1.15, 3.1.16, 3.1.17, 3.1.18, 3.1.19 and 3.1.20 have been renumbered as Rules 3.1.14, 3.1.15, 3.1.16, 3.1.17, 3.1.18 and 3.1.19 respectively

[3] **Amended w.e.f. January 20, 1998. Prior to this amendment, the Rule 3.1.15 read as follows:**
3.1.15. User Hardware System (UHS) means the hardware set up of the User based on the hardware specifications supplied by the Depository. This shall be either the UHS (DP) or the UHS (SHR);

[4] **Amended w.e.f. January 20, 1998. Prior to this amendment, the Rule 3.1.16 read as follows:**
3.1.16. User Hardware System (Depository Participant)-(DP) means the hardware set up of the Participant relating to the operations of the Depository. This shall consist of servers, workstations, router and the communication line linking it to the Depository.

3.1.16. User Hardware System (Issuers/Registrars)-[UHS (SHR)] means the hardware set up of the Issuer or its Registrar and Transfer Agent relating to the operations of the Depository. This shall consist of servers, workstations, router and the communication line linking it to the Depository;

3.1.17. [5] Intermediary means a person registered with the Securities and Exchange Board of India as an "approved intermediary" under the guidelines/provisions of the Securities Lending Scheme, 1997.

3.1.18. [6] Inter-Depository Transfer means transfer of securities which are admitted for dematerialisation on both the depositories from an account held in one depository to an account held in the other depository.

3.1.19. [7] Words and expressions used but not defined in the Business Rules but defined under The Depositories Act, 1996, Companies Act, 1956, Securities Contract (Regulation) Act, 1956, Securities and Exchange Board of India Act 1992, Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 and the Bye Laws of the Depository shall have the same meaning respectively assigned to them under the aforesaid Acts and Regulations.

Notes:

[5] Inserted w.e.f November 12, 1998. The original rule 3.1.18 was renumbered as Rule 3.1.20.

[6] Original Rule 3.1.20, which was inserted w.e.f. August 17, 1999 has been renumbered as 3.1.19 w.e.f. May 10, 2008.

[*] Original rule 3.1.19 has been deleted w.e.f. May 10, 2008. Prior to deletion, original rule 3.1.19 which was inserted w.e.f. November 12, 1998 read as follows:

3.1.19. Intermediary Account means an account opened by an Intermediary with a Participant in accordance with Rule 12.11 of Business Rules

[7] Original rule 3.1.20, which was renumbered as 3.1.21 w.e.f. August 17, 1999 has now been renumbered as 3.1.20 w.e.f. May 10, 2008.

4. MANNER OF DEALINGS ON THE DEPOSITORY

4.1. THE DEPOSITORY SYSTEM

4.1.1. The User shall carry out transactions relating to the Depository only through the approved User Hardware System located at approved locations of the office of the User. No other workstation, computer system or hardware may be connected to the User Hardware System without the prior approval of the Depository.

4.1.2. Each User shall have a unique identification number provided by the Depository called the BP ID which shall be used to identify that User by the Depository and by other Users.

4.1.3. A User shall have a non-exclusive permission to use the DPM as provided by the Depository in the ordinary course of its business as such User.

4.1.4. The permission to use the DPM shall be subject to the payment by the User of such charges as may be specified by the Depository.

4.1.5. A User shall not use or permit any other person to :-

i) use the software provided by the Depository for any purpose other than the purpose as approved and specified by the Depository;
ii) use the software provided by the Depository on any equipment other than the User Hardware System;
iii) copy, alter, modify or make available to any other person, the software provided by the Depository;
iv) use the software in any manner other than the manner as may be specified by the Depository;
v) attempt directly/indirectly to decompile, disassemble or reverse engineer the same.

4.1.6. A Participant shall not, by itself or through any other person(s) on its behalf, publish, supply, show or make available to any other person or reprocess, retransmit, store or use any information provided by the Depository for any purpose other than in the ordinary course of its business as a User of the Depository, except with the explicit approval of the Depository.

4.2. WORKING DAYS

4.2.1. [8] The Depository shall operate on all days except Sundays and such holidays as the Depository may declare from time to time.

Notes:

[8] **Amended w.e.f. April 16, 1998. Prior to this amendment, Rule 4.2.1 was amended on February 20, 1997, which read as follows:**

4.2.1. The Depository shall operate on all days except second and fourth Saturdays, Sundays and such holidays as the Depository may declare from time to time.

The original Rule 4.2.1 read as follows:

4.2.1. The Depository shall operate on all days except Saturdays, Sundays and such holidays as the Depository may declare from time to time.

4.2.2. The Depository may close office on days other than and in addition to the scheduled holidays originally declared under Rule 4.2.1 to be called unscheduled opening or closing of the Depository and the decision of the Depository in this regard shall be final and binding.

4.3. WORKING HOURS

4.3.1. The Depository shall announce the normal working hours for every calendar year in advance.

4.3.2. The Depository may extend, advance or reduce the working hours by notifying the Users as and when it deems fit and necessary in this regard.

4.4. FAILURE OF PARTICIPANTS' TERMINAL

In the event of failure of the User's User Hardware System and/or loss of access to the DPM, the Depository may, at its discretion, undertake on behalf of the Participant (although not guaranteed) to carry out the necessary functions which the Participant is eligible on a valid request from such Participant subject to such terms and conditions which the Depository may deem necessary to be imposed. The Depository shall entertain such a request only if such request is made in writing in a clear and precise manner by the Participant, as specified by the Depository. The Participant shall be accountable for the functions executed by the Depository on behalf of the Participants and shall indemnify the Depository against any losses or costs arising out of the same.

4.5. MODE OF OPERATING ACCOUNTS AND EFFECTING TRANSACTIONS BY BOOK ENTRY

4.5.1. [9] The forms laid down under these Business Rules shall be adhered to by the Participants at the time of operating the accounts of its Clients and giving effect to the transactions laid down under Chapter 9 of the Bye Laws and Chapter 11, 12 and 13 of this Business Rules.

Provided however that to effect such transactions as may be specified by the Depository based on electronic instructions received from the Client, the Participant shall obtain the prior approval of the Depository. The Depository may grant such an approval to the Participant if;

Notes:

[9] **Amended w.e.f. May 7, 2001. Prior to this amendment, the Rule 4.5.1 read as follows:**

4.5.1. The forms laid down under these Business Rules shall be adhered to by the Participants at the time of operating the accounts of its Clients and giving effect to the transactions laid down under Chapter 9 of the Bye Laws.

Provided, however, that the Participants may operate such accounts or effect such transactions by using any other form or manner of authorisation from the Client provided the same has been approved by the Executive Committee.

i) the Participant has adequate systems and security features in place to authenticate the Client and the Client to authenticate the Participant;

ii) the Participant is able to conclusively prove the origin, destination, date and time of receipt or despatch of such electronic instructions received by it;

iii) the Participant retains such electronic instructions in the format in which it was originally received or sent or in a format which can be demonstrated to represent accurately the information which was originally received or sent;

iv) the instructions received remain accessible and usable for subsequent reference; and

v) the Participant fulfills such other conditions as may be specified by the Depository.

Provided further that the Participant may operate such accounts or effect such transactions by using any other form or manner of authorisation from the Client provided the same has been approved by the Executive Committee.

4.5.2. The Participant shall promptly inform the Clients in respect of those instructions which have not been executed.

4.5.3. [10] The Participant shall not accept any instruction for debit or pledge of securities from a Client unless the Participant has fully satisfied itself that the instruction has been given by the Client itself. In respect of instructions received in paper form, the Participant shall ensure that the Client submits the instructions only on an instruction form issued by the Participant to the Client by verifying the instruction forms with its records pertaining to serial numbers of instruction forms issued to the Clients.

Notes:

[10] Amended w.e.f. May 7, 2001. Prior to this amendment, Rule 4.5.3 was inserted w.e.f. February 4, 1999 and read as follows:

4.5.3. The Participant shall not accept any instruction for debit or pledge of securities in a Client account submitted on an instruction form other than the one issued to a Client unless the Participant has fully satisfied itself that the instruction has been given by the Client itself. The Participant shall for this purpose verify the instruction forms with its records pertaining to the serial numbers of instruction forms issued to the Clients.

5. CONDUCT OF BUSINESS BY USERS

5.1. MANNER OF DEALINGS BY USERS

5.1.1. Only those persons who are approved as Users in accordance with the provisions of the Bye Laws and Business Rules of the Depository may be approved as Users of the DPM system.

5.1.2. The release of transactions for execution on the DPM for any working day must be completed by the User a minimum time period before the EOD process is initiated at the DM. This minimum time period shall be specified by the Depository.

5.1.3. At the end of the EOD processing by the Depository, the DM shall electronically intimate to the User the BOD for the next working day. Any release of transactions for execution made thereafter shall be recorded for the next working day.

5.1.4. Any transactions entered into by the User after such period can be released for execution on the DPM only on the next working day.

5.1.5. The electronic communication link between the DPM and DM must be maintained by the User at all times unless otherwise agreed upon by the Depository.

5.2. SUPERVISION BY PARTICIPANTS

5.2.1. Each Participant shall establish, maintain and enforce procedures to supervise its business and to supervise the activities of its employees, that are reasonably designed to achieve compliance with the Bye Laws, Business Rules, notifications and directions issued thereunder by the Depository.

5.2.2. The Participant shall maintain an internal record of the names of all persons who are designated as supervisory personnel and dates for which such designation is or was effective. Such record shall be preserved by the Participant for a period not less than three years.

5.2.3. Each Participant shall conduct a review, at least annually, of its business relating to the operations of the Depository, which shall be reasonably designed to assist in detecting and preventing violation of and achieving compliance of the Bye Laws and Business Rules of the Depository.

5.2.4. The Participant shall bring to the notice of its Clients, and other Participants, any indictments, penalties etc. imposed on it by the Depository or any other regulatory authority within seven days from the date of such indictment or order.

5.2.5. The Participant shall bring to the notice of the Depository, any indictments or any other orders that may have been passed against it by any regulatory authority within seven days from the date of such order or indictment.

5.3. [11] Fees and Charges

The Participant shall have the discretion to charge any fees to its Clients. Further, the Participant may charge different types of fees to its various Clients.

Provided further that the Participant shall file the charge structure every year, latest by 30th April, with the Depository and also inform the depository the changes in their charge structure as and when they are effected.

Notes:

[11] Amended w.e.f. January 1, 2007. Prior to this amendment Rule 5.3 was amended on June 24, 2005, which read as follows:

5.3. FEES AND CHARGES

The Participant shall have the discretion to charge any fees to its Clients. Further, the Participant may charge different types of fees to its various Clients.

Provided further that the participant shall file the charge structure with the Depository as and when called for.

Prior to this amendment Rule 5.3 read as follows:

5.3. FEES AND CHARGES

The Participant shall have the discretion to charge any fees to its Clients. Further, the Participant may charge different types of fees to its various Clients.

6. GUIDELINES GOVERNING RELATIONSHIP BETWEEN PARTICIPANT AND CLIENT

6.1. The Participants shall execute transactions on behalf of its Clients only on authorisations from their Clients.

6.2. A Participant may accept standing instructions from the Client for crediting the account of the Client without the Participant requiring separate authorisation for each credit.

6.3. The Participant shall not be required to receive authorisation for receiving credit in the accounts of the Clearing Member, in case of receipt of securities from the Clearing Corporation.

6.4. The Participant shall make available to the Client for his reference, the list of Clearing Members who have opened an account with the Participant and the securities which have been admitted to the Depository to be in dematerialised form.

6.5. [12] The Participant shall not be required to receive authorisation from the Clearing Member for the delivery-out instruction given by the Clearing Corporation in pursuance of Rule 13.7.5.

Note:

[12] **Inserted w.e.f. July 10, 2000**

7. CODE OF ETHICS FOR PARTICIPANTS

7.1. GENERAL PRINCIPLES

7.1.1. **Professionalism:** A Participant in the conduct of its business shall observe high standards of commercial honour and just and equitable principles of business.

7.1.2. **Adherence to Business Rules:** Participant shall adhere to the Bye Laws and Business Rules of the Depository and shall comply with such operational parameters, rulings, notices, guidelines and instructions of the relevant authority as may be applicable from time to time.

7.1.3. **Honesty and fairness:** In conducting its business activities, a Participant shall act honestly and fairly in the best interests of its Clients.

7.1.4. **Capabilities:** A Participant shall have and employ effectively the resources and procedures which are needed for the proper performance of its business activities.

7.2. OPERATIONAL PRINCIPLES

7.2.1. Participants shall ensure:-

i) that any employee who commits the Participant to a transaction has the necessary authority to do so;

ii) that employees are adequately trained in operating in the relevant areas they are assigned to and are aware of their own, and their organisation's responsibilities as well as the relevant statutory acts governing the Participant, the Bye Laws and the Business Rules including any additions or amendments thereof;

7.2.2. No Participant or person associated with a Participant shall make improper use of Clients' securities or funds.

7.2.3. While performing any transaction in the Client accounts, the Participant must ensure that, great care is taken at all times not to misrepresent in any way, the nature of the transaction.

7.2.4. No Participant shall exercise any discretionary power in a Client's account unless such Client has given prior written authorisation in this regard.

7.3. GENERAL GUIDELINES

No Participant shall shield or assist or omit to report about any Participant whom it has known to have committed a breach or evasion of any Rules, Bye Laws, or Regulations of the Depository or of any resolution, order, notice or direction thereunder of the Executive Committee or the Managing Director or any committee or officer of the Depository authorised in that behalf.

8. ADMISSION OF PARTICIPANTS

8.1. The applicant shall submit FORM 'E' specified under The Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 and the Annexures specified thereunder along with the following documents:

i) Business history of the applicant for the last three years;

ii) Net worth as certified by a Chartered Accountant as per the latest audited accounts in the manner specified in Annexure A of these Business Rules;

iii) Copies of the annual reports of the last three years.

8.2. The applicant shall have appropriate safekeeping measures (such as vaults and other security measures) to store securities and physical records at its end.

8.3. Even after the applicant procures the certificate of commencement of business from the Securities and Exchange Board of India, the Participant shall not transact the business on the Depository system unless it has paid the security deposit and other fees as stipulated by the Depository for this purpose.

8.4. [13] A Clearing Corporation or a Clearing House of a stock exchange shall not be permitted to open Client accounts. Provided however that in case where the Clearing Corporation or the Clearing House of a stock exchange have been permitted by RBI to offer constituent SGL account facility to the investors, it shall be permitted to open Client accounts subject to such terms and conditions as may be stipulated by the Depository.

Notes:

[13] Amended w.e.f September 2, 1998. Prior to this amendment, Rule 8.4, which was inserted on July 25, 1997, read as follows:

8.4. A clearing corporation or a clearing house of a stock exchange shall not be permitted to open Client accounts.

9. HARDWARE AND SOFTWARE REQUIREMENTS

9.1. ISSUER OR ITS REGISTRAR & TRANSFER AGENT

9.1.1. [14] The Issuer or its Registrar & Transfer Agent shall install the hardware and software which shall be in conformity with the configurations specified by the Depository from time to time. Provided however that, in case where a State or the Central Government is the Issuer, NSDL shall install the necessary hardware and software.

9.1.2. The Depository shall provide to the Issuer or its Registrar and Transfer Agent an application software called the Depository Participant Module [DPM (SHR)] and any upgradations or modifications to such software on payment of such fees as may be determined by the Depository.

9.2. PARTICIPANTS

9.2.1. [15] The Participant and the Participant which is a Clearing Corporation shall install the hardware and software which shall be in conformity with the configurations specified by the Depository from time to time.

9.2.2. [16] The Depository shall provide an application software called the Depository Participant Module [DPM (DP)] to the Participant and an application software called the Depository Participant Clearing Corporation Module [DPM(CC)] to the Participant which is a Clearing Corporation, and any upgradations or modifications to such software on payment of such fees as may be determined by the Depository.

Notes:

[14] **Amended w.e.f. September 3, 2001. Prior to this amendment, Rule 9.1.1 read as follows:**
9.1.1. The Issuer or its Registrar & Transfer Agent shall install the hardware and software which shall be in conformity with the configurations laid down in Annexure B. Provided however that, in case where a State or the Central Government is the Issuer, NSDL shall install the necessary hardware and software.
Prior to this amendment, Rule 9.1.1 was amended on November 12, 1998 which read as follows:
9.1.1. The Issuer or its Registrar and Transfer Agent shall install the hardware and software which shall be in conformity with the configurations laid out in Annexure B.

[15] **Amended w.e.f. September 3, 2001. Prior to this amendment, Rule 9.2.1 read as follows:**
9.2.1. The Participant shall follow the hardware and software requirements as specified in these Business Rules in Annexure C and the Participant which is a Clearing Corporation shall follow the hardware and software requirements as specified in these Business Rules in Annexure CC.
Prior to this amendment, Rule 9.2.1 was amended on January 20, 1998 which read as follows:
9.2.1.The Participant shall follow the hardware and software requirements as specified in these Business Rules in Annexure C.

[16] **Amended w.e.f. January 20, 1998. Prior to this amendment, Rule 9.2.2 read as follows:**
9.2.2. The Depository shall provide to the Participants an application software called the Depository Participant Module [DPM (DP)] and any upgradations or modifications to such software on payment of such fees as may be determined by the Depository.

10. FEES AND DEPOSITS*

***SINCE DELETED W.E.F. SEPTEMBER 1, 2000, REFER CHAPTER 21 ON FEES AND DEPOSITS**

Prior to deletion the provisions of Chapter 10 were as under

10.1. ISSUERS OR ITS REGISTRAR AND TRANSFER AGENTS

No fee is payable by the Issuers (companies whose shares are declared eligible for dematerialisation) or its Registrar and Transfer Agent to the Depository.

10.2. PARTICIPANTS

10.2.1. ENTRY FEES: Each Participant shall pay, to the Depository, a non- refundable entry fee of Rs. 25,000.

10.2.2. [17] ANNUAL FEES: Each Participant shall pay to the Depository, an annual fee as per the schedule given below:

Average market value of dematerialised securities with the Participant	ANNUAL FEES
Upto Rs. 200 crore	Rs. 100,000
Between Rs. 200 crore and Rs. 500 crore	Rs. 250,000
More than Rs. 500 crore	Rs. 500,000

The fee shall be charged on a yearly basis from October 1 to September 30. This fee shall be paid before October 31 of the following year.

Provided that all Participants who join the depository in the second half (on or after April 1) of any year shall be required to pay only half of the annual fee for that year.

10.2.3. [18] TRANSACTION RELATED FEES: The following transaction related fees shall be payable by the Participants to the Depository:

Notes:

[17] Amended w.e.f. November 20, 1997. Prior to this amendment, Rule 10.2.2 read as follows:
10.2.2. ANNUAL FEES: Each Participant shall pay, to the Depository, an annual fee as per the schedule given below:

Average market value of dematerialised securities with the Participant	ANNUAL FEES
Upto Rs. 200 crore	Rs. 100,000
Between Rs. 200 crore and Rs. 500 crore	Rs. 250,000
More than Rs. 500 crore	Rs. 500,000

The fee shall be charged on a yearly basis from October 1 to September 30. This fee shall be paid before October 31 of the following year.

[18] Amended w.e.f. June 9, 2000. Prior to this amendment, Rule 10.2.3 was amended on July 31, 1999 which read as follows:
TRANSACTION RELATED FEES : The following transaction related fees shall be payable by the Participants to the Depository :

i) A settlement fee at the rate of 0.04% (4 basis points) shall be payable on the value of the securities received from the Clearing Corporation into the Receipt- in account of each Clearing Member maintained with the Participant.

Notes:

i) A settlement fee at the rate of 0.04% (4 basis points) shall be payable on the value of the securities received from the Clearing Corporation into the Receipt-in account of each Clearing Member maintained with the Participant.
Provided however that, with effect from August 1, 1999, a settlement fee at the rate of 0.02% (2 basis points) each shall be payable by the Participant on the value of the securities received from the Clearing Corporation into the Receipt-in account of each Clearing Member maintained with the Participant and on the value of the securities delivered from the Delivery account of each Clearing Member to the Clearing Corporation.

No settlement fee will be payable for securities received from the Clearing Corporation into the additional Receipt-in account maintained for the purpose of Vyaj Badla transactions. However, a settlement fee at the rate of 0.04% will be payable on the value of securities moveable out to the beneficial owners' accounts at the time of book closure/record date from the additional CM accounts maintained for the purpose of Vyaj Badla transactions.
In respect of debt instruments and government securities, no settlement fee shall be charged till March 31, 2000.

ii) A settlement fee at the rate of 0.1% of the value of the securities credited to the account(s) of its Client(s) in respect of off-market transactions shall be charged from the Participant. Provided however that, with effect from August 1, 1999, a settlement fee at the rate of 0.02% (2 basis points) each on the value of the securities debited and credited to the account(s) of its Client(s) in respect of off-market transactions shall be charged from the Participant. However no settlement fee shall be charged in the following cases :-

a) in the case of transfers necessitated by transmission;
b) in the case of transfer of the account of the Client from one Participant to another as a consequence of the expulsion or suspension of such Participant;
c) when the Client closes its account with a Participant and transfers the entire balance in its account to its account maintained with another Participant.

iii) When a pledge/hypothecation is invoked, a settlement fee at the rate of 0.1% of the value of the securities credited to the account(s) of its Client(s) shall be charged from the Participant.

iv) A fee at the rate of 0.05% of the value of the securities lent by the intermediary to the borrower shall be charged from the Participant of the borrower if the transaction is for a period upto three months. In case, the transaction extends beyond three months, the Participant of the borrower shall pay an additional fee at the rate of 0.05% of the value of securities lent. The transaction fee shall be collected from the Participant either at the beginning of the transaction or any roll over of transactions beyond three months. Provided however that, with effect from August 1, 1999, a fee at the rate of 0.04% of the value of the securities lent by the intermediary to the borrower shall be charged from the Participant of the borrower if the transaction is for a period upto three months. In case, the transaction extends beyond three months, the Participant of the borrower shall pay an additional fee at the rate of 0.04% of the value of securities lent. The transaction fee shall be collected from the Participant either at the beginning of the transaction or any roll over of transactions beyond three months.

Prior to this amendment, Rule 10.2.3 was amended on February 24, 1999 which read as follows:
TRANSACTION RELATED FEES: The following transaction related fees shall be payable by the Participants to the Depository:

i) A settlement fee at the rate of 0.05% of the value of securities received from the Clearing Corporation into the Receipt-in account of each Clearing Member maintained with the Participant. No settlement fee will be payable for the securities delivered from the Delivery account of each Clearing Member to the Clearing Corporation.

No settlement fee will be payable for securities received from the Clearing Corporation into the additional Receipt-in account maintained for the purpose of Vyaj Badla transactions. However, a settlement fee at the rate of 0.05% will be payable on the value of securities moveable out to the beneficial owners' accounts at

Provided however that, with effect from August 1, 1999, a settlement fee at the rate of 0.02% (2 basis points) each shall be payable by the Participant on the value of the securities received from the Clearing Corporation into the Receipt-in account of each Clearing Member maintained with the Participant and on the value of the securities delivered from the Delivery account of each Clearing Member to the Clearing Corporation.

Notes:

the time of book closure/record date from the additional CM accounts maintained for the purpose of Vyaj Badla transactions.

In respect of debt instruments and government securities, no settlement fee shall be charged till March 31, 2000.

Provided however that, with effect from April 1, 1999, the settlement fee at the rate of 0.04% (4 basis points) shall be payable on the value of the securities received from the Clearing Corporation into the Receipt-in account of each Clearing Member maintained with the Participant and on the value of securities moveable out to the beneficial owners' accounts at the time of book closure/ record date from the additional CM accounts maintained for the purpose of Vyaj Badla transactions. ii) A settlement fee at the rate of 0.1% of the value of the securities credited to the account(s) of its Client(s) in respect of off-market transactions shall be charged from the Participant. However no settlement fee shall be charged in the following cases :-

a) in the case of transfers necessitated by transmission;
b) in the case of transfer of the account of the Client from one Participant to another as a consequence of the expulsion or suspension of such Participant;
c) when the Client closes its account with a Participant and transfers the entire balance in its account to its account maintained with another Participant.

iii) When a pledge/hypothecation is invoked, a settlement fee at the rate of 0.1% of the value of the securities credited to the account(s) of its Client(s) shall be charged from the Participant.

iv) A fee at the rate of 0.05% of the value of the securities lent by the intermediary to the borrower shall be charged from the Participant of the borrower if the transaction is for a period up to 3 months. In case, the transaction extends beyond 3 months, the Participant of the borrower shall pay an additional fee at the rate of 0.05% of the value of the securities lent. The transaction fee shall be collected from the Participants either at the beginning of the transaction or on any roll over of transactions beyond three months.

Prior to this amendment, Rule 10.2.3 was amended on April 8, 1998 which read as follows: 10.2.3. TRANSACTION RELATED FEES: The following transaction related fees shall be payable by the Participants to the Depository:-

i) A settlement fee at the rate of 0.05% of the value of the securities received from the Clearing Corporation into the Receipt-in account of each Clearing Member maintained with the Participant shall be charged. No settlement fee will be payable for securities received from the Clearing Corporation into the additional Receipt-in account maintained for the purpose of Vyaj Badla transactions. However, settlement fee at the rate of 0.05% shall be charged on the value of the securities moveable out to beneficial owners' accounts at the time of book closure/record date from the additional CM accounts maintained for the purpose of Vyaj Badla transactions. No settlement fee will be payable for the securities delivered from the Delivery account of each Clearing Member to the Clearing Corporation. In respect of debt instruments and government securities, no settlement fee shall be charged till March 31, 1999.

ii) A settlement fee at the rate of 0.1% of the value of the securities credited to the account(s) of its Client(s) in respect of off-market transactions shall be charged from the Participant. However no settlement fee shall be charged in the following cases :-

a) in the case of transfers necessitated by transmission;
b) in the case of transfer of the account of the Client from one Participant to another as a consequence of the expulsion or suspension of such Participant;
c) when the Client closes its account with a Participant and transfers the entire balance in its account to its account maintained with another Participant

No settlement fee will be payable for securities received from the Clearing Corporation into the additional Receipt-in account maintained for the purpose of Vyaj Badla transactions. However, a settlement fee at the rate of 0.04% will be payable on the value of securities moveable out to the beneficial owners' accounts at the time of book closure/record date from the additional CM accounts maintained for the purpose of Vyaj Badla transactions.

Notes:

iii) When a pledge/hypothecation is invoked, a settlement fee at the rate of 0.1% of the value of the securities credited to the account(s) of its Client(s) shall be charged from the Participant.

Prior to this amendment, Rule 10.2.3 was amended on March 26, 1998 which read as follows:
10.2.3. TRANSACTION RELATED FEES : The following transaction related fees shall be payable by the Participants to the Depository:-

i) A settlement fee at the rate of 0.05% of the value of the securities received from the Clearing Corporation into the Receipt-in account of each Clearing Member maintained with the Participant shall be charged. No settlement fee will be payable for the securities delivered from the Delivery account of each Clearing Member to the Clearing Corporation. In respect of debt instruments and government securities, no settlement fees shall be charged till March 31, 1999.

ii) A settlement fee at the rate of 0.1% of the value of the securities credited to the account(s) of its Client(s) in respect of off-market transactions shall be charged from the Participant. However no settlement fee shall be charged in the following cases :-
   a) in the case of transfers necessitated by transmission;
   b) in the case of transfer of the account of the Client from one Participant to another as a consequence of the expulsion or suspension of such Participant;
   c) when the Client closes its account with a Participant and transfers the entire balance in its account to its account maintained with another Participant.

iii) When a pledge/hypothecation is invoked, a settlement fee at the rate of 0.1% of the value of the securities credited to the account(s) of its Client(s) shall be charged from the Participant.

Prior to this amendment, Rule 10.2.3 was amended on March 21, 1997 which read as follows:
10.2.3. TRANSACTION RELATED FEES : The following transaction related fees shall be payable by the Participants to the Depository:-

i) A settlement fee at the rate of 0.05% of the value of the securities received from the Clearing Corporation into the Receipt-in account of each Clearing Member maintained with the Participant shall be charged. No settlement fee will be payable for the securities delivered from the Delivery account of each Clearing Member to the Clearing Corporation. In respect of debt instruments and government securities, no settlement fees shall be charged till March 31, 1998.

ii) A settlement fee at the rate of 0.1% of the value of the securities credited to the account(s) of its Client(s) in respect of off-market transactions shall be charged from the Participant. However no settlement fee shall be charged in the following cases :-
   a) in the case of transfers necessitated by transmission;
   b) in the case of transfer of the account of the Client from one Participant to another as a consequence of the expulsion or suspension of such Participant;
   c) when the Client closes its account with a Participant and transfers the entire balance in its account to its account maintained with another Participant.

iii) When a pledge/hypothecation is invoked, a settlement fee at the rate of 0.1% of the value of the securities credited to the account(s) of its Client(s) shall be charged from the Participant.

The original Rule read as follows :
10.2.3. TRANSACTION RELATED FEES: The following transaction related fees shall be payable by the Participants to the Depository:-

i) A settlement fee at the rate of 0.05% of the value of the securities received from the Clearing Corporation into the Receipt-in account of each Clearing Member maintained with the Participant shall be charged.
No transaction fee will be payable for the securities delivered from the Delivery account of each Clearing Member to the Clearing Corporation.

In case of debt instruments, other than Commercial Papers, a settlement fee at the rate of 0.01% (one basis point) on the value of debt securities received from the Clearing Corporation into the Receipt-in account of each Clearing Member or delivered from the Delivery account of each Clearing Member to the Clearing Corporation shall be charged from the Participant. The above settlement fee of one basis point shall be subject to a maximum of Rs.100 for each different security.

Provided however that;

a. in respect of government securities, no settlement fee shall be charged till September 30, 2000.

b. in respect of commercial papers, no transaction fees shall be charged on the Participants.

ii) A settlement fee at the rate of 0.1% of the value of the securities credited to the account(s) of its Client(s) in respect of off-market transactions shall be charged from the Participant. Provided however that, with effect from August 1, 1999, a settlement fee at the rate of 0.02% (2 basis points) each on the value of the securities debited and credited to the account(s) of its Client(s) in respect of off-market transactions shall be charged from the Participant. However no settlement fee shall be charged in the following cases:-

a) in the case of transfers necessitated by transmission;

b) in the case of transfer of the account of the Client from one Participant to another as a consequence of the expulsion or suspension of such Participant;

c) when the Client closes its account with a Participant and transfers the entire balance in its account to its account maintained with another Participant.

In case of debt instruments, other than Commercial Papers, in respect of Off-market transactions, a settlement fee at the rate of 0.01% (one basis point) on the value of debt securities debited and credited to the account(s) of its Clients shall be charged from the Participant. The above settlement fee of one basis point shall be subject to a maximum of Rs.100 for each different security.

Provided however that;

a) in respect of Government Securities, no settlement fee shall be charged till September 30, 2000.

b) in respect of Commercial Papers, no transaction fees shall be charged on the Participants.

Notes:

ii) A settlement fee at the rate of 0.1% (subject to a minimum of Rs.10,000/- per transaction) of the value of the securities credited to the account(s) of its Client(s) in respect of off-market transaction shall be charged from the Participant. However no settlement fee shall be charged in the following cases :-

a) in the case of transfers necessitated by transmission;

b) in the case of transfer of the account of the Client from one Participant to another as a consequence of the expulsion or suspension of such Participant;

c) when the Client closes its account with a Participant and transfers the entire balance in its account to its account maintained with another Participant.

iii) When a pledge/hypothecation is invoked, a settlement fee at the rate of 0.1% of the value of the securities credited to the account(s) of its Client(s) shall be charged from the Participant.

iv) A fee at the rate of 0.05% of the value of the securities lent by the intermediary to the borrower shall be charged from the Participant of the borrower if the transaction is for a period upto three months. In case, the transaction extends beyond three months, the Participant of the borrower shall pay an additional fee at the rate of 0.05% of the value of securities lent. The transaction fee shall be collected from the Participant either at the beginning of the transaction or any roll over of transactions beyond three months.

Provided however that, with effect from August 1, 1999, a fee at the rate of 0.04% of the value of the securities lent by the intermediary to the borrower shall be charged from the Participant of the borrower if the transaction is for a period upto three months. In case, the transaction extends beyond three months, the Participant of the borrower shall pay an additional fee at the rate of 0.04% of the value of securities lent. The transaction fee shall be collected from the Participant either at the beginning of the transaction or any roll over of transactions beyond three months.

10.2.4. [19] CUSTODY FEES

Each Participant shall pay custody fee at the rate of 0.01% (1 basis point) per annum on the average value of securities held by the Participant in dematerialised form. This fee will be collected quarterly on the basis of average holding during the quarter. Provided however that, with effect from August 1, 1999, the custody fees payable by a Participant will be subject to an annual overall ceiling as given below:

Average market value of dematerialised securities with the Participant during the quarter	**Annual Ceiling (to be recovered quarterly)**
Upto Rs. 200 crore	Rs. 25,000
More than Rs. 200 crore and upto Rs. 500 crore	Rs. 50,000
More than Rs. 500 crore and upto Rs. 2000 crore	Rs. 1,25,000
More than Rs. 2000 crore	Rs. 4,00,000

Notes:

[19] Amended w.e.f. July 31, 1999. Prior to this amendment, Rule 10.2.4 as amended on Feb 24, 1999 read as follows:

10.2.4. CUSTODY FEES

Each Participant shall pay custody fee at the rate of 0.02% (2 basis points) per annum on the average value of securities held by the Participant in dematerialised form. Provided however that, each Participant shall, with effect from April 1, 1999, pay custody fees at the rate of 0.01% (1 basis point) per annum on the average value of securities held by the Participant in dematerialised form. This fee will be collected quarterly on the basis of average holding during the quarter.

Provided further that while calculating the custody value as mentioned above, the value of the shares of those companies which have paid a one time custody fee will not be included. In case of debt instruments and Government Securities, each Participant shall pay custody fee at the rate of 0.005% (1/2 a basis point) per annum on the average value of the securities held by the Participant in dematerialised form subject to a ceiling of Rs. 1,00,000/- p.a. Provided however that, with effect from August 1, 1999, the custody fees payable by a Participant in respect of debt instruments and Government Securities will be subject to the overall ceiling as given above.

Notes:

In case of debt instruments and Government securities, each Participant shall pay custody fee at the rate of 0.005% (1/2 a basis point) per annum on the average value of the securities held by the Participant in dematerialised form. Provided however that in case of Government securities, custody fees payable by a Participant shall be subject to a ceiling of Rs. 1,00,000/- p.a.

Prior to this amendment, Rule 10.2.4 was amended on September 2, 1998, which read as follows:
10.2.4. CUSTODY FEES: Each Participant shall, with effect from August 1, 1997, pay custody fee at the rate of 0.035% (3.5 basis points) per annum on the average value of securities held by the Participant in dematerialised form. This fee will be collected quarterly on the basis of average holding during the quarter.

Provided however that, each Participant shall, with effect from October 1, 1998, pay custody fees at the rate of 0.02% (2 basis points) per annum on the average value of securities held by the Participant in dematerialised form. This fee will be collected quarterly on the basis of average holding during the quarter.

However, in the case of debt instruments and Government securities, each Participant shall pay custody fee at the rate of 0.005% per annum on the average value of the securities held by the Participant in dematerialised form. Provided that in case of Government securities, custody fees payable by a Participant shall be subject to a ceiling of Rs. 1,00,000/- p.a.

Prior to this amendment, Rule 10.2.4 was amended on March 26, 1998 which read as follows:
10.2.4. CUSTODY FEES: Each Participant shall, with effect from August 1, 1997, pay custody fee at the rate of 0.035% (3.5 basis points) per annum on the average value of securities held by the Participant in dematerialised form. This fee will be collected quarterly on the basis of average holding during the quarter. However, in the case of debt instruments and Government Securities, till March 31, 1999, each Participant shall pay custody fee at the rate of 0.005% per annum on the average value of the securities held by the Participant in dematerialised form.

Prior to this amendment, Rule 10.2.4 was amended on July 25, 1997 which read as follows:
10.2.4. CUSTODY FEES: Each Participant shall, with effect from August 1, 1997, pay custody fee at the rate of 0.035% (3.5 basis points) per annum on the average value of securities held by the Participant in dematerialised form. This fee will be collected quarterly on the basis of average holding during the quarter. However, in the case of debt instruments and Government Securities, each Participant shall pay custody fee at the rate of 0.005% per annum on the average value of the securities held by the Participant in dematerialised form.

Prior to this amendment, Rule 10.2.4 was amended on March 21, 1997 which read as follows:
10.2.4. CUSTODY FEES: Each Participant shall pay custody fee at the rate of 0.07% per annum on the average value of securities held by the Participant in dematerialised form. This fee will be collected quarterly on the basis of average holding during the quarter.

However, in the case of debt instruments and government securities, each Participant shall pay custody fee at the rate of 0.005% per annum on the average value of securities held by the Participant in dematerialised form.

Further, in case the average value of securities (other than debt instruments and Government securities) held in dematerialised form in one account of any Client of the Participant exceeds Rs. 500 crores, the Participant

10.2.5. [20] FEE FOR DEMATERIALISATION & REMATERIALISATION

No fee shall be charged by the Depository on Dematerialisation requests. However, in case of Rematerialisation, a fee at the rate of 0.10% of the value of the securities requested for rematerialisation or Rs.10/- per certificate, whichever is higher will be charged.

10.2.6. [21] SECURITY DEPOSITS

Every Participant will be required to pay an amount of Rs.10 lakh by way of interest free refundable security deposit. However, a Clearing Corporation or a Clearing House of a Stock Exchange will be exempt from payment of the security deposit.

10.2.7. [22] ONE TIME CUSTODY FEES

10.2.7.1. An issuer may, with effect from August 1, 1997, pay a one time custody fee to the depository at the rate of 0.05% on the market capitalisation of the company. The market capitalisation of a company will be determined on the basis of the average market price for a period of 26 weeks preceding the date on which the company agrees to make such payment. Consequent upon such payment, the depository shall not levy any custody fee on the Participants.

10.2.7.2. If a company opts to pay the aforesaid one time fee, it will also be required to agree to pay on the newly issued shares, a custody fee at the rate of 0.05% on the value of shares calculated on the basis of issue price of newly issued shares. In case the company does not pay this amount, the depository shall charge custody fee as per provision mentioned at Rule 10.2.4 above. However, the issuer shall not be required to pay any custody fee on any subsequent issue of Bonus shares by the company.

Notes:

shall be entitled to a refund calculated at the rate of 0.02% of the average value of securities in excess of Rs. 500 crores and at the rate of 0.03% of the value of the securities in excess of Rs. 1000 crores held by such Client(s).

The original Rule read as follows:
10.2.4. CUSTODY FEES: Each Participant shall pay custody fee at the rate of 0.07 % per annum on the average value of securities held by the Participant in dematerialised form. This fee will be collected quarterly on the basis of average holding during the quarter.
However in case the average value of securities held in dematerialised form in one account of any Client of the Participant exceeds Rs. 500 crores, the Participant shall be entitled to a refund calculated at the rate of 0.02% of the average value of securities in excess of Rs. 500 crores and at the rate of 0.03% of the value of the securities in excess of Rs. 1000 crores held by such Client(s).

[20] Amended w.e.f September 2, 1998. Prior to this amendment, Rule 10.2.5 read as follows:
10.2.5. No fee shall be charged by the Depository on Dematerialisation requests. However, in case of Rematerialisation, a flat fee of Rs.10/- per certificate will be charged.

[21] Amended w.e.f. July 25, 1997. Prior to this amendment, Rule 10.2.6 read as follows:
10.2.6. SECURITY DEPOSITS: Every Participant will be required to pay an amount of Rs. 10 lakhs by way of interest free refundable security deposit.

[22] Inserted w.e.f. July 25, 1997.

10.2.9. [23] FEE FOR NON-CASH CORPORATE ACTIONS

i. In case of offers for sale or divestment by GOI, a fee at the rate of four basis points (0.04%) of the offer price will be charged to the Issuer/Offerer.

ii. In case of all other corporate actions, viz., bonus, rights, public issues, share-split, merger, de-merger etc., a fee at the rate of four basis points (0.04%) of the price or Rupees 20 per record whichever is lower, will be charged to the Issuer. For this purpose, "price" means the market price as on the date of allotment or the offer price as the case may be.

iii. In case of conversion of shares of non pari-passu to pari-passu, partly-paid to fully-paid etc., no fee shall be charged.

iv. In case of companies which have paid/pay one time custody fee, no corporate action fee as mentioned at (i) and (ii) above shall be charged till March 31, 2002.

Provided however that in case of any corporate action of commercial papers, a flat fee of Rs.10,000/- shall be levied on the Issuer.

10.2.10. [24] The Business Rules 10.1 to 10.2.9 shall apply till August 31, 2000 and the provisions of Chapter 20 will come into effect from September 1, 2000.

Notes:

[23] Amended w.e.f June 9, 2000. Prior to this amendment, Rule 10.2.9 inserted w.e.f. December 1, 1999, read as follows:

10.2.9. FEE FOR NON-CASH CORPORATE ACTIONS

i. In case of offers for sale or divestment by GOI, a fee at the rate of four basis points (0.04%) of the offer price will be charged to the Issuer/Offerer.

ii. In case of all other corporate actions, viz., bonus, rights, public issues, share-split, merger, de-merger etc., a fee at the rate of four basis points (0.04%) of the value or Rupees 20 per record whichever is lower, will be charged to the Issuer. For this purpose, "price" means the market price as on the date of allotment or the offer price as the case may be.

iii. In case of conversion of shares of non pari-passu to pari-passu, partly-paid to fully-paid etc., no fee shall be charged.

iv. In case of companies which have paid/ pay one time custody fee, no corporate action fee as mentioned at (i) and (ii) above shall be charged till March 31, 2002.

[24] Inserted w.e.f. August 1, 2000

11. WITHDRAWAL AND DEPOSIT OF SECURITIES TO/ FROM A CLIENT ACCOUNT

11.1. DEMATERIALISATION OF SECURITIES

11.1.1. Every Client shall submit to the Participant the securities for dematerialisation along with the Dematerialisation Request Form (DRF). The specimen of the DRF is given in Annexure D.

11.1.2. No dematerialisation request shall be entertained by the Participant other than from a registered holder of securities.

11.1.3. The Participant shall first ensure that the certificates submitted by its Client for dematerialisation belong to the list of securities admitted by the Depository as eligible for dematerialisation.

11.1.4. The Participant shall ensure that the DRF submitted by its Client is completely filled and duly signed.

11.1.5. [25] The Participant shall forward the DRF to the Issuer or its Registrar & Transfer Agent only after ascertaining that the number of certificates annexed with the DRF tallies with the number of certificates mentioned on the DRF. Provided further that in case of transposition/transmission and dematerialisation cases, the Participant shall also forward Annexure OA/OB as the case may be, alongwith the DRF to the Issuer or its Registrar & Transfer Agent.

11.1.6. The Participant shall also verify the details of the certificates submitted for dematerialisation with the details filled up in the corresponding DRF.

11.1.7. [26] The Participant shall ensure that the certificates submitted for dematerialisation are marked by the Client with the words **"Surrendered for Dematerialisation"** which should be at least four inches in length and one inch in width.

11.1.8. The Participant shall ensure the safety and security of the certificates submitted for dematerialisation till the certificates are forwarded to the Issuer or its Registrar and Transfer Agent.

Notes:

[25] **Amended w.e.f. May 7, 2001. Prior to this amendment, Rule 11.1.5 read as follows:**
11.1.5. The Participant shall forward the DRF to the Issuer or its Registrar and Transfer Agent only after ascertaining that the number of certificates annexed with the DRF tallies with the number of certificates mentioned on the DRF.

[26] **Amended w.e.f. January 1, 2000. Prior to this amendment, Rule 11.1.7 read as follows:**
11.1.7. The Participant shall ensure that the certificates submitted for dematerialisation are marked by the Client with the words "Surrendered for Dematerialisation"

11.1.9. [27] The Participant shall cancel the security certificates by drawing two parallel lines across the certificate and punch two holes on the company name in the manner laid down in Annexure E before forwarding the same to the Issuer or its Registrar and Transfer Agent.

11.1.10. The Participant shall ensure that a separate DRF is filled in by the Client for securities having distinct International Securities Identification Numbers [ISINs].

11.1.11. The Participant shall ensure that a separate DRF is filled in by the Client for locked in and free securities having the same ISIN.

11.1.12. The Participant shall ensure that the Client submits a separate DRF for each of its accounts maintained with the Participant.

11.1.13. [28] The securities which have been dematerialised shall be credited to the accounts maintained by a Participant only when the pattern of holdings in the account of the Client matches with the pattern of holdings as per the security certificates. Provided however that in case where the names appearing on the certificates match with the names in which the account has been opened but are in a different order, the Client can get the security certificates dematerialised by submitting the security certificates alongwith the Transposition Form as per Annexure OA and the Dematerialisation Request Form (DRF) to the Participant. The explanation of such pattern of holding is given in Annexure F.

11.1.14. In the case of securities which have been submitted for dematerialisation for which any objection memo has been received from the Issuer or its Registrar and Transfer Agent, the Participant shall facilitate the correction of such objections on a timely basis.

11.1.15. In case of a public or rights issue with respect to a security which has been admitted to the Depository to be held in dematerialised form, the Issuer or its Registrar and Transfer Agent shall provide the Clients with the facility to indicate their option between electronic and physical holdings in the share application form in the form and manner provided in Annexure G.

11.1.16. In the case of such issue in electronic form as specified above, the account of the Client maintained with the Participants shall be credited with such securities issued only when the pattern of holdings of such account matches with the pattern of application of the Client in the form specified above. The pattern of such holding has been explained in Annexure F.

Notes:

[27] **Amended w.e.f. January 1, 2000. Prior to this amendment, Rule 11.1.9 read as follows:**
11.1.9. The Participant shall punch two holes on the company name on the security certificates in the manner laid down in Annexure E before forwarding the same to the Issuer or its Registrar and Transfer Agent.

[28] **Amended w.e.f. May 7, 2001. Prior to this amendment, Rule 11.1.13 read as follows:**
11.1.13. The securities which have been dematerialised shall be credited to the accounts maintained with a Participant only when the pattern of holdings in the account of the Client matches with the pattern of holdings as per the security certificates. The explanation of such pattern of holding is given in Annexure F.

11.1.17. [29] TRANSMISSION (NAME DELETION) AND DEMATERIALISATION OF SECURITIES:
In case of death of one or more of the joint holders, the surviving joint holder(s) can get the name(s) of the deceased deleted from the security certificate(s) and get them dematerialised by submitting the security certificates alongwith the Transmission Form as per Annexure OB and the Dematerialisation Request Form (DRF) to the Participant.

11.2. REMATERIALISATION

11.2.1. Every Client shall submit to the Participant the securities for rematerialisation along with the Rematerialisation Request Form (RRF). The specimen of the RRF is given in Annexure H.

11.2.2. The Participant shall ensure that the Client submits a separate RRF for each security and for each account maintained by the Client with the Participant.

11.2.3. The Participant shall ensure that the RRF submitted by its Client is completely filled and duly signed.

11.2.4. The Participant shall ensure that the Client has sufficient free holdings in its account maintained in electronic form before sending the RRF to the Issuer or its Registrar and Transfer Agent.

11.2.5. The Participant shall verify the signatures on each rematerialisation request with the signatures on the records held with it and authorise each rematerialisation form before forwarding it to the Issuer or its Registrar and Transfer Agent.

11.2.6. The Participant shall print the Client details from the DPM (DP) and enclose the same along with the RRF to the Issuer or its Registrar and Transfer Agent.

11.2.7. The securities issued at the time of rematerialisation shall be in the name of the person(s) who held the account in respect of which such securities have been rematerialised, as explained in Annexure I.

11.3. [30] REDEMPTION OR REPURCHASE

11.3.1. In case the Issuer gives an option to the Client for repurchase or redemption of

Notes:

[29] Inserted w.e.f May 7, 2001. The original rule 11.1.17 has been deleted & original rule 11.1.18 has been renumbered as 11.1.17 w.e.f February 27, 2004. Prior to this amendment original rule 11.1.17 which was inserted w.e.f. Nov. 12, 1998 read as follows:
11.1.17. Further to the Rules 11.1.1 to 11.1.16 above, the Participant shall process the request for dematerialisation of shares sent for transfer as per the procedure prescribed in the Guidelines for dematerialisation of shares sent for transfer issued by the Securities and Exchange Board of India. The Depository may notify from time to time the ISINs, which will be eligible for dematerialisation under the said Guidelines.

[30] Inserted w.e.f April 8, 1998.

securities held in dematerialised form, the Client on exercising his option, shall submit to the Participant the Redemption or Repurchase Request Form (RF) in the format given in Annexure HA.

11.3.2. The Participant shall ensure that the Client submits a separate RF for each security and for each account maintained by the Client with the Participant.

11.3.3. [31] The Participant shall ensure that the RF submitted by his Client is completely filled and duly signed. The Participant shall verify the details mentioned in the RF with the details of Client's account and ensure that the RF is in order.

11.3.4. The Participant shall verify the signatures on each RF with the signatures on the records held with it.

11.3.5. [32] The Participant shall, except in the case of amount based redemption, ensure that the Client has sufficient free holdings in his account before executing the instructions in the DPM (DP).

11.3.6. The Participant shall execute the instructions for Repurchase or Redemption of securities in the DPM (DP).

11.3.7. [33] The Issuer or its Registrar and Transfer Agent shall verify the request in the DPM (SHR), and if in order, confirm the request for Redemption or Repurchase in the DPM (SHR) and pay the proceeds directly to the Client.

Notes:

[31] **Amended w.e.f. December 30, 2010. Prior to this amendment Rule 11.3.3 Read as follow -**
11.3.3. The Participant shall ensure that the RF submitted by his client is completely filled and duly signed.

[32] **Amended w.e.f. June 7, 2011. Prior to this amendment Rule 11.3.5 was amended w.e.f. December 30, 2010. Which read as follows -**
11.3.5. The Participant shall ensure that the Client has sufficient free holdings in his account before executing the instructions in the DPM (DP).

Prior to this amendment Rule 11.3.5 Read as follow -
11.3.5. The Participant shall ensure that the Client has sufficient free holdings in his account before executing the instructions and sending the RF to the Issuer or its Registrar and Transfer Agent.

[33] **Rule 11.37 of Business Rules has been deleted w.e.f. December 30, 2010. Rule 11.3.8 of Business Reles has been amended and renumbered as 11.3.7. Priror to delection, Rule 11.3.7 read as follow -**
11.3.7. The Participant shall authorise the RF, enclose the client details printed from the DPM (DP) and forward it to the Issuer or its Registrar and Transfer Agent.

Rule 11.3.8 read as follow -
11.3.8. The Issuer or its Registrar and Transfer Agent shall verify the form and the request, and if in order, confirm the request for Redemption or Repurchase in the DPM (SHR) and pay the proceeds directly to the Client.

11.4. [34]CONVERSION OF ISIN

11.4.1. In case the Issuer gives an option to the Client to convert his holding from one ISIN to the other, the Client for the purpose of exercising his option shall, submit to the Participant an ISIN conversion form (ICF) in the format given in Annexure HB.

11.4.2. The Participant shall ensure that the client submits a separate ICF for each account maintained by the client with the Participant.

11.4.3. The Participant shall ensure that the ICF submitted by his Client is completely filled and duly signed.

11.4.4. The Participant shall verify the signatures on each ICF with the signatures on the records held with it.

11.4.5. The Participant shall ensure that the Client has sufficient free holdings in his account before executing the instructions and sending the ICF to the Issuer or its Registrar and Transfer Agent.

Notes:

[34] **Inserted w.e.f. April 8, 1998.**

11.4.6. The Participant shall execute the instructions for conversion of securities in the DPM (DP).

11.4.7. The Participant shall authorise the ICF, enclose the client details printed from the DPM (DP) and forward it to the Issuer or its Registrar and Transfer Agent.

11.4.8. The Issuer or its Registrar and Transfer Agent shall verify the form and the request, and if in order, confirm the request for conversion of ISIN in the DPM (SHR) and provide to the Depository the details of the request for conversion of ISIN.

11.4.9. On receipt of the conversion details, the Depository shall cause necessary credit entries to be made in the accounts of the Clients on a date requested by the Issuer or its Registrar and Transfer Agent (hereinafter referred to as Execution Date).

11.4.10. In case the records are rejected by the Depository, the Issuer or its Registrar and Transfer Agent shall send the rectified records to the Depository within seven days from the Execution Date. In case the Issuer or its Registrar and Transfer Agent fails to send the rectified records within seven days from the Execution Date, it shall proceed to issue securities in the physical form in respect of the unrectified records.

11.4.11. At the time of crediting the accounts of beneficial owners, if the accounts are either in the status of "to be closed" or "suspended for all", such allotments will be credited to "DP Suspense Accounts" by the Depository.

11.4.12. The Depository shall carry out a suspense reversal function and credit the relevant Client accounts after resolving the balances in "DP Suspense Accounts".

11.5. [35] DEMATERIALISATION OF GOVERNMENT SECURITIES

11.5.1. Every Client desirous of getting the physical securities converted into dematerialised form shall submit the securities to the Participant along with the Dematerialisation Request Form (DRF-GS) and the form of transfer prescribed by RBI. The specimen of the DRF-GS and the form of transfer prescribed by RBI are given in Annexure U and UA respectively.

11.5.2. No dematerialisation request as provided in Rule 11.5.1 above, shall be entertained by the Participant other than from a registered holder of securities.

11.5.3. Every Client desirous of transferring his holdings in dematerialised form held in an SGL account with other eligible entity, shall submit to the Participant SGL transfer documents as prescribed under Rule 7 of P.D.Rules of RBI duly executed by the other eligible entity along with the Dematerialisation Request Form (DRF-GS).

11.5.4. The Participant shall ensure that the DRF-GS submitted by its Client is duly filled and signed.

Notes:

[35] Inserted w.e.f. November 12, 1998.

11.5.5. The Participant shall forward the DRF-GS to the Depository only after ascertaining that the face value of certificates annexed with the DRF-GS tallies with the face value of certificates mentioned on the DRF-GS.

11.5.6. The Participant shall also verify the details of the certificates submitted for dematerialisation with the details filled up in the corresponding DRF-GS.

11.5.7. [36] The Participant shall ensure that the certificates submitted for dematerialisation are endorsed on the reverse, in the space provided, with the words **"Tendered for Cancellation and Credit to SGL A/c. No.SG020196 of National Securities Depository Limited, Mumbai"** in the manner laid down in Annexure UB.

11.5.8. The responsibility to ensure safety and security of the certificates submitted for dematerialisation will be on the Participant till the certificates are forwarded to the Depository.

11.5.9. The Participant shall not deface or mutilate the certificates either by punching holes or by any other means.

11.5.10. The Participant shall ensure that a separate DRF-GS is filled in by the Client for securities having distinct International Securities Identification Numbers [ISINs].

11.5.11. The Participant shall ensure that the Client submits a separate DRF-GS for each of its accounts maintained with the Participant.

11.5.12. The securities requested for dematerialisation shall be credited to the accounts maintained with a Participant only when the pattern of holding in the account of the Client matches with the pattern of holding as per the security certificates. The explanation of such pattern of holding is given in Annexure F. Provided however that, in case of transfer of holdings from an SGL account with other eligible entity, credit may be allowed when the securities are in the name of the other eligible entity.

11.5.13. In the case of securities which have been submitted for dematerialisation for which any objection memo has been received from the Depository, the Participant shall facilitate the correction of such objections on a timely basis.

11.5.14. In case of issue of securities in electronic form, the account of the Client maintained with the Participants shall be credited with such securities issued only when the pattern of holdings of such account matches with the pattern of holding given in the allotment statement. The pattern of such holding has been explained in Annexure F.

Notes:

[36] Amended w.e.f. April 2, 2009. Prior to this amendment, Rule 11.5.7 as amended on February 25, 1999 read as follows:

The Participant shall ensure that the certificates submitted for dematerialisation are endorsed on the reverse, in the space provided, with the words "Tendered for Cancellation and Credit to SGL A/C. No. BYSL0838 of National Securities Depository Limited, Mumbai" in the manner laid down in Annexure UB.

Prior to this amendment, Rule 11.5.7 read as follows:

11.5.7. The Participant shall ensure that the certificates submitted for dematerialisation are endorsed on the reverse, in the space provided, with the words "Surrendered for Transfer to NSDL SGL-2" in the manner laid down in Annexure UB.

11.6. [37] WITHDRAWAL OF GOVERNMENT SECURITIES FROM THE DEPOSITORY

11.6.1.[38] Every Client desirous of withdrawing the securities either by getting physical certificates or by transferring to an SGL account with other eligible entity shall submit to the Participant the Rematerialisation Request Form (RRF-GS). The specimen of RRF-GS is given in Annexure UC.

11.6.2. The Participant shall ensure that the Client submits a separate RRF-GS for each security and for each account maintained by the Client with the Participant.

11.6.3. The Participant shall ensure that the RRF-GS submitted by its Client is duly filled and signed.

11.6.4. The Participant shall ensure that the Client has sufficient holdings free of encumbrances or lien in its account before sending the RRF-GS to the Depository.

11.6.5. The Participant shall verify the signatures on each rematerialisation request with the signatures on the records held with it and authorise each RRF-GS before forwarding it to the Depository.

11.6.6. The Participant shall enclose the Client details printed from the DPM and forward the same alongwith the RRF-GS to the Depository.

11.6.7. In case the request was for physical certificates, the Depository shall receive, from RBI, the physical certificates in its name and execute a form of transfer as prescribed by RBI in favour of the Client. The Depository shall confirm the acceptance of RRF-GS electronically and forward the physical certificates along with the form of transfer to the Client directly.

11.6.8. In case the request was for transfer to an SGL account with other eligible entity, the Depository shall confirm the acceptance of RRF-GS electronically to the Participant, after obtaining approval from RBI.

11.7[39] CONVERSION OF MUTUAL FUND UNITS REPRESENTED BY STATEMENT OF ACCOUNT INTO DEMATERIALISED FORM THROUGH A PARTICIPANT

11.7.1 Every Client desirous of converting mutual fund units represented by Statement of Account into dematerialised form through a Participant shall submit to the Participant the Conversion Request Form alongwith the Statement of Account evidencing the holding of mutual fund units. The specimen of Conversion Request Form is given in Annexure B.

Notes:

[37] **Inserted w.e.f. November 12, 1998.**

[38] **Amended w.e.f. February 24, 1999. Prior to this amendment, Rule 11.6.1 read as follows:**
11.6.1. Every Client desirous of withdrawing the securities either by getting physical certificates or by transferring to an SGL account with other eligible entity shall submit to the Participant the Rematerialisation Request Form (RRF-GS) together with enclosures prescribed by the Depository. The specimen of RRF-GS and the enclosure are given in Annexure UC and UD.

[39] **Inserted w.e.f. July 1, 2010.**

11.7.2 The Client submitting the Conversion Request Form shall declare to the Participant that the units sought to be held in dematerialised form are in the name of the client itself and are not already dematerialised and no certificates are issued against these units.

11.7.3 The Client shall submit separate Conversion Request Form for its each folio number with the Issuer and/or its Registrar and Transfer Agent and for each of its account with the Participant.

11.7.4 The Client shall submit a separate Conversion Request Form for locked in and free units under the same ISIN.

11.7.5 The Participant shall first ensure that the mutual fund units submitted by its Client for conversion belong to the list of securities admitted by the Depository as eligible to be held in dematerialised form.

11.7.6 The Participant shall ensure that the Conversion Request Form submitted by its Client is completely filled and duly signed.

11.7.7 The Participant shall verify the name and the pattern of holding of the Client's account with the name and the pattern of holdings as mentioned on the Statement of Account and Conversion Request Form. Further, the Participant shall verify all other details and verify the number of pages of Statement of Account mentioned on the Conversion Request Form with the Statement of Account submitted by the Client.

11.7.8 The Participant shall intimate the Conversion Request to the Depository. After writing the Conversion Request Number on the Conversion Request Form and retaining a copy of the form, forward the Conversion Request Form alongwith the Statement of Account to the Issuer or its Registrar and Transfer Agent.

11.7.9 The Conversion Request Form shall be forwarded by the Participant to the Issuer or its Registrar and Transfer Agent within seven days of accepting the same from its Client.

11.7.10 The Issuer or its Registrar and Transfer Agent shall after due verification promptly confirm the conversion request to the Depository for credit of the units into the account of the Client.

11.7.11 In case any objection memo has been received for such units from the Issuer or its Registrar and Transfer Agent, the Participant shall facilitate the correction of such objections on a timely basis."

Rule 11.8[40] Reconversion of Mutual Fund units into Statement of Account form (SOA form).

11.8.1. Every Client desirous of reconverting units held in dematerialised form to units in SOA, shall submit to the Participant Reconversion Request Form. The specimen of the same is given in Annexure C.

11.8.2. The Client shall submit separate Reconversion Request Form (i.e. Annexure C) for each Issuer separately.

11.8.3. The Client shall submit a separate Reconversion Request Form for locked in and free units under the same ISIN.

11.8.4. The Participant shall ensure that the Reconversion Request Form (i.e. Annexure C) submitted by its Client is completely filled and duly signed.

11.8.5. The Participant shall ensure that the Client has sufficient free or locked-in units in its account maintained in electronic form and also verify the signatures on each Reconversion Request Form (i.e. Annexure C) with the signatures held with it and authorise each

Reconversion Request Form (i.e. Annexure C) before forwarding it to the Issuer or its Registrar and Transfer Agent.

11.8.6. The Participant shall intimate the Reconversion Request to the Depository. After writing the Reconversion Request Number on the Reconversion Request Form (i.e. Annexure C) and retaining a copy of the form, forward the Reconversion Request Form (i.e. Annexure C) to the Issuer or its Registrar and Transfer Agent.

11.8.7. The Reconversion Request Form shall be forwarded by the Participant to the Issuer or its Registrar and Transfer Agent within seven days of accepting the same from its Client.

11.8.8. The units issued at the time of reconversion of units into SOA form shall be in the name(s) of the person(s) who held the account in respect of such units. At the time of reconversion of units, the units in SOA form shall be issued to the persons as per the pattern of holdings in the account of the Participant from which such units are reconverted.

11.8.9. The Issuer or its Registrar and Transfer Agent shall after due verification promptly confirm the reconversion request to the Depository for debit of units from the account of the Client.

11.8.10. In case any objection memo has been received for such units from the Issuer or its Registrar and Transfer Agent, the Participant shall facilitate the correction of such objections on a timely basis.

Notes:
[40] **Inserted w.e.f. June 7, 2011.**

12. TRANSACTIONS IN ACCOUNTS

12.1. ACCOUNT OPENING

12.1.1. Any person desiring to become a Client of the Participant shall make an application as per the forms which have been laid out in Annexures J and K of these Business Rules.

12.1.2. [41] The Participant shall ensure that the application form submitted by the Client is completely filled, including the Bank Account particulars of the Client, and properly signed.

12.1.3. When the application referred to above has been found to be valid and accepted by the Participant and after the agreement specified under Annexure B of the Bye Laws has been signed, the Participant shall enter the data (on the application form) into the DPM (DP) which will generate a Client account number which shall be referenced by the Client for all its transactions in the Depository system.

12.1.4. The applicant may open an account either singly or with one or more joint holders.

12.2. MARKET TRADES

12.2.1. [42] The Participant shall effect a debit or credit to the accounts of its Clients only on receipt of proper authorization from the Clients in the forms laid out in Annexure L and M. Alternatively, a Client may give standing instructions to its Participant to credit its account. In case the Client does not have sufficient balance in its account, the debit to the account shall be effected to the extent of balance available.

12.2.2. The aforementioned forms submitted by the Clients and Clearing Members shall be checked by the Participant to ensure the completeness of the form and validity of the signature of the Client and the Clearing Member before the requests on these forms are executed.

12.3. OFF - MARKET TRADES

12.3.1. [43] Transfer of securities in respect of off market trades shall be effected on receipt of a duly filled in securities transfer instruction form from the Clients for delivery as well as a securities transfer instruction form from the Clients for receipt. The specimen of these forms have been laid out in Annexure L and M respectively as specified in Rule

Notes:

[41] Amended w.e.f. July 22, 1997. Prior to this amendment, Rule 12.1.2 read as follows:

12.1.2. The Participant shall ensure that the application form submitted by the Client is completely filled and properly signed.

[42] Amended w.e.f. March 20, 2009. Prior to this amendment, Rule 12.2.1 as amended on May 6, 1997 read as follows:

The Participant shall effect a debit or credit to the accounts of its Clients only on receipt of proper authorisation from the Clients in the forms laid out in Annexures L and M. Alternatively, a Client may give standing instructions to its Participant to credit its account.

Prior to this amendment, Rule 12.2.1 read as follows:

12.2.1. The Participant shall effect a debit or credit to the accounts of its Clients only on receipt of proper authorisation from the Clients in the forms laid out in Annexures L and M.

[43] Amended w.e.f February 4, 1999. Prior to this amendment, Rule 12.3.1 read as follows:

12.3.1. Transfer of securities in respect of off market trades shall be effected on receipt of a duly filled in securities transfer instruction form from the Clients for delivery as well as a securities transfer instruction form from the Clients for receipt. The specimen of these forms have been laid out in Annexure M and N respectively as specified in Rule 12.2.1 above.

12.2.1. above. Alternatively, a Client may give standing instructions to its Participant to credit its account.

12.3.2. The Participant should check for the completeness of the form and validity of the signature of the Client before effecting such transfers.

12.4. [44] CORPORATE BENEFITS

12.4.1. The Issuer or its Registrar & Transfer Agent shall intimate the Depository on the next day of communication to the relevant stock exchange where the eligible security is listed, of the corporate actions which would herein mean and include any action taken by the Issuer relating to prescribing dates for book closures, record dates, dates for redemption or maturity of security, dates of conversion of debentures, warrants, call money dates and such other action from time to time.

12.4.2. On receiving the intimation as stated above, the Depository shall inform all the Participants about the corporate action.

12.4.3. [45] All Participants must thereafter ensure that:

i) changes such as tax status, bank details, change of address, etc. in the Client/ Clearing Members/Clearing Corporations accounts are updated well in advance of the record date/book closure.
ii) there are no balances lying in the CM Accounts on the EOD of the record date or the EOD of one business day prior to the commencement of book closure.
iii) they remain connected till the EOD of the record date or the EOD of one business day prior to the commencement of book closure.

Notes:

[44] Amended w.e.f. May 6, 1997. Prior to this amendment, Rule 12.4 read as follows:

12.4.CORPORATE BENEFITS: The Issuer or its Registrar and Transfer Agent shall obtain the details of the tax status of Clients from the list of Clients provided by the Depository in accordance with the provisions of the Bye Laws for the purpose of distribution of Corporate Benefits.

[45] Amended w.e.f. May 10, 2008. Prior to this amendment, Rule 12.4.3 was amended on May 7, 2001, which read as follows:

12.4.3. All Participants must thereafter ensure that:

i) changes such as tax status, bank details, change of address, etc. in the Client/Clearing Members/Clearing Corporations/Intermediaries accounts are updated well in advance of the record date/book closure.
ii) there are no balances lying in the CM Accounts or the Intermediary Accounts on the EOD of the record date or the EOD of one business day prior to the commencement of book closure.
iii) they remain connected till the EOD of the record date or the EOD of one business day prior to the commencement of book closure.

Prior to this amendment, Rule 12.4.3 was amended on November 12, 1998, which read as follows:

12.4.3. All Participants must thereafter ensure that:

i) changes such as tax status, bank details, change of address, etc. in the beneficial owner accounts are updated well in advance of the record date/book closure.
ii) there are no balances lying in the CM Accounts or the Intermediary Accounts on the EOD of the record date or the EOD of one business day prior to the commencement of book closure.
iii) they remain connected till the EOD of the record date or the EOD of one business day prior to the commencement of book closure.

Prior to this amendment, Rule 12.4.3 read as follows:

12.4.3. All Participants must thereafter ensure that:

i) changes such as tax status, bank details, change of address, etc. in the beneficial owner accounts are updated well in advance of the record date/book closure.
ii) there are no balances lying in the CM Accounts on the EOD of the record date or the EOD of one business day prior to the commencement of book closure.
iii) they remain connected till the EOD of the record date or the EOD of one business day prior to the commencement of book closure.

12.4.4. [46] The Depository shall provide the details of the holdings in the accounts of the Clients/Clearing Members/Clearing Corporations electronically to the Issuer or its Registrar and Transfer Agent as of the relevant record date/book closure for the purpose of corporate actions and distribution of corporate benefits.

12.4.5. [47] The Issuer or its Registrar and Transfer Agent may obtain the details of the tax status of Clients/Clearing Members/Clearing Corporations from the list of Clients/ Clearing Members/ Clearing Corporations provided by the Depository.

12.4.6. [48] The Issuer or its Registrar and Transfer Agent shall, on the basis of the list povided by the Depository distribute dividend, interest and other monetary benefits directly to the Clients/Clearing Members/Clearing Corporations for onward distribution to the Clients. Corporate benefits availed by Clearing Member and Clearing Corporations shall be held in trust on behalf of beneficiary owners.

Notes:

[46] **Amended w.e.f. May 10, 2008. Prior to this amendment, Rule 12.4.4 was amended on May 7, 2001, which read as follows:**

12.4.4. The Depository shall provide the details of the holdings in the accounts of the Clients/Clearing Members/ Clearing Corporations/Intermediaries electronically to the Issuer or its Registrar and Transfer Agent as of the relevant record date/book closure for the purpose of corporate actions and distribution of corporate benefits.

Prior to this amendment, Rule 12.4.4 was amended on November 12, 1998, which read as follows:

12.4.4. The Depository shall provide the details of the holdings of the beneficial owners electronically to the Issuer or its Registrar and Transfer Agent as of the relevant record date/book closure for the purpose of corporate actions and distribution of corporate benefits. If there are balances lying in the CM Accounts or Intermediary Accounts, such balances will be reported to Issuer or its Registrar and Transfer Agent as transit account position.

Prior to this amendment, Rule 12.4.4 read as follows:

12.4.4. The Depository shall provide the details of the holdings of the beneficial owners electronically to the Issuer or its Registrar and Transfer Agent as of the relevant record date/book closure for the purpose of corporate actions and distribution of corporate benefits. If there are balances lying in the CM Accounts, such balances will be reported to Issuer or its Registrar and Transfer Agent as transit account position.

[47] **Amended w.e.f. May 10, 2008. Prior to this amendment, Rule 12.4.5 was amended on May 7, 2001, which read as follows:**

12.4.5. The Issuer or its Registrar and Transfer Agent may obtain the details of the tax status of Clients/ Clearing Members/Clearing Corporations/Intermediaries from the list of Clients/ Clearing Members/ Clearing Corporations/ Intermediaries provided by the Depository.

Prior to this amendment, Rule 12.4.5 read as follows:

12.4.5. The Issuer or its Registrar and Transfer Agent may obtain the details of the tax status of beneficial owners from the list of beneficial owners provided by the Depository.

[48] **Amended w.e.f. May 10, 2008. Prior to this amendment, Rule 12.4.6 was amended on May 7, 2001, which read as follows:**

12.4.6. The Issuer or its Registrar and Transfer Agent shall, on the basis of the list povided by the Depository distribute dividend, interest and other monetary benefits directly to the Clients/Clearing Members/Clearing Corporations/ Intermediaries for onward distribution to the Clients. Corporate benefits availed by Clearing Member, Clearing Corporations and Intermediaries shall be held in trust on behalf of beneficiary owners.

Prior to this amendment, Rule 12.4.6 read as follows:

12.4.6. The Issuer or its Registrar and Transfer Agent shall distribute dividend, interest and other monetary benefits directly to the beneficial owners on the basis of the list provided by the Depository.

12.4.7. [49] If the benefits are in form of eligible securities and the holders are holding the securities in electronic form, the Issuer or its Registrar & Transfer Agent shall credit the securities in electronic form to respective account unless otherwise opted by the holders. For those holders who hold the securities in certificate form, the Issuer or its Registrar & Transfer Agent may provide an option to such holders and if such holders desire to hold the eligible securities in electronic form, they shall do so by providing the details of their DP ID and the Client ID. Based on the option exercised by these holders, the Issuer or its Registrar and Transfer Agent shall credit the securities to the respective accounts.

Notes:

[49] Amended w.e.f. June 30, 2009. Prior to this amendment, Rule 12.4.7 was amended on May 10, 2008, which read as follows:

12.4.7. If the benefits are in form of eligible securities, the Issuer or its Registrar & Transfer Agent shall provide an option to all shareholders, Clients, Clearing Members/Clearing Corporations to receive the certificate(s) of securities or receive credit in their accounts. Those, who wish to receive their securities in electronic form, shall do so by providing the details of their DP id and the Client id. Based on the option exercised by the entity, the Issuer or its Registrar and Transfer Agent shall issue the certificate(s) of securities or credit the securities to the respective accounts. In case no response is received, the Issuer or its Registrar & Transfer Agent shall issue the securities in the form in which they were held as on the record date.

Prior to this amendment, Rule 12.4.7 was amended on May 7, 2001, which read as follows:

12.4.7. If the benefits are in form of eligible securities, the Issuer or its Registrar & Transfer Agent shall provide an option to all shareholders, Clients, Clearing Members/Clearing Corporations/Intermediaries to receive the certificate(s) of securities or receive credit in their accounts. Those, who wish to receive their securities in electronic form, shall do so by providing the details of their DP id and the Client id. Based on the option exercised by the entity, the Issuer or its Registrar and Transfer Agent shall issue the certificate(s) of securities or credit the securities to the respective accounts. In case no response is received, the Issuer or its Registrar & Transfer Agent shall issue the securities in the form in which they were held as on the record date.

Prior to this amendment, Rule 12.4.7. was amended on October 8, 1999, which read as follows:

12.4.7. If the benefits are in the form of eligible securities, the Issuer or its Registrar & Transfer Agent shall provide an option to all shareholders to receive the certificate(s) of securities or receive credit in their client accounts. Those shareholders who wish to receive their securities in electronic form, shall do so by providing the details of their DP id and the Client id. Based on the option exercised by the shareholders, the Issuer or its Registrar and Transfer Agent shall issue the certificate(s) of securities or credit the securities to the account of the client. In case the shareholder does not respond, the Issuer or its Registrar & Transfer Agent shall issue the securities in the form in which the shareholder held the securities as on the record date.

Prior to this amendment, Rule 12.4.7 read as follows:

12.4.7. If the benefits are in form of eligible securities, the Issuer or its Registrar & Transfer Agent shall provide an option to all shareholders to be allotted securities either in physical or electronic form. In respect of those beneficial owners who opt for electronic securities the Issuer or its Registrar & Transfer Agent shall obtain the DP Id and beneficial owners account number to which the securities are to be credited. In case the beneficial owner does not indicate any choice, the Issuer or its Registrar & Transfer Agent shall issue the securities in a physical form.

12.4.8. [50] In such a case, the Issuer or its Registrar and Transfer Agent shall provide to the Depository allotment details of the Clients/ Clearing Members/Clearing Corporations in an electronic form.

12.4.9. [51] On receipt of allotment details, the Depository shall cause necessary credit entries to be made in the accounts of Clients/ Clearing Members/Clearing Corporations on a date requested by Issuer or its Registrar and Transfer Agent (hereinafter referred to as execution date).

Notes:

[50] **Amended w.e.f. May 10, 2008. Prior to this amendment, Rule 12.4.8 was amended on May 7, 2001, which read as follows:**

12.4.8. In such a case, the Issuer or its Registrar and Transfer Agent shall provide to the Depository allotment details of the Clients/ Clearing Members/Clearing Corporations/Intermediaries in an electronic form.

Prior to this amendment, Rule 12.4.8 was amended on July 22, 1997, which read as follows:

12.4.8. In such a case, the Issuer or its Registrar and Transfer Agent shall provide to the Depository allotment details of all beneficial owners in an electronic form.

Prior to this amendment, Rule 12.4.8 as amended on May 6, 1997 read as follows:

12.4.8. In such case, the Issuer or its Registrar and Transfer Agent shall provide to the Depository allotment details of all beneficial owners in an electronic form as well as a certified hard copy.

[51] **Amended w.e.f. May 10, 2008. Prior to this amendment, Rule 12.4.9 was amended on May 7, 2001, which read as follows:**

12.4.9. On receipt of allotment details, the Depository shall cause necessary credit entries to be made in the accounts of Clients/ Clearing Members/Clearing Corporations/Intermediaries on a date requested by Issuer or its Registrar and Transfer Agent (hereinafter referred to as execution date).

Prior to this amendment, Rule 12.4.9 read as follows:

12.4.9. On receipt of allotment details, the Depository shall cause necessary credit entries to be made in the accounts of the beneficial owners on a date requested by Issuer or its Registrar and Transfer Agent. (hereinafter referred to as Execution date).

12.4.10. [52] In case of records rejected by the Depository, the Issuer or its Registrar and Transfer Agent shall send the rectified records to the Depository within **thirty days** from the execution date. In case the Issuer or its Registrar and Transfer Agent fails to send the rectified records within thirty days from the execution date, it shall proceed to issue securities in the physical form in respect of the unrectified records.

12.5. [53] PUBLIC ISSUES

12.5.1. If the newly created security is an eligible security, the Issuer or its Registrar and Transfer Agent shall provide an option to the beneficial owners to be allotted securities either in physical or electronic form. In respect of those beneficial owners who opt for electronic securities the Issuer or its Registrar & Transfer Agent shall obtain the DP Id and beneficial owner's account number to which the securities are to be credited. In case the beneficial owner does not indicate any choice, the Issuer or its Registrar & Transfer Agent shall issue the securities in a physical form.

12.5.2. [54] The Issuer or its Registrar & Transfer Agent shall provide to the Depository, allotment details of all beneficial owners in an electronic form.

Notes:

[52] **Amended w.e.f. September 2, 2002. Prior to this amendment, Rule 12.4.10 was amended on May 7, 2001, which read as follows:**

12.4.10. In case of records rejected by the Depository, the Issuer or Registrar and its Transfer Agent shall send the rectified records to the Depository within seven days from the execution date. In case the Issuer or its Registrar and Transfer Agent fails to send the rectified records within seven days from the execution date, it shall proceed to issue securities in the physical form in respect of the unrectified records.

Prior to this amendment Rule 12.4.10 read as follows:

12.4.10. In case of records rejected by the Depository, the Issuer or Registrar and its Transfer Agent shall send the rectified records to the Depository within seven days from the execution date. In case the Issuer or its Registrar and Transfer Agent fails to send the rectified records within seven days from the execution date, it shall proceed to issue securities in the physical form in respect of the unrectified records.

* **Rule 12.4.11 has been deleted w.e.f June 24, 2005. Prior to deletion, Rule 12.4.11 that was amended w.e.f December 3, 1998 read as follows:**

12.4.11. In respect of transit account position referred to in Rule 12.4.4 above, the Issuer or its Registrar and Transfer Agent shall keep the corporate benefits in abeyance till the beneficiary ownership is determined and provided by the Depository. After determination of the beneficial owners, the issuer shall distribute the corporate benefits. If the benefits are in the form of securities, the Issuer or its Registrar and Transfer Agent shall distribute the benefits as per Rule 12.4.7.

Prior to this amendment, Rule 12.4.11 read as follows:

12.4.11. In respect of transit account position referred to in Rule 12.4.4 above, the Issuer or its Registrar and Transfer Agent shall keep the corporate benefits in abeyance till the beneficiary ownership is determined and provided by the Depository. After determination of the beneficial owners, the issuer shall distribute the corporate benefits. If the benefits are in the form of securities, the Issuer or its Registrar and Transfer Agent shall proceed to issue securities in physical form.

* **Rule 12.4.12 has been deleted w.e.f June 24, 2005. Prior to deletion, Rule 12.4.12 read as follows:**

12.4.12. At the time of crediting the accounts of beneficial owners, if the accounts are either in the status of "to be closed" or "suspended for all", then such allotments will be credited to "DP Suspense Accounts" by the Depository. The Depository shall carry out a suspense reversal function and credit the relevant beneficial owner after resolving the balances in 'DP Suspense Accounts'.

[53] **Inserted w.e.f. May 6, 1997. The Original Rules 12.5, 12.6 & 12.7 renumbered as Rules 12.6, 12.7 and 12.8 respectively.**

[54] **Amended w.e.f. July 22, 1997. Prior to this amendment, Rule 12.5.2 as inserted on May 6, 1997 read as follows:**

12.5.2. The Issuer or its Registrar and Transfer Agent shall provide to the Depository, allotment details of all beneficial owners in an electronic form as well as certified hard copy.

12.5.3. On receipt of allotment details, the Depository shall cause necessary credit entries to be made in the accounts of the beneficial owners on a date requested by Issuer or its Registrar & Transfer Agent (hereinafter referred to as Execution date).

12.5.4. [55] In case of records rejected by the Depository, the Issuer or its Registrar and Transfer Agent shall send the rectified records to the Depository within **thirty days** from the execution date. In case the Issuer or its Registrar and Transfer Agent fails to send the rectified records within **thirty days** from the execution date, it shall proceed to issue securities in the physical form in respect of the unrectified records.

12.6. [56] ACCOUNT TRANSFER IN CASE OF TRANSMISSION

12.6.1. Transmission of Securities held jointly in the Depository

12.6.1.1. [57] In case of death of one of the Clients in a joint account, the surviving Client(s) shall request the Participant to transmit the balances lying in the Client account to the account of the surviving Client(s). The surviving Client(s) shall make an application to the Participant in the form specified in Annexure O alongwith a copy of the death certificate duly attested by a Notary Public or by a Gazetted Officer.

12.6.1.2. The Participant shall verify the death certificate and the signature of the surviving Client(s) before effecting the transmission.

Notes:

[55] **Amended w.e.f. September 2, 2002. Prior to this amendment, Rule 12.5.4. read as follows:**
12.5.4. In case of records rejected by the Depository, the Issuer or its Registrar & Transfer Agent shall send the rectified records to the Depository within seven days from the execution date. In case the Issuer or its Registrar & Transfer Agent fails to send the rectified records within seven days from the execution date, it shall proceed to issue securities in the physical form in respect of the unrectified records.

*** Rule 12.5.5 has been deleted w.e.f June 24, 2005. Prior to deletion, Rule 12.5.5 read as follows:**
12.5.5. At the time of crediting the accounts of beneficial owners, if the accounts are either in the status of "to be closed" or "suspended for all", then such allotments will be credited to "DP Suspense Accounts" by the Depository. The Depository shall carry out a suspense reversal function and credit the relevant beneficial owners accounts after resolving the balances in "DP Suspense Accounts".

[56] **Amended w.e.f November 12, 1998. Prior to this amendment, Rule 12.6. read as follows:**
12.6. ACCOUNT TRANSFER IN CASE OF TRANSMISSION
12.6.1. In the case of transmission, the Participant shall transfer the securities to the account of the claimant on receipt of the form, duly filled up by such claimant. The specimen of this form is laid out in Annexure O.
12.6.2. The Participant shall ensure that the form is complete and the signature of the claimant is valid.
12.6.3. The Participant shall ensure that the transmission request is supported by valid documents and shall be liable for any errors of judgment in this behalf.

[57] **Amended w.e.f January 3, 2009. Prior to this amendment, Rule 12.6.1.1 read as follows:**
12.6.1.1. In case of death of one of the Clients in a joint account, the surviving Client(s) shall request the Participant to transmit the balances lying in the Client account to the account of the surviving Client(s). The surviving Client(s) shall make an application to the Participant in the form specified in Annexure O alongwith a copy of the death certificate duly notarised.

12.6.1.3 [58] In case of death of one or more of the Clients in a joint account if the surviving client(s) wish to open a new account with the same Participant, then the participant will open the new account in the name(s) of the surviving member(s), in the same order as in the original account, on the basis of the existing documents already in the possession of the Participant, provided that the said documents meet the prevailing requirements for opening an account.

12.6.1.4. [59] The Participant after being fully satisfied on all aspects, shall then effect transfer of the balances to the account of the surviving Client(s). For this purpose, the Participant may conduct such further enquiries as may be deemed necessary.

12.6.1.5. [60] After effecting the transmission, the Participant shall close the account of the deceased.

12.6.2. Transmission of Securities held singly in the Depository

12.6.2.1. In case of death of the sole Client, the legal heir(s) or legal representative(s) of the deceased shall request the Participant to transmit the balances lying in the Client account of the deceased to the account of the legal heir(s) or legal representative(s).

12.6.2.2. [61] The legal heir(s) or the legal representative(s) of such securities shall make an application to the Participant in the form specified in Annexure O alongwith the following documents:-

i) A copy of the death certificate duly attested by a Notary Public or by a Gazetted Officer.

ii) A copy of the Succession certificate duly attested by a Notary Public or by a Gazetted Officer or an order of a court of competent jurisdiction where the deceased has not left a Will; or

iii) A copy of the Probate or Letter of Administration duly attested by a Notary Public or by a Gazetted Officer.

Notes:

[58] Inserted w.e.f. January 11, 2010.

[59] Rule 12.6.1.3 has been renumbered as 12.6.1.4 w.e.f. January 11, 2010.

[60] Rule 12.6.1.4 has been renumbered as 12.6.1.5 w.e.f. January 11, 2010.

[61] Amended w.e.f January 3, 2009. Prior to this amendment, Rule 12.6.2.2 read as follows:

12.6.2.2. The legal heir(s) or the legal representative(s) of such securities shall make an application to the Participant in the form specified in Annexure O alongwith the following documents:-

i) A copy of the death certificate duly notarised.

ii) A copy of the Succession certificate duly notarised or an order of a court of competent jurisdiction where the deceased has not left a Will; or .

iii) A copy of the Probate or Letter of Administration duly notarised.

12.6.2.3. [62] However, if the legal heir(s) or the legal representative(s) express inability to produce either of the documents mentioned under (ii) and (iii) of 12.6.2.2, and the market value of the securities held in each of the account of the deceased as on the date of application for tansmission does not exceed Rs. 1,00,000 then the Participant shall process the transmission request on the basis of the following documents:

i) Request for transmission in Annexure O;

ii) Copy of the death certificate duly attested by a Notary Public or by a Gazetted Officer;

iii) Letter of Indemnity made on appropriate non judicial stamp paper;

iv) An Affidavit made on appropriate non judicial stamp paper; and

v) No Objection Certificate(s) from all the legal heir(s) who do not object to such transmission.

vi) As an alternate to No Objection Certificate from all legal heir(s) who do not object to such transmission specified at 12.6.2.3 (v), a copy of Family Settlement Deed duly attested by a Notary Public or by a Gazetted Officer provided that the Family Settlement Deed clearly vest the securities in favour of the person seeking transmission in his/her name and vesting of securities in his/her name is not contingent upon any other onerous conditions in such Family Settlement Deed.

Provided further that if the division of securities as per the Family Settlement Deed is amongst more than one person, then Family Settlement Deed Can be considered as an agreement amongst the legal heirs for transmission of securities to each legal heir applying for transmission.

Notes:

[62] Amended w.e.f. January 11, 2010. Prior to this amendment, Rule 12.6.2.3 was amended on January 3, 2009, which read as follows:

However, if the legal heir(s) or the legal representative(s) express inability to produce either of the documents mentioned under (ii) and (iii) above, and the market value of the securities held in each of the account of the deceased as on the date of application for tansmission does not exceed Rs. 1,00,000/- then the Participant shall process the transmission request on the basis of the following documents:

i) Request for transmission in Annexure O;

ii) Copy of the death certificate duly attested by a Notary Public or by a Gazetted Officer;

iii) Letter of Indemnity duly supported by a guarantee of an independent Surety acceptable to the Participant, made on appropriate non judicial stamp paper;

iv) An Affidavit made on appropriate non judicial stamp paper; and

v) No Objection Certificate(s) from all the legal heir(s) who do not object to such transmission.

Prior to this amendment, Rule 12.6.2.3 read as follows:

12.6.2.3. However, if the legal heir(s) or the legal representative(s) express inability to produce either of the documents mentioned under (ii) and (iii) above, and the market value of the securities held in each of the account of the deceased as on the date of application for tansmission does not exceed Rs. 1,00,000/- then the Participant shall process the transmission request on the basis of the following documents:

i) Request for transmission in Annexure O;

ii) Copy of the death certificate duly notarised;

iii) Letter of Indemnity duly supported by a guarantee of an independent Surety acceptable to the Participant, made on appropriate non judicial stamp paper;

iv) An Affidavit made on appropriate non judicial stamp paper; and

v) No Objection Certificate(s) from all the legal heir(s) who do not object to such transmission.

12.6.2.4. The Participant shall ensure that the documents submitted by the legal heir(s) or the legal representative(s) are in order and shall then effect a transfer of the balances to the Client account of the legal heir(s) or the legal representative(s).

12.6.2.5. After effecting the transmission, the Participant shall close the account of the deceased.

12.6.3. [63] TRANSMISSION OF SECURITIES IN CASE OF NOMINATION

12.6.3.1. The Client(s) may make a nomination of his/their account in favour of any person by filing with the relevant Participant the form laid out in Annexure JA of these Business Rules. In the case of joint accounts, all the Clients shall be required to affix their signatures to the said form. Such nomination shall be conclusive evidence of the Client(s) disposition in respect of all the securities in the account for which nomination has been made.

12.6.3.2. A nomination once made shall not be considered to have been varied, substituted or canceled, unless the Client(s) files another form as laid out in Annexure JA with the Participant, expressly signifying the interest to vary, substitute or cancel all nominations made earlier. Unless a fresh variation, substitution or cancellation is registered with the Participant, the Depository shall consider the nomination last validly recorded in its books as being conclusive evidence of the Client(s)' disposition in respect of the securities.

12.6.3.3. A nomination, substitution shall be valid only if :-

a) it is submitted to the Participant by the rightful Client(s) or under his/their due authority.
b) it is in prescribed form (Annexure J/JA)
c) it is duly signed by Client(s)
d) it is properly signed and witnessed
e) signature of the Client(s) tally with the specimen signature records
f) the details of the securities entered in the nomination forms match those in the records of the Participant
g) the photograph of the Nominee is annexed to the nomination form
h) the Nominee has signed the nomination form and guardian in case of the nominee being a minor

12.6.3.4. If the form is valid in all respects and accepted by the Participant, the Participant shall register the nomination by generating a "Nomination Registration Number" ("NRN"), enter the same in the DPM (DP) and confirm the same to the Client(s) in writing.

12.6.3.5. In the event of a substitution/ cancellation of a nomination a fresh NRN or a written certification of cancellation, as the case may be, shall be generated by the Participant and given to the Client(s) and the DPM (DP) shall be updated.

Notes:
[63] Inserted w.e.f. October 25, 2000.

12.6.3.6. The Participant shall at all times, irrespective of subsequent variations and cancellations, maintain an updated "Register of Nominations" which shall contain the following information :-

a) Serial number
b) Date of Registration
c) Nomination Registration Number
d) Certificate of Cancellation of nomination
e) Account number of the Client(s)
f) Name(s) of the Client(s)
g) Address of the Client(s)
h) Name of nominee
i) Address of nominee
j) Schedule date of attaining majority (if the Nominee is a minor)
k) All details of variation/ cancellation of nomination with respective dates
l) Remarks and observations of the Participant, if any
m) In case the nominee is a minor, the DP shall ensure that a fresh photograph and the signatures of the nominee are obtained once in every five years.

12.6.3.7. The Participant shall ensure that such register is maintained properly and is verified periodically. All the nominations received should be bound and preserved for record purposes. These records shall form part of the records of the Participant.

12.6.3.8. Upon the death of the sole Client or the death of all the Clients, as the case may be, the nominee shall request the Participant in writing alongwith a certified true copy of the death certificate (or a duplicate copy of the death certificate if original lost or misplaced) issued by the competent authority to transmit the securities covered by the nomination to the account of the Nominee, held with any Depository. If the Nominee does not have an account with the Depository, the Nominee shall be required to open an account with any Depository.

12.6.3.9. The provisions relating to Annexure "O" shall apply *mutatis mutandis* to the process of transmission of securities to the Nominee.

12.6.3.10. Before executing any request made under any of the forms in respect of nomination, the Participant shall ensure the completeness of the form and validity of the signature of the Client(s).

12.6.3.11.The details of various nominations made by the Client(s) shall form an integral part of the records of the Participant, Depository and the Issuer or its Registrar and Transfer Agent under Chapter 16 of these Business Rules and shall be reconciled in accordance with Chapter 15 of these Business Rules.

12.6.4 [64] Transmission of Securities held by Karta of Hindu Undivided Family (HUF) in the Depository

Notes:
[64] **Inserted w.e.f. March 9, 2005**

12.6.4.1 [65] Upon death of the Karta of a Hindu Undivided Family (HUF), the surviving member(s) of the HUF may appoint the eldest surviving member of the HUF as the new Karta of the HUF.

(A) For transmission of securities to the account of the new Karta from the account of the deceased Karta, the surviving members through the new Karta shall make a joint application to the Participant in the Form specified in Annexure "O" along with the following documents:

i. True Copy of the death certificate of the Karta, duly attested by a Notary Public or by a Gazetted Officer.;

ii. An appropriate order by a competent court,
Provided however that, if the surviving members or the New Karta express their inability to produce the order of a competent Court, and that the market value of securities lying to the credit of such account as on the date of application for transmission of securities does not exceed Rupees Ten Lakh then the Participant shall process the transmission request on the basis of the following documents:

a) Request for transmission in Annexure "O", duly signed by the New Karta;

b) A declaration of the list of surviving members of HUF in an affidavit in the prescribed form (Annexure "O"), duly attested by a Notary Public or by a Gazetted Officer;

c) Letter of Indemnity in the prescribed form (Annexure "O") from the surviving members.

Notes:

[65] **Amended w.e.f January 3, 2009. Prior to this amendment, Rule 12.6.4.1 was amended on October 17, 2008, which read as follows:**

12.6.4.1. Upon death of the Karta of a Hindu Undivided Family (HUF), the surviving member(s) of the HUF may appoint the eldest surviving member of the HUF as the new Karta of the HUF.

(A) For transmission of securities to the account of the new Karta from the account of the deceased Karta, the surviving members through the new Karta shall make a joint application to the Participant in the Form specified in Annexure "O" along with the following documents:

i. True Copy of the death certificate of the Karta, duly certified by a notary public;

ii. An appropriate order by a competent court,
Provided however that, if the surviving members or the New Karta express their inability to produce the order of a competent Court, and that the market value of securities lying to the credit of such account as on the date of application for transmission of securities does not exceed Rupees Ten Lakh then the Participant shall process the transmission request on the basis of the following documents:

a) Request for transmission in Annexure "O", duly signed by the New Karta;

b) A declaration of the list of surviving members of HUF in an affidavit in the prescribed form (Annexure "O"), duly notarised;

c) Letter of Indemnity in the prescribed form (Annexure "O") from the surviving members.

(B) Where there is an objection from any member of the HUF, transmission of securities held in the beneficial owner account should be effected only on the basis of a Decree by a competent Court or the Deed of Partition.

(B) Where there is an objection from any member of the HUF, transmission of securities held in the beneficial owner account should be effected only on the basis of a Decree by a competent Court or the Deed of Partition.

12.6.4.2. The surviving members shall furnish to the Participant the certified copy of the Settlement Deed / Deed of Partition / Decree of the relevant Court, duly stamped in case the HUF goes into separation / partition for dealing with the securities lying in the beneficial owner account held by the deceased Karta, and furnish to the Participant the details of the beneficial owner accounts of the individual members in order to have the securities distributed to their respective accounts.

12.6.4.3. The Participant shall ensure that the documents submitted by the surviving members or the new Karta are in order and shall then effect a transfer of the balances to the client account of the new Karta.

12.6.4.4. After effecting the transmission, the Participant shall close the account held in the name of the deceased Karta.

12.6.5. [66] The Participant shall effect the request for transmission of securities within seven days of receipt of complete set of requisite documents.

Notes:

Prior to this amendment, Rule 12.6.4.1. read as follows:

12.6.4.1. Upon death of the Karta of a Hindu Undivided Family (HUF), the surviving member(s) of the HUF may appoint the eldest surviving male member of the HUF as the new Karta of the HUF.

(A) For transmission of securities to the account of the new Karta from the account of the deceased Karta, the surviving members through the new Karta shall make a joint application to the Participant in the Form specified in Annexure "O" along with the following documents:

i. True Copy of the death certificate of the Karta, duly certified by a notary public;

ii. An appropriate order by a competent court,

Provided however that, if the surviving members or the New Karta express their inability to produce the order of a competent Court, and that the market value of securities lying to the credit of such account as on the date of application for transmission of securities does not exceed Rupees Ten Lakh then the Participant shall process the transmission request on the basis of the following documents:

a) Request for transmission in Annexure "O", duly signed by the New Karta;

b) A declaration of the list of surviving members of HUF in an affidavit in the prescribed form (Annexure "O"), duly notarised;

c) Letter of Indemnity in the prescribed form (Annexure "O") from the surviving members.

(B) Where there is an objection from any member of the HUF, transmission of securities held in the beneficial owner account should be effected only on the basis of a Decree by a competent Court or the Deed of Partition.

[66] Inserted w.e.f. June 30, 2009

12.7. [67] FREEZING/ UNFREEZING OF AN ACCOUNT AND/OR ISIN AND/ OR SPECIFIC NUMBER OF SECURITIES UNDER AN ISIN

12.7.1. FREEZING OF AN ACCOUNT AND/OR ISIN AND/OR SPECIFIC NUMBER OF SECURITIES UNDER AN ISIN

12.7.1.1. A Client may freeze its account and/or the ISIN and/or specific number of securities by making a request:

(a) in the form specified in Annexure P, to its Participant; or

(b) electronically, to its Participant or to the Depository in the form and manner as may be prescribed by the Depository.

Provided however that, the Client shall submit such a request to its Participant or to the Depository, at least one clear working day prior to the date of freeze. (e.g.; if the Client wishes to freeze its account with effect from Friday, such instruction must be given latest by Wednesday).

12.7.1.2. The Participant, before executing the instruction received from its Client as per Rule 12.7.1.1.(a) into the DPM (DP), shall ensure that the form is duly filled in and the signature(s) of the Client(s) is/are valid.

12.7.1.3. The Participant shall freeze the account of its Client and/or the ISIN and/or specific number of securities through the DPM (DP), on receipt of;

(a) instructions received from its Client as per rule 12.7.1.1; or

(b) written instructions from the Depository; or

(c) orders received from the Central or State Government, the Securities and Exchange Board of India; or

(d) any order passed by a court, tribunal, or any other statutory authority.

Notes:

[67] Amended w.e.f. February 18, 2003. Prior to this amendment, Rule 12.7 read as follows:

12.7. FREEZING OF AN ACCOUNT

12.7.1. # A Client may freeze its account in the manner provided under the Bye Laws by making an application to the Participant in the form specified in Annexure P. The Client may unfreeze its account frozen in the manner specified in the Bye Laws by making an application in the form specified in Annexure P.

 # - Amended w.e.f. December 27, 2001. Prior to this amendment, Rule 12.7.1 read as follows:

12.7.1. A Client may freeze its account in the manner provided under the Bye Laws by making an application to the Participant in the form specified in Annexure P. The Client may defreeze its account frozen in the manner specified in the Bye Laws by making an application in the form specified in Annexure P.

12.7.2. The Participant shall ensure that the form is complete and the signature of the Client is valid.

12.7.3. ## A Client may give an electronic instruction to freeze its account in the form and manner as may be prescribed by the Depository at least one clear working day prior to the date on which such freeze should be effected. On receipt of such instruction, within the stipulated time, the Depository shall freeze the account. The Client may unfreeze such an account only by giving an electronic instruction to the Depository in the form and manner prescribed by the Depository at least one clear working day prior to the date on which such unfreeze should be effected. Based on the request, the Depository shall unfreeze the account. (For e.g.; if the Client wishes to freeze/unfreeze its account with effect from Friday, such electronic instruction must be given latest by Wednesday).

- Inserted w.e.f. December 27, 2001.

12.7.1.4. The Depository shall freeze the account of a Client and/or the ISIN and/or specific number of securities through the Depository Module;

(a) on receipt of instruction from a Client as per Rule 12.7.1.1; or
(b) on receipt of orders received from the Central or State Government, the Securities and Exchange Board of India or any orders passed by a court, tribunal, or any other statutory authority; or
(c) at the request of a Participant.

12.7.1.5. The Depository shall, on its own through the Depository Module, freeze the Participant's own account and/or the ISIN and/or specific number of securities, to the extent of the securities held in the Participant's name or advise the Participant to do so through its DPM (DP) under the following circumstances:

a) on the basis of the orders received from the Central or State Government or the Securities and Exchange Board of India or any court or tribunal or any other statutory authority in this regard; or
b) on the basis of the orders passed by the Disciplinary Action Committee as set out in Chapter 11 of the Bye Laws; or
c) the Participant has become insolvent, bankrupt or in case the Participant is a body corporate, it being wound up.

12.7.2. UNFREEZING OF AN ACCOUNT AND/OR ISIN AND/OR SPECIFIC NUMBER OF SECURITIES UNDER AN ISIN

12.7.2.1. The Client may unfreeze its account and/or the ISIN and/or specific number of securities frozen:

(a) as per Rule 12.7.1.1 (a), only by making such request in the form specified in Annexure P to its Participant;
(b) as per Rule 12.7.1.1 (b), only by making a request electronically to its Participant or to the Depository, as the case may be, in the form and manner as may be prescribed by the Depository.

Provided however that, the Client shall submit such a request to its Participant or to the Depository, at least one clear working day prior to the date of unfreeze. (e.g.; if the Client wishes to unfreeze its account with effect from Friday, such instruction must be given latest by Wednesday).

12.7.2.2. The Participant, before executing the instruction received from its Client as per Rule 12.7.2.1 (a), shall ensure that the form is duly filled in and the signature(s) of the Client(s) is/are valid.

12.7.2.3. The Participant may unfreeze an account and/or the ISIN and/or specific number of securities, frozen under the Rules 12.7.1.3 and 12.7.1.5 through the DPM(DP) on the basis of instructions received from the Client as per the Rule 12.7.2.1 or on receipt of written instructions, from the Depository or on receipt of order to that effect received from the relevant statutory authority.

12.7.2.4. The Depository may also unfreeze an account and/or the ISIN and/or specific number of securities, frozen under the Rules 12.7.1.3, 12.7.1.4 and 12.7.1.5 through the Depository Module, on the basis of instructions from the Client as per Rule 12.7.2.1 or on receipt of orders received from the relevant statutory authority.

12.8. CLOSURE OF AN ACCOUNT

12.8.1. A Client desiring to close an account shall make an application in the form specified in Annexure Q.

12.8.2. The Participant shall ensure that the form is complete and the signature of the Client is valid.

12.9. [68] PLEDGE

12.9.1. The Participant of the pledgor shall request creation of pledge on receipt of the pledge creation form as laid out in Annexure W from the pledgor.

12.9.2. The Participant of the pledgee shall request confirmation of creation of pledge on receipt of the pledge creation confirmation form as laid out in Annexure W from the pledgee.

12.9.3. On receipt of the request and confirmation for creation of pledge from the pledgor and pledgee respectively through their Participants, the Depository may create the pledge.

12.9.4. [69] The Participant of the pledgor or the pledgee shall request closure of pledge on receipt of the pledge closure form as laid out in Annexure W from the pledgor or the pledgee, as the case may be.

12.9.5. [70] For the pledge closure request received from the pledgor, the Participant of the pledgee shall request confirmation of closure of pledge on receipt of the pledge closure confirmation form as laid out in Annexure W, from the pledgee.
Provided however that for the pledge closure request received from the pledgee, no separate confirmation for closure of pledge is required.

12.9.6. [71]In case when the pledge closure request is received from the pledgor, on receipt of confirmation of closure of pledge from the pledgee through the Participant, the Depository may close the pledge.

Notes:

[68] Inserted w.e.f. July 22, 1997.

[69] Amended w.e.f. April 3, 2003. Prior to this amendment, Rule 12.9.4 read as follows:
12.9.4. The Participant of the pledgor shall request closure of pledge on receipt of the pledge closure form as laid out in Annexure W from the pledgor.

[70] Amended w.e.f. April 3, 2003. Prior to this amendment, Rule 12.9.5 read as follows:
12.9.5. The Participant of the pledgee shall request confirmation of closure of pledge on receipt of the pledge closure confirmation form as laid out in Annexure W from the pledgee.

[71] Amended w.e.f. April 3, 2003. Prior to this amendment, Rule 12.9.6 read as follows:
12.9.6. On receipt of the request and confirmation for closure of pledge from the pledgor and pledgee respectively through their Participants, the Depository may close the pledge.

12.9.7. [72] In case when the pledge closure request is received from the Participant of the pledgee, the Depository may close the pledge.

12.9.8. [73] The Participant of the pledgee shall request invocation of pledge on receipt of the pledge invocation form as laid out in Annexure W from the pledgee.

12.9.9. [74] On receipt of the request for invocation of pledge from the pledgee through its Participant, the Depository may amend its records.

12.9.10. [75] The aforementioned forms submitted by the pledgor and pledgee shall be checked by the Participant to ensure the completeness of the form and validity of the signature of the pledgor or pledgee before the requests on these forms are executed.

12.10. [76] HYPOTHECATION

12.10.1. The Participant of the hypothecator shall request creation of hypothecation on receipt of the hypothecation creation form as laid out in Annexure W from the hypothecator.

12.10.2. The Participant of the hypothecatee shall request confirmation of creation of hypothecation on receipt of the hypothecation creation confirmation form as laid out in Annexure W from the hypothecatee.

12.10.3. On receipt of the request and confirmation for creation of hypothecation from the hypothecator and hypothecatee respectively through their Participants, the Depository may create the hypothecation.

12.10.4. [77] The Participant of the hypothecator or the hypothecatee shall request closure of hypothecation on receipt of the hypothecation closure form as laid out in Annexure W from the hypothecator or the hypothecatee, as the case may be.

12.10.5. [78] For the hypothecation closure request received from the hypothecator, the Participant of the hypothecatee shall request confirmation of closure of hypothecation on receipt of the hypothecation closure confirmation form as laid out in Annexure W, from the hypothecatee.
Provided however that for the hypothecation closure request received from the hypothecatee, no separate confirmation for closure of hypothecation is required.

Notes:
[72] **Inserted w.e.f. April 3, 2003.**
[73] **Rule 12.9.7 has been renumbered as 12.9.8 w.e.f. April 3, 2003.**
[74] **Rule 12.9.8 has been renumbered as 12.9.9 w.e.f. April 3, 2003.**
[75] **Rule 12.9.9 has been renumbered as 12.9.10 w.e.f. April 3, 2003.**
[76] **Inserted w.e.f. July 22, 1997.**
[77] **Amended w.e.f. April 3, 2003. Prior to this amendment, Rule 12.10.4 read as follows:**
12.10.4. The Participant of the hypothecator shall request closure of hypothecation on receipt of the hypothecation closure form as laid out in Annexure W from the hypothecator.
[78] **Amended w.e.f. April 3, 2003. Prior to this amendment, Rule 12.10.5 read as follows:**
12.10.5. The Participant of the hypothecatee shall request confirmation of closure of hypothecation on receipt of the hypothecation closure confirmation form as laid out in Annexure W from the hypothecatee.

12.10.6. [79] In case when the hypothecation closure request is received from the hypothecator, on receipt of confirmation of closure of hypothecation from the hypothecatee through the Participant, the Depository may close the hypothecation.

12.10.7. [80] In case when the hypothecation closure request is received from the Participant of the hypothecatee, the Depository may close the hypothecation.

12.10.8. [81] The Participant of the hypothecatee shall request invocation of hypothecation on receipt of the hypothecation invocation form as laid out in Annexure W from the hypothecatee.

12.10.9. [82] The Participant of the hypothecator shall request confirmation of invocation of hypothecation on receipt of the hypothecation invocation confirmation form as laid out in Annexure W from the hypothecator.

12.10.10. [83] On receipt of the request and confirmation for invocation of hypothecation from the hypothecatee and hypothecator respectively through their Participants, the Depository may amend its records.

12.10.11. [84] The aforementioned forms submitted by the hypothecator and hypothecatee shall be checked by the Participant to ensure the completeness of the form and validity of the signature of the hypothecator or hypothecatee before the requests on these forms are executed.

Notes:

[79] **Amended w.e.f. April 3, 2003. Prior to this amendment, Rule 12.10.6 read as follows:**
12.10.6. On receipt of the request and confirmation for closure of hypothecation from the hypothecator and hypothecatee respectively through their Participants, the Depository may close the hypothecation.

[80] **Inserted w.e.f. April 3, 2003.**

[81] **Rule 12.10.7 has been renumbered as 12.10.8 w.e.f. April 3, 2003.**

[82] **Rule 12.10.8 has been renumbered as 12.10.9 w.e.f. April 3, 2003.**

[83] **Rule 12.10.9 has been renumbered as 12.10.10 w.e.f. April 3, 2003.**

[84] **Rule 12.10.10 has been renumbered as 12.10.11 w.e.f. April 3, 2003.**

Notes:

***Original Rule 12.11 has been deleted w.e.f. May 10, 2008. Prior to deletion, Original Rule 12.11 which was inserted w.e.f. November 12, 1998 read as follows:**

12.11. INTERMEDIARY ACCOUNT

12.11.1. An Intermediary may deal in the Depository system as an Intermediary only through a special account it has opened with a Participant.

12.11.2. An Intermediary Account may be opened with the Participant only after the Intermediary has obtained registration from the Securities & Exchange Board of India and with the prior approval of the Depository.

12.11.3. No Intermediary shall move securities from its Intermediary Account to any other account except as per the procedure described hereinafter.

12.11.4. In case the Intermediary is itself a Participant, then the Intermediary may not submit the form specified under Rule 12.12 to Rule 12.17. However, it may keep such records relating to securities lending as it may deem appropriate.

***Original Rule 12.12 has been deleted w.e.f. May 10, 2008. Prior to deletion, Original Rule 12.12 which was inserted w.e.f. November 12, 1998 read as follows:**

12.12. DEPOSIT OF SECURITIES BY THE LENDER WITH THE INTERMEDIARY

12.12.1. The Participant of the lender shall execute the instructions for deposit of securities by the lender with the Intermediary on receipt of securities lending form for lender/ borrower, as laid out in Annexure X from the lender.

12.12.2. On receipt of intimation for deposit of securities from the Participant of the lender, the Depository may block the securities in the lender's account in favour of the Intermediary and inform the Participant of the Intermediary.

12.12.3. After receiving intimation from the Depository for the blocking of securities, the Participant of the Intermediary shall inform the Intermediary accordingly.

12.12.4. The Participant of the Intermediary shall execute the instructions for acceptance/ rejection of deposit of securities on receipt of securities lending form for Intermediary as laid out in Annexure XX from the Intermediary.

12.12.5. On receipt of intimation for acceptance of deposit of securities from the Participant of the Intermediary, the Depository may move the securities from the lender's account to the Intermediary's account and inform the Participant of the lender.

12.12.6. On receipt of intimation for rejection of deposit of securities from the Participant of the Intermediary, the Depository may remove the blocking of securities created in the lender's account and inform the Participant of the lender.

12.12.7. After receiving the intimation for acceptance/rejection of deposit of securities from the Depository, the Participant of the lender shall inform the lender accordingly.

12.12.8. The aforementioned forms submitted by the lender and the Intermediary shall be checked by the Participant to ensure the completeness of the form and validity of the signature of the lender and the Intermediary before the requests on these forms are executed.

***Original Rule 12.13 has been deleted w.e.f. May 10, 2008. Prior to deletion, Original Rule 12.13 which was inserted w.e.f. November 12, 1998 read as follows:**

12.13. LENDING OF SECURITIES BY THE INTERMEDIARY TO THE BORROWER

12.13.1. The Participant of the borrower shall execute the instructions for lending of securities by the Intermediary to the borrower on receipt of securities lending form for lender/borrower as laid down in Annexure X from the borrower.

12.13.2. After receiving intimation from the Depository for lending of securities, the Participant of the Intermediary shall inform the Intermediary accordingly.

12.13.3. # The Participant of the Intermediary shall execute the instruction for acceptance/ rejection of lending of securities on receipt of Securities Lending Form for Intermediary as laid down in Annexure XX, from the Intermediary. Provided however that in case Clearing Corporation as an Intermediary borrows securities in its CC Account for the purpose of meeting shortages arising out of pay-in obligations of the Clearing Members, then the Depository will automatically create an instruction for acceptance of lending of securities.

 # Amended w.e.f. April 3, 2003. Prior to this amendment, Rule 12.13.3 read as follows:

12.13.3. The Participant of the Intermediary shall execute the instructions for acceptance/ rejection of lending of securities on receipt of securities lending form for Intermediary as laid down in Annexure XX from the Intermediary.

Notes:

12.13.4. ## On receipt of intimation for acceptance of lending of securities from the Participant of the Intermediary, the Depository may move the securities from the Intermediary's account to the borrower's account and shall inform the Participant of the borrower. Provided however that if the Intermediary account of the Clearing Corporation has sufficient balance, the Depository will move the securities to the CC Account.

12.13.5. After receiving the intimation for acceptance/rejection of lending of securities from the Depository, the Participant of the borrower shall inform the borrower accordingly.

12.13.6. The aforementioned forms submitted by the Intermediary and the borrower shall be checked by the Participant to ensure the completeness of the form and validity of the signature of the Intermediary and the borrower before the requests on these forms are executed.

Amended w.e.f. April 3, 2003. Prior to this amendment, Rule 12.13.4 read as follows:

12.13.4. On receipt of intimation for acceptance of lending of securities from the Participant of the Intermediary, the Depository may move the securities from the Intermediary's account to the borrower's account and shall inform the Participant of the borrower.

***Original Rule 12.14 has been deleted w.e.f. May 10, 2008. Prior to deletion, Original Rule 12.14 which was amended w.e.f. April 3, 2003 read as follows:**

12.14. REPAYMENT OF SECURITIES BY THE BORROWER TO THE INTERMEDIARY

12.14.1. In case the borrower repays the securities to the Intermediary using securities lending module of the DPM system, then;

12.14.1.1. The Participant of the borrower shall execute the instructions for repayment of securities by the borrower to the Intermediary on receipt of Securities Lending Form for Lender/Borrower as laid down in Annexure X, from the borrower.

12.14.1.2. If the borrower's account has sufficient balance, the Depository may automatically create an instruction for acceptance of repayment of securities and move securities from the borrower's account to the Intermediary's account and inform the Participant of the Intermediary.

12.14.1.3. After receiving the intimation for repayment of securities from the Depository, the Participant of the Intermediary shall inform the Intermediary accordingly.

12.14.2. In case the borrower repays the securities to the Intermediary outside the securities lending module of the DPM system, then;

12.14.2.1. The Participant of the borrower shall execute the instructions for repayment of securities on receipt of Securities Lending Form for Lender/Borrower as laid down in Annexure X from the borrower.

12.14.2.2. On receipt of the intimation for repayment of securities from the Participant of the borrower, the Depository may inform the Participant of the Intermediary who in turn shall inform the Intermediary accordingly.

12.14.2.3. The Participant of the Intermediary shall execute the instruction for acceptance/ rejection of repayment of securities on receipt of Securities Lending Form for Intermediary as laid down in Annexure XX from the Intermediary.

12.14.2.4. On receipt of intimation for acceptance/rejection of repayment of securities from the Participant of the Intermediary, the Depository may amend its records accordingly and inform the Participant of the Intermediary who in turn shall inform the Intermediary.

12.14.3. The aforementioned forms submitted by the Intermediary and the borrower as the case may be, shall be checked by the Participant to ensure the completeness of the form and validity of the signature of the Intermediary and the borrower before the requests on these forms are executed.

Prior to this amendment, Rule 12.14 as inserted w.e.f. November 12, 1998 read as follows:

12.14. REPAYMENT OF SECURITIES BY THE BORROWER TO THE INTERMEDIARY

12.14.1. The Participant of the borrower shall execute the instructions for repayment of securities by the borrower to the Intermediary on receipt of securities lending form for lender/borrower as laid down in Annexure X from the borrower.

12.14.2. On receipt of intimation for repayment of securities from the Participant of the borrower, the Depository may block the securities in the account of the borrower in favour of the Intermediary and inform the Participant of the Intermediary.

12.14.3. After receiving intimation from the Depository for blocking the securities, the Participant of the Intermediary shall inform the Intermediary accordingly.

12.14.4. The Participant of the Intermediary shall execute the instructions for acceptance/ rejection of repayment of securities on receipt of securities lending form for Intermediary as laid down in Annexure XX from the Intermediary.

Notes:

12.14.5. On receipt of intimation for acceptance of repayment of securities from the Participant of the Intermediary, the Depository may move the securities from the borrower's account to the Intermediary's account and inform the Participant of the Intermediary.

12.14.6. On receipt of intimation for rejection of repayment of securities from the Participant of the Intermediary, the Depository may remove the blocking of securities created in the borrower's account and inform the Participant of the borrower.

12.14.7. After receiving the intimation for acceptance/rejection of repayment of securities from the Depository, the Participant of the Intermediary shall inform the Intermediary accordingly.

12.14.8. If the borrower repays the securities to the Intermediary outside the securities lending module of the DPM system, then on receipt of information thereof from the Participants of the borrower and the Intermediary, the Depository may amend its records accordingly.

12.14.9. The aforementioned forms submitted by the Intermediary and the borrower shall be checked by the Participant to ensure the completeness of the form and validity of the signature of the Intermediary and the borrower before the requests on these forms are executed.

***Original Rule 12.15 has been deleted w.e.f. May 10, 2008. Prior to deletion, Original Rule 12.15 which was inserted w.e.f. November 12, 1998 read as follows:**

12.15. RECALL OF SECURITIES BY THE INTERMEDIARY FROM THE BORROWER

12.15.1. The Participant of the Intermediary shall execute the instructions for recall of securities by the Intermediary from the borrower on receipt of securities lending form for Intermediary as laid down in Annexure XX from the Intermediary.

12.15.2. After receiving intimation from the Depository for the recall of securities, the Participant of the borrower shall inform the borrower accordingly.

12.15.3. The Participant of the borrower shall execute the instructions for acceptance/ rejection of recall of securities on receipt of securities lending form for lender/borrower as laid down in Annexure X from the borrower.

12.15.4. On receipt of intimation for acceptance of recall of securities from the Participant of the borrower, the Depository may move the securities from the borrower's account to the Intermediary's account and inform the Participant of the Intermediary.

12.15.5. After receiving the intimation for acceptance/rejection of recall of securities from the Depository, the Participant of the Intermediary shall inform the Intermediary accordingly.

12.15.6. If the Intermediary recalls the securities from the borrower outside the securities lending module of the DPM system, then on receipt of information thereof from the Participants of the borrower and the Intermediary, the Depository may amend its records accordingly.

12.15.7. The aforementioned forms submitted by the Intermediary and the borrower shall be checked by the Participant to ensure the completeness of the form and validity of the signature of the Intermediary and the borrower before the requests on these forms are executed..

***Original Rule 12.16 has been deleted w.e.f. May 10, 2008. Prior to deletion, Original Rule 12.16 which was amended w.e.f. April 3, 2003 read as follows:**

12.16. REPAYMENT OF SECURITIES BY THE INTERMEDIARY TO THE LENDER

12.16.1. In case the Intermediary repays the securities to the lender using securities lending module of the DPM system, then;

12.16.1.1. The Participant of the Intermediary shall execute the instructions for repayment of securities by the Intermediary to the lender on receipt of Securities Lending Form for Intermediary as laid down in Annexure XX, from the Intermediary.

12.16.1.2. If the Intermediary's account has sufficient balance, the Depository may automatically create an instruction for acceptance of repayment of securities and move the securities from the Intermediary's account to the lender's account and inform the Participant of the lender.

12.16.1.3. After receiving the intimation for repayment of securities from the Depository, the Participant of the lender shall inform the lender accordingly.

12.16.2. In case the Intermediary repays the securities to the lender outside the securities lending module of the DPM system, then;

12.16.2.1. The Participant of the Intermediary shall execute the instruction for repayment of securities on receipt of Securities Lending Form for Intermediary as laid down in Annexure XX from the Intermediary.

12.16.2.2. On receipt of intimation for repayment of securities from the Participant of the Intermediary, the Depository may inform the Participant of the lender who in turn shall inform the lender accordingly.

Notes:

12.16.2.3. The Participant of the lender shall execute the instruction for acceptance/ rejection of repayment of securities on receipt of Securities Lending Form for Lender/ Borrower as laid down in Annexure X from the lender.

12.16.2.4. On receipt of intimation for acceptance/rejection of repayment of securities from the Participant of the lender, the Depository may amend its records accordingly and inform the Participant of the Intermediary who in turn shall inform the Intermediary accordingly.

12.16.3. The aforementioned forms submitted by the lender and the Intermediary as the case may be, shall be checked by the Participant to ensure the completeness of the form and validity of the signature of the lender and the Intermediary before the requests on these forms are executed.

Prior to this amendment, Rule 12.16 as inserted w.e.f. November 12, 1998 read as follows:

12.16. REPAYMENT OF SECURITIES BY THE INTERMEDIARY TO THE LENDER

12.16.1. The Participant of the Intermediary shall execute the instructions for repayment of securities by the Intermediary to the lender on receipt of securities lending form for Intermediary as laid down in Annexure XX from the Intermediary.

12.16.2. On receipt of intimation for repayment of securities from the Participant of the Intermediary, the Depository may block the securities in the Intemediary's account in favour of the lender and inform the Participant of the lender.

12.16.3. After receiving intimation from the Depository for the blocking of securities, the Participant of the lender shall inform the lender accordingly.

12.16.4. The Participant of the lender shall execute the instructions for acceptance/ rejection of repayment of securities on receipt of securities lending form for lender/ borrower as laid down in Annexure X from the lender.

12.16.5. On receipt of intimation for acceptance of repayment of securities from the Participant of the lender, the Depository may move the securities from the Intermediary's account to the lender's account and inform the Participant of the lender.

12.16.6. On receipt of intimation for rejection of repayment of securities from the Participant of the lender, the Depository may remove the blocking of securities created in the Intermediary's account and inform the Participant of the Intermediary.

12.16.7. After receiving the intimation for acceptance/rejection of repayment of securities from the Depository, the Participant of the Intermediary shall inform the Intermediary accordingly.

12.16.8. If the Intermediary repays the securities to the lender outside the securities lending module of the DPM system, then on receipt of information thereof from the Participants of the lender and the Intermediary, the Depository may amend its records accordingly.

12.16.9. The aforementioned forms submitted by the lender and the Intermediary shall be checked by the Participant to ensure the completeness of the form and validity of the signature of the lender and the Intermediary before the requests on these forms are executed.

***Original Rule 12.17 has been deleted w.e.f. May 10, 2008. Prior to deletion, Original Rule 12.17 which was inserted w.e.f. November 12, 1998 read as follows:**

12.17. RECALL OF SECURITIES BY THE LENDER FROM THE INTERMEDIARY

12.17.1. The Participant of the lender shall execute the instructions for recall of securities by the lender from the Intermediary on receipt of securities lending form for lender/ borrower as laid down in Annexure X from the lender.

12.17.2. After receiving intimation from the Depository for recall of securities, the Participant of the Intermediary shall inform the Intermediary accordingly.

12.17.3. The Participant of the Intermediary shall execute the instructions for acceptance/ rejection of recall of securities on receipt of securities lending form for Intermediary as laid down in Annexure XX from the Intermediary.

12.17.4. On receipt of intimation for acceptance of recall of securities from the Participant of the Intermediary, the Depository may move the securities from the Intermediary's account to the lender's account and inform the Participant of the lender.

12.17.5. After receiving the intimation for acceptance/rejection of recall of securities from the Depository, the Participant of the lender shall inform the lender accordingly.

12.17.6. If the lender recalls the securities from the Intermediary outside the securities lending module of the DPM system, then on receipt of information thereof from the Participants of the lender and the Intermediary, the Depository may amend its records accordingly.

12.17.7. The aforementioned forms submitted by the lender and the Intermediary shall be checked by the Participant to ensure the completeness of the form and validity of the signature of the lender and the Intermediary before the requests on these forms are executed.

12.11. [85] TRANSACTION IN GOVERNMENT SECURITIES

12.11.1. [86] The Participant shall effect a debit or credit to the accounts of its Clients only on receipt of proper authorisation from the Clients in the forms laid out in Annexures L and M. Alternatively, a Client may give standing instructions to its Participant to credit its account.

12.11.2. [87] In case of purchase of Government Securities by a Client from seller holding securities in an SGL account with other eligible entity, the Client shall submit, to the Participant, purchase instruction in the format given in Annexure UE. The Client shall also make necessary funds available to the Depository for the purchase of these securities.

12.11.3. [88] In case of sale of Government Securities by a Client to a buyer who maintains an SGL account with other eligible entity, the Client shall submit to the Participant, Sale Instruction in the format given in Annexure UD. The Depository shall make necessary funds available to the Client against sale of these securities.

Notes:

[85] **Original Rule 12.18 which was inserted w.e.f. November 12, 1998 has been renumbered as 12.11 w.e.f. May 10, 2008.**

[86] **Amended w.e.f February 4, 1999. Prior to this amendment, Rule 12.11.1 read as follows:**
12.11.1. The Participant shall effect a debit or credit to the accounts of its Clients only on receipt of authorisation from the Clients in the forms laid down in Annexures L, M and N as the case may be.

[87] **Amended w.e.f. February 24, 1999. Prior to this amendment, Rule 12.11.2 read as follows:**
12.11.2. In case of purchase of Government Securities by a Client from another holder of Government Securities in an SGL account with other eligible entity, the Client shall submit, to the Participant, DRF-GS alongwith the enclosures prescribed by the Depository in Annexures U and UE. The Client shall also make necessary funds available to the Depository for the purchase of these securities.

[88] **Amended w.e.f. February 24, 1999. Prior to this amendment, Rule 12.11.3 read as follows:**
12.11.3. In case of sale of Government Securities by a Client to another, who maintains an SGL account with other eligible entity, the Client shall submit to the Participant, RRF-GS alongwith enclosures as prescribed in Annexure UD. The Depository shall make necessary funds available to the Client against sale of these securities.

12.12. [89] CORPORATE BENEFITS WITH RESPECT TO GOVERNMENT SECURITIES

12.12.1. The Depository shall inform all the Participants about the shut period (book closure) for Government Securities as and when scheduled by RBI.

12.12.2. All Participants must ensure that :

i) changes such as bank details, change of address, etc. in the beneficial owner accounts are updated well in advance of the interest payment and/or redemption payment due date;

ii) they remain connected till the EOD of the interest payment due date and/or redemption payment due date.

12.12.3. The Depository shall distribute the interest to the Clients who have balances in Government Securities, for which interest payment is due, at the EOD of the interest payment due date, after the same has been made available to the Depository by RBI.

12.12.4. The Depository shall pay the redemption amount to the Clients who have balances in Government Securities, due for redemption, at the EOD of the redemption due date, after the redemption amount have been made available to the Depository by RBI.

12.12.5. The amount mentioned at 12.12.3 and 12.12.4 shall be paid by the Depository to the Clients directly or to the bank account of the Client as per the details given in the Account opening form.

12.13. [90] INTER DEPOSITORY TRANSFER OF SECURITIES

12.13.1. Instruction in respect of inter-depository transfers shall be executed by the Participants on receipt of a duly filled in inter-depository transfer instruction forms from Clients and Clearing Members for delivery and receipt of securities. The specimen of these forms have been laid out in Annexure N and Annexure NA respectively. However, for receiving credits to its account, a Client and Clearing Member may give standing instructions to its Participant.

12.13.2. The Participant should check for the completeness of the forms and validity of the signature of the Client and Clearing Member before the instructions are executed.

12.13.3. On receipt of the intimation from both the depositories about the inter- depository transfer instruction details, the Issuer or its Registrar and Transfer Agent shall verify the request, and if found in order, accept the same else reject the same in the DPM(SHR).

Notes:

[89] Original Rule 12.19 which was inserted w.e.f. November 12, 1998 has been renumbered as 12.12 w.e.f. May 10, 2008.

[90] Original Rule 12.20 which was inserted w.e.f. August 17, 1999 has been renumbered as 12.13 w.e.f. May 10, 2008.

12.14. [91] RECTIFICATION OF ERRONEOUS TRANSFERS

12.14.1. The Participant / Clearing Corporation / Clearing House from where the erroneous transfer emanated, may request the Depository in the form specified in Annexure LB, to initiate such preventive measures including restraining the receiving Client from transferring and/or creating any interest / rights / encumbrance in favour of any third person(s) with respect to the securities transferred erroneously.

12.14.2. The Participant / Clearing Corporation / Clearing House making such a request shall furnish an indemnity to the Depository in the form specified in Annexure LC.

12.14.3. The Depository reserves the right to advise the Participant of the receiving Client to initiate preventive measures for a period of seven business days or such number of days as may be decided by the Depository on a case by case basis, by restraining the receiving Client from transferring and/or creating any interest / rights / encumbrance in favour of any third person(s) with respect to the securities transferred erroneously.

12.14.4. The Participant/ Clearing Corporation / Clearing House shall comply with such procedures as may be prescribed by the Depository from time to time, for rectification of such erroneous transfers.

12.14.5. Upon the Participant/Clearing Corporation/ Clearing House complying with the procedure as per Rule 12.14.4, the Depository may advise the Participant of the receiving Client to initiate reversal of securities transferred erroneously.
Provided however that if the Participant / Clearing Corporation / Clearing House fails to comply with Rule 12.14.4 within the period as specified under Rule 12.14.3, the Depository may advise the Participant of the receiving Client to revoke the restraining instructions as given under 12.14.3.

12.14.6. The Depository may impose a penalty on the Participant / Clearing Corporation / Clearing House for furnishing any incorrect information under Rules 12.14.1 and 12.14.4.

Notes:
***Original Rule 12.21 which was inserted w.e.f. April 27, 2002 has been renumbered as 12.14 w.e.f. May 10, 2008 & deleted w.e.f. September 1, 2009. Prior to deletion Rule 12.14 read as follows:**

12.14. DEFERRED DELIVERY ORDER

12.14.1. The Participant, on receipt of the Deferred Delivery Order (hereinafter referred to as DDO) initiation form as laid down in Annexure LA, from the Client who intends to transfer securities, may initiate the DDO instruction.

12.14.2. On receipt of the intimation for initiation of the DDO instruction from the Participant, the Depository may block the securities lying in the delivering Client's account in favour of the receiving Client and inform the Participant of the receiving Client accordingly.

12.14.3. The Participant of the delivering Client, on receipt of the DDO confirmation form as laid down in Annexure LA, from the delivering Client, may confirm the DDO instruction.

12.14.4. On receipt of a duly filled in securities transfer instruction form for receipt, as laid down in Annexure M, from the receiving Client, the Participant of the receiving Client may execute the instruction for receipt of securities. Alternatively, a Client may give standing instructions to its Participant to credit its account.

12.14.5. On receipt of confirmation of the DDO instruction from the delivering Client and securities transfer instruction for receipt from the receiving Client through their respective Participants, the Depository may effect transfer of securities.

12.14.6. The Participants should check for the completeness of the forms and the validity of the signature of the Clients before executing the instructions.

[91] Original Rule 12.22 which was inserted w.e.f. September 2, 2002 has been renumbered as 12.15 w.e.f. May 10, 2008 & Rule 12.15 has been renumbered as Rule 12.14 w.e.f. Sept. 1, 2009.

13. [92] CONDUCT OF BUSINESS WITH THE CLEARING CORPORATION AND CLEARING MEMBERS

13.1. [93] ADMISSION OF A CLEARING CORPORATION, A STOCK EXCHANGE OR A CLEARING HOUSE OF A STOCK EXCHANGE

13.1.1. [94] A Clearing Corporation or a Clearing House of a Stock Exchange may be admitted as a User on the Depository on entering into an agreement as laid down in

Notes:

[92] Amended w.e.f. December 5, 1997. Prior to this amendment the entire chapter 13 read as under:

13.CONDUCT OF BUSINESS WITH THE CLEARING CORPORATION AND CLEARING MEMBERS

13.1. A Clearing Corporation may be admitted as a User on the Depository on entering into an agreement, as per Annexure R. The provisions of this agreement shall govern the rights and obligations of the Depository and the Clearing Corporation, in respect of transactions entered into in pursuance of such agreement.

13.2. Transactions in securities in dematerialised form which are cleared and settled through a Clearing Corporation, admitted as a User, will be given effect to in terms of the agreement with such a Clearing Corporation.

13.3. A Clearing Member may deal in the Depository system as a Clearing Member only through a special account it has opened with a Participant. A Clearing Member account shall consist of :-

i) a Pool account;

ii) a Delivery account; and

iii) a Receipt-in account.

13.4. A CM account may be opened with the Participant only after the Clearing Member has registered with the Depository and has been allocated a BP Id by the Depository.

13.5. A Clearing Member may open only one-CM account.

13.6. In order to meet its obligations, to the Clearing Corporation for settlement of transactions in securities admitted to the Depository, the Clearing Member may authorise its Participant to move the balances from its Pool account to its Delivery account on or before the pay-in date declared by the Clearing Corporation. The authorisation to move securities to the Delivery account will constitute an authorisation to deliver the securities to the Clearing Corporation. A specimen of this authorisation form is given in Annexure S. The opening of the CM account shall constitute a standing instruction to receive credits from the Clearing Corporation.

13.7. The Participant shall ensure that the form is complete and the signature of the claimant is valid.

13.8. The Participant shall transfer securities from the Pool account of a Clearing Member to the account of its Clients based on due authorisation from the Clearing Member. A specimen of this authorisation form is given in Annexure T.

13.9. The Participant shall ensure that the form is complete and the signature of the claimant is valid.

13.10. No Clearing Member may transfer the balances from its Pool account to the Pool account of another Clearing Member.

[93] Amended w.e.f. April 8, 1998. Prior to this amendment, the Rule 13.1 read as follows:

13.1. ADMISSION OF A CLEARING CORPORATION OR A CLEARING HOUSE OF A STOCK EXCHANGE

13.1.1. A Clearing Corporation or a Clearing House of a stock exchange may be admitted as a User on the Depository on entering into an agreement as laid down in Annexure R. However, in case of a Clearing House of a stock exchange, if such Clearing House is not a legal counter-party to the trades on the Exchange and the trade/settlement guarantee fund is held and managed by the Exchange, then the Clearing House may be admitted as a User on the Depository on entering into an agreement as laid down in Annexure RR. The provisions of these agreements shall govern the rights and obligations of the Depository, the Clearing Corporation or the Clearing House of a stock exchange and the Exchange, in respect of transactions entered into in pursuance of such agreements. A Clearing Corporation or a Clearing House of a stock exchange is hereinafter referred to as Clearing Corporation.

[94] Amended on November 20, 1998. Prior to this amendment, Rule 13.1.1 read as follows:

13.1.1. A Clearing Corporation or a Clearing House of a stock exchange may be admitted as a User on the Depository on entering into an agreement as laid down in Annexure R. However, in case of a Clearing House of a stock exchange, if such Clearing House is not a legal counter-party to the trades on the Exchange and the trade/settlement guarantee fund is held and managed by the Exchange, then the Clearing House may be admitted as a User on the Depository on entering into an agreement as laid down in Annexure RR.

Annexure R. However, in case of a Clearing House of a Stock Exchange, if such Clearing House is not a legal counter-party to the trades on the Exchange and the trade/settlement guarantee fund is held and managed by the Exchange, then the Clearing House may be admitted as a User on the Depository on entering into an agreement as laid down in Annexure RR and if the Members/Dealers of the Exchange are not the Clearing Members of the Clearing House, the agreement as laid down in Annexure RRA will have to be entered.

13.1.2. A Stock Exchange may be admitted as a User on the Depository, if it conducts the activity of clearing and settlement of trades and if it is not a legal counter-party to the trades thereon and holds and manages the trade/settlement guarantee fund, on entering into an agreement as laid down in Annexure RRR.

13.1.3. The provisions of these agreements shall govern the rights and obligations of the Depository, the Clearing Corporation or the Clearing House of a stock exchange and the Exchange, in respect of transactions entered into in pursuance of such agreements. A Clearing Corporation or a Clearing House (either as a separate entity or in-house) of a stock exchange is hereinafter referred to as Clearing Corporation.

13.2. CLEARING CORPORATION ACCOUNT

13.2.1.The Depository shall allot a unique identification number to the Clearing Corporation admitted as a User on the Depository.

13.2.2. [95] The Depository shall then open the CC Settlement Account for the use of the Clearing Corporation.

13.2.3. [96] The Clearing Corporation may open one special account known as CC Account with itself. The CC Account shall consist of:-

i) a Pool account

ii) a Delivery account

13.2.4. The CC account will have all the characteristics of CM account. However, the movement of securities from the Pool account of the Clearing Corporation to the Pool accounts of the Clearing Members shall be permitted.

13.3. CLEARING MEMBER ACCOUNT

13.3.1. [97] A Clearing Member may deal in the Depository system as a Clearing Member only through a special account it has opened with a Participant. A Clearing Member account shall consist of:

i) a Pool account

ii) a Delivery account

Notes:

[95] **Amended w.e.f. December 18, 2010. Prior to this amendment, Rule 13.2.2 read as follows:**
13.2.2. The Depository shall then open the following accounts for the use of the Clearing Corporation:
i) CC Transit Account
ii) CC Settlement Account

[96] **Amended w.e.f. December 18, 2010. Prior to this amendment, Rule 13.2.3 read as follows:**
13.2.3. The Clearing Corporation may open one special account known as CC Account
with itself. The CC Account shall consist of :-
i) a Pool account
ii) a Delivery account
iii) a Receipt-in account
[97]**Amended w.e.f. December 18, 2010. Prior to this amendment, Rule 13.3.1 read as follows:**
13.3.1. A Clearing Member may deal in the Depository system as a Clearing Member only through a special account it has opened with a Participant. A Clearing Member account shall consist of :
i) a Pool account
ii) a Delivery account
iii) a Receipt-in account

13.3.2. A CM account may be opened with the Participant only after the Clearing Member has registered with the Depository and has been allocated an identification number by the Depository (hereinafter referred to as the CM-BP Id).

13.3.3. [98]A Clearing Member may open only one CM Account. However, a Clearing Member may open additional CM Account(s) with the Participant for the purpose of Futures & Options (F&O) and / or Securities Lending and Borrowing Mechanism (SLBM) transactions and the Clearing Corporation shall allot additional CC-CM-IDs to the Clearing Member for this purpose.

13.3.4. [99] The opening of the CM account shall constitute a standing instruction to receive credits from the Clearing Corporation upon pay-out.

13.4. CLEARING MEMBER DETAILS

13.4.1. The Clearing Corporation shall provide to the Depository a list of Clearing Members who are eligible to settle the trades through the Depository giving details such as the unique identification number allotted by it to the Clearing Member for the purpose of settling trades on the Depository (hereinafter referred to as CC-CM-Id) and the name of the Clearing Member.

13.4.2. The Depository shall provide to the Clearing Corporation a list of Clearing Members who are registered with the Depository giving details like name, CC-CM- Id and CM-BP-Id.

13.4.3. The Clearing Corporation shall immediately inform the Depository of any addition, deletion or modification to the list of Clearing Members so provided by the Clearing Corporation.

Notes:

[98] **Amended w.e.f. July 4, 2007. Prior to this amendment, Rule 13.3.3 was amended on February 21, 2002, which read as follows:**

13.3.3. A Clearing Member may open only one-CM account. However, a Clearing Member may open one additional CM account with the Clearing Corporation of which it is a Clearing Member for the purpose of Vyaj Badla and/or Automatic Lending and Borrowing Mechanism (ALBM) and/or Futures & Options (F&O) transactions and the Clearing Corporation shall allot additional CC-CM-Ids to the Clearing Member for this purpose.

Prior to this amendment, Rule 13.3.3 as amended w.e.f October 14, 2000 read as follows:

13.3.3. A Clearing Member may open only one-CM account. However, a Clearing Member may open one additional CM account with the Clearing Corporation of which it is a Clearing Member for the purpose of Vyaj Badla and/or Automatic Lending and Borrowing Mechanism (ALBM) transactions and the Clearing Corporation shall allot an additional CC-CM-Id to the Clearing Members for this purpose.

Prior to this amendment, Rule 13.3.3 read as follows:

13.3.3. A clearing member may open only one CM account. However a clearing member may open one additional CM account with the clearing corporation of which it is a clearing member for the purpose of Vyaj Badla transactions and the clearing corporation shall allot an additional CC-CM-id to the clearing member for this purpose.

Prior to this amendment, Rule 13.3.3., amended w.e.f. April 8, 1998 read as follows:

13.3.3. A clearing member may open only one CM account.

[99] **Rule 13.3.4 of the Business Rules has been deleted w.e.f. Dec. 2, 2000. Rule 13.3.5 of Business Rules has been renumbered as 13.3.4. Prior to deletion, Rule 13.3.4 read as follows:**

13.3.4. No Clearing Member shall move securities from its Pool account to the Pool account of another Clearing Member.

13.5.INFORMATION REGARDING SECURITIES AVAILABLE FOR DEMATERIALISATION AND SETTLEMENT

13.5.1. The Depository shall inform the Clearing Corporation after a security is admitted for dematerialisation on the Depository. The Depository shall provide to the Clearing Corporation details of the security viz; ISIN, security description and name of issuing company admitted for dematerialisation on the Depository.

13.5.2. The Depository shall immediately inform the Clearing Corporation of any addition, deletion or modification to the securities admitted for dematerialisation on the Depository.

13.5.3. The Clearing Corporation shall inform the Depository about the securities admitted for book-entry settlement before commencement of trading. The Clearing Corporation shall provide to the Depository details of the security viz; ISIN, date of admission for trading, name of issuing company and description of security admitted for book-entry settlement.

13.5.4. The Clearing Corporation shall inform the Depository regarding the book closure period/record date, ex-dates, the purpose of corporate action, the no-delivery period and the first settlement after no-delivery period as declared by it for each market type in respect of each security available for trading in book-entry segment and settled by the Clearing Corporation, at least five working days prior to the commencement of the no-delivery period.

13.6. SETTLEMENT SCHEDULE

13.6.1. [100] The Clearing Corporation shall provide to the Depository the settlement schedule giving the following details in respect of each settlement, at least two working days prior to the commencement of trading in the relevant settlement:-

i) Market Type
ii) Settlement Number
iii) Date of commencement of trading
iv) Last date of trading
v) Date and time of pay-in of securities to the Clearing Corporation
vi) Date and time of pay-out of securities by the Clearing Corporation

13.6.2. The Clearing Corporation shall inform the Depository well in advance of any proposed addition, deletion, modification to the settlement schedule and shall add, delete or modify the information only with prior intimation to the Depository.

13.6.3. [101] The settlement schedule provided by the Clearing Corporation with such additions, deletions and modifications as may have been made from time to time, will constitute an authorisation to the Depository to credit the securities to the CC settlement account for the relevant settlement by debiting the Delivery accounts of the Clearing Members.

Notes:

[100] **Amended w.e.f. December 18, 2010. Prior to this amendment, Rule 13.6.1 read as follows :**
13.6.1. The Clearing Corporation shall provide to the Depository on a quarterly basis the settlement schedule relating to the book-entry segment giving the following details in respect of each settlement, at least five working days prior to the commencement of trading in the relevant quarter :-

i) Market Type
ii) Settlement Number
iii) Date of commencement of trading
iv) Last date of trading
v) Date and time of pay-in of securities to the Clearing Corporation
vi) Date and time of pay-out of securities by the Clearing Corporation

[101] **Amended w.e.f. December 18, 2010. Prior to this amendment, Rule 13.6.3 read as follows :**
13.6.3. The settlement schedule provided by the Clearing Corporation with such additions, deletions and modifications as may have been made from time to time, will constitute an authorisation to the Depository to credit the securities to the CC transit and CC settlement accounts for the relevant settlement by debiting the Delivery accounts of the Clearing Members after the relevant pay-in time.

13.6.4. The Depository shall inform the Participants and the Clearing Corporation the date and time (hereinafter referred to as NSDL Deadline) before which the Participant can execute the instructions to move securities from the Client's account to the Pool account of the Clearing Member and can execute delivery-out instructions to move securities from the Pool account of the Clearing Member to the Delivery account of the Clearing Member.

13.7. PAY-IN OF SECURITIES

13.7.1. The Clearing Member may give receipt instructions to its Participant for crediting its Pool account in the form laid down in Annexure M. Alternatively, a Clearing Member may give standing instructions to its Participant to credit its Pool account.

13.7.2. The Participant shall ensure that the instruction form is complete and the signature of the Clearing Member is valid.

13.7.3. The Participant shall then execute the instructions of the Clearing Member to credit the Pool account of the Clearing Member.

13.7.4. The Clearing Member may give delivery-out instructions to its Participant to move securities from its Pool account to its Delivery account in the form laid down in Annexure S.

13.7.5. [102]The Clearing Corporation may give delivery-out instruction to the Depository on behalf of the Clearing Member(s) after obtaining authority from the Clearing Member(s).

13.7.6. [103] Nothwithstanding the provisions of Rule 13.7.4, the Clearing Member may instruct the Participant to cancel the delivery-out instruction given by the Clearing Corporation on its behalf and may also submit a delivery-out instruction in the form specified under Rule 13.7.4 to the Participant for its execution.

13.7.7. The Clearing Member may give a delivery-out instruction to the Participant to move securities from its Pool account to its Delivery account on irreversible basis in the format prescribed at Annexure S. Such instructions once effected shall not be modified or cancelled by the Clearing Member.

13.7.8. The Participant shall ensure that the instruction form is complete and the signature of the clearing member is valid.

13.7.9. The Participant shall execute the delivery-out instruction to move securities from the Pool account of the Clearing Member to the Delivery account of the Clearing Member.

Notes:

[102] Inserted w.e.f July 10, 2000. The original Rules 13.7.5 to 13.7.13 have been renumbered as 13.7.7 to 13.7.15.

[103] Inserted w.e.f July 10, 2000. The original Rules 13.7.5 to 13.7.13 have been renumbered as 13.7.7 to 13.7.15.

13.7.10.[104] The instructions to move securities from the Clients' account to the Pool account of the Clearing Member, from the Pool account of the Clearing Member to the Pool account of another Clearing Member, inter-settlement instructions and delivery-out instructions to move securities from the Pool account of the Clearing Member to the Delivery account of the Clearing Member shall have effect only before the NSDL Deadline for the relevant settlement.

13.7.11. [105] The delivery-out instructions given by the Clearing Member shall constitute an authorisation to the Depository to debit the Delivery account of the Clearing Member by crediting the CC settlement account for the relevant settlement.

13.7.12. [106] The Depository shall on the pay-in day move the securities from the Delivery accounts of the Clearing Members to the CC settlement account for the relevant settlement.

13.7.13. [107] The Depository shall provide the information to the Clearing Corporation about the credits to the CC settlement account giving CC-CM-Id, ISIN and quantity for the relevant settlement.

Notes:

[104] **Amended w.e.f December 2, 2000. Prior to this amendment, Rule 13.7.10 as amended w.e.f September 2, 1998 read as follows:**

13.7.10. The instructions to move securities from the Clients' account to the Pool account of the Clearing Member and the delivery-out instructions to move securities from the Pool account of the Clearing Member to the Delivery account of the Clearing Member shall have effect only before the NSDL Deadline for the relevant settlement.

Prior to this amendment, Rule 13.7.8 read as follows :

13.7.8. The instructions to move securities from the Clients' account to the Pool account of the Clearing Member and the delivery-out instructions to move securities from the Pool account of the Clearing Member to the Delivery account of the Clearing Member shall have effect only on or after the first day of trading and before the NSDL Deadline for the relevant settlement.

[105] **Amended w.e.f December 18, 2010. Prior to this amendment, Rule 13.7.11 read as follows:**

13.7.11. The delivery-out instructions given by the Clearing Member shall constitute an authorisation to the Depository to debit the Delivery account of the Clearing Member by crediting the CC transit account for the relevant settlement.

[106] **Amended w.e.f December 18, 2010. Prior to this amendment, Rule 13.7.12 read as follows:**

13.7.12. The Depository shall, after the pay-in time, move the securities from the Delivery accounts of the Clearing Members to the CC transit account for the relevant settlement.

[107] **Amended w.e.f December 18, 2010. Prior to this amendment, Rule 13.7.13 read as follows:**

13.7.13. The Depository shall provide the information to the Clearing Corporation about the credits to the CC transit account giving CC-CM-Id, ISIN and quantity for the relevant settlement.

***Rule 13.7.14 has been deleted w.e.f December 18, 2010. Prior to deletion, Rule 13.7.14 read as follows :**

13.7.14. The Clearing Corporation shall compare the CC-CM Id and the ISIN with its records and will give instructions to the Depository to move the securities from the CC transit account to the CC settlement account.

***Rule 13.7.15 has been deleted w.e.f December 18, 2010. Prior to deletion, Rule 13.7.15 read as follows :**

13.7.15. The Depository shall on receipt of such instructions, move the securities from the CC transit account to the CC settlement account for the relevant settlement.

13.8. PAY-OUT OF SECURITIES

13.8.1. After verification of payment received for the relevant settlement, the Clearing Corporation shall give instructions to the Depository on the pay-out time to debit its CC settlement account and credit the CM accounts giving the CC-CM-Id, ISIN and the quantity for the relevant settlement.

13.8.2. The Clearing Corporation shall not give instructions for crediting the CC account and CM accounts with securities either less than or in excess of the securities lying in the CC settlement account for the relevant settlement.

13.8.3. [108] The Depository shall, on receipt of the instructions from the Clearing Corporation, debit the CC settlement account and credit the Pool accounts of the Clearing Members.

13.8.4. The Clearing Member may give instructions to its Participant to debit its Pool account and credit the Clients' accounts in the form laid down in Annexure T.

13.8.5. The Participant shall ensure that the instruction form is complete and the signature of the Clearing Member is valid.

13.8.6. The Participant shall execute the instructions of the Clearing Member to debit its Pool account and credit the Clients' accounts.

13.9. [109] INTER-SETTLEMENT INSTRUCTIONS

13.9.1. The Clearing Member may for the purpose of moving securities within its Pool Account submit an inter-settlement instruction form to the Participant as laid down in Annexure SS.

13.9.2. The Participant shall ensure that the instruction form is complete and the signature of the Clearing Member is valid.

13.9.3. The Participant shall execute the instructions of the Clearing Member to move securities within its Pool account.

13.10. [110] CM POOL TO CM POOL INSTRUCTIONS

13.10.1. The Clearing Member may give instructions to its Participant to debit its Pool account and credit the Pool account of another Clearing Member in the form laid down in Annexure ST.

13.10.2. The Clearing Member may give receipt instructions to its Participant for crediting its Pool account from Pool account of another Clearing Member in the form laid down in Annexure SU. Alternatively, a Clearing Member may give standing instructions to its Participant to credit its Pool account.

13.10.3. The Participant shall ensure that the instruction form is complete and the signature of the Clearing Member is valid.

13.10.4. The Participant shall execute the instructions of the Clearing Member to debit / credit the Pool account of the Clearing Member.

Notes:

[108] **Amended w.e.f. December 18, 2010. Prior to this amendment, Rule 13.8.3 read as follows :** 13.8.3. The Depository shall, on receipt of the instructions from the Clearing Corporation, debit the CC settlement account and credit the Receipt-in accounts of the Clearing Members and immediately thereafter move securities from the Receipt-in accounts to the Pool accounts of the Clearing Members.

[109] **Inserted w.e.f. February 4, 1999.**

[110] **Inserted w.e.f. December 2, 2000**

14. MANNER OF ADVICE, STATEMENTS AND REPORTS FROM THE DEPOSITORY

14.1. PARTICIPANTS

14.1.1. The Depository may send advises, circulars or statements directly to the Participants relating to operational issues, on an adhoc basis.

14.2. ISSUER OR ITS REGISTRAR AND TRANSFER AGENTS

14.2.1. The Depository shall electronically send all dematerialisation requests, rematerialisation requests and balance held with the Depository to the Issuer or its Registrar and Transfer Agent, on a daily basis.

14.2.2. The Issuer or its Registrar and Transfer Agent shall confirm the pending dematerialisation and rematerialisation requests to the Depository, on a daily basis.

14.2.3. [111] The Depository shall electronically provide the Clients/Clearing Members/ Clearing Corporations details to Issuer or its Registrar and Transfer Agent on a fortnightly basis.

14.2.4. [112] The Depository shall electronically provide the Clients/Clearing Members/ Clearing Corporations details as on the record date fixed for this purpose to the Issuer or its Registrar and Transfer Agent for corporate action purpose within 15 days from the date of making such request.

14.2.5. [113] The Rules 14.2.1 to 14.2.4 shall not be applicable if the Issuer is a State Government or the Central Government.

Notes:

[111] Amended w.e.f. May 10, 2008. Prior to this amendment, Rule 14.2.3 was amended on May 7, 2001, which read as follows:

14.2.3. The Depository shall electronically provide the Clients/Clearing Members/ Clearing Corporations/ Intermediaries details to Issuer or its Registrar and Transfer Agent on a fortnightly basis.

Prior to this amendment, Rule 14.2.3 read as follows:

14.2.3. The Depository shall electronically provide the Client details to Issuer or its Registrar and Transfer Agent on a fortnightly basis.

[112]Amended w.e.f. May 10, 2008. Prior to this amendment, Rule 14.2.4 was amended on May 7, 2001, which read as follows:

14.2.4. The Depository shall electronically provide the Clients/Clearing Members/ Clearing Corporations/ Intermediaries details as on the record date fixed for this purpose to the Issuer or its Registrar and Transfer Agent for corporate action purpose within 15 days from the date of making such request.

Prior to this amendment, Rule 14.2.4 read as follows:

14.2.4. The Depository shall electronically provide the Client details as on the record date fixed for this purpose to the Issuer or its Registrar and Transfer Agent for corporate action purpose within 15 days from the date of making such request.

[113] Inserted w.e.f. November 12, 1998

14.3. [114] CLIENTS

14.3.1. [115] The Participant shall furnish a transaction statement including statement of accounts, if any, to every Client, who has opened an account with it, giving the details of the security-wise balances in the accounts of the Clients. Such a statement shall be furnished to the Clients at monthly intervals unless the Client and the Participant have agreed for provision of such statements at shorter intervals. However, if there is no transaction in the account, then the Participant shall provide such statement to the Client atleast once a quarter. A specimen of the transaction statement is given in Annexure V.

14.3.2. The Depository may directly send to Clients chosen at random, the details of security-wise holdings in the accounts of those Clients, to facilitate cross checking with the transaction statement including statement of accounts, if any, furnished by the Participant.

Notes:

[114] **Amended w.e.f November 12, 1998. Prior to this amendment, Rule 14.3 read as follows:**

14.3. CLIENTS

14.3.1. The Participant shall furnish a statement of account once in every fifteen days to every Client, who has opened an account with it, giving the details of the security-wise balances in the accounts of the Client unless the Client and Participant have agreed to the provision of such statements at shorter intervals. A specimen of this statement of account is given in Annexures U and V.

14.3.2. The Depository may directly send to Clients chosen at random, the details of security-wise holdings in the account of those Client, to facilitate cross checking with the statement of accounts furnished by the Participants.

[115] **Amended w.e.f. April 22, 2003. Prior to this amendment, Rule 14.3.1 read as follows:**

14.3.1. The Participant shall furnish a transaction statement including statement of accounts, if any, to every Client, who has opened an account with it, giving the details of the security-wise balances in the accounts of the Clients. Such a statement shall be furnished to the Clients at fortnightly intervals unless the Client and the Participant have agreed for provision of such statements at shorter intervals. However, if there is no transaction in the account, then the Participant shall provide such statement to the Client atleast once a quarter. A specimen of the transaction statement is given in Annexure V.

15. RECONCILIATION OF RECORDS

15.1. RECONCILIATION BETWEEN THE PARTICIPANT AND THE DEPOSITORY

15.1.1. [116] The Participant shall effect internal reconciliation of its accounts on a daily basis through the DPM (DP) or the DPM (CC) as the case may be.

15.1.2. [117] The Participant shall reconcile the total of balances held in different accounts in the DPM (DP) or the DPM (CC), as the case may be, with its balance held in the DM on a daily basis.

15.1.3. The Participant shall, at the end of each day, electronically provide to the Depository the details of the changes made in the accounts of the Client from the last EOD processing.

15.1.4. [118] The Participant shall electronically provide to the Depository, the entire Clients/ Clearing Members/Clearing Corporations details on receiving such a request from the Depository for corporate actions or for any other purpose, as may be specified by the Depository.

15.2. RECONCILIATION BETWEEN THE DEPOSITORY AND THE ISSUERS OR ITS REGISTRAR AND TRANSFER AGENTS

15.2.1. The Depository shall electronically provide the total security balances held in its system as free balance, pending dematerialisation balance and pending rematerialisation balance to the Issuer or its Registrar and Transfer Agent, on a daily basis, for reconciliation purposes.

15.2.2. [119] The Issuer or its Registrar and Transfer Agent shall reconcile the balances electronically provided by the Depository, as mentioned above, with its records.
Provided however that, in case of Government Securities, the Depository shall reconcile its records with the statement provided by RBI.

Notes:

[116] **Amended w.e.f January 20, 1998. Prior to this amendment, Rule 15.1.1 read as follows:**
15.1.1. The Participant shall effect internal reconciliation of its accounts on a daily basis through the DPM (DP).

[117] **Amended w.e.f January 20, 1998. Prior to this amendment, Rule 15.1.2 read as follows:**
15.1.2. The Participant shall reconcile the total of balances held in different accounts in the DPM (DP) with its balance held in the DM on a daily basis.

[118] **Amended w.e.f. May 10, 2008. Prior to this amendment, Rule 15.1.4 was amended on May 7, 2001, which read as follows:**
15.1.4. The Participant shall electronically provide to the Depository, the entire Clients/ Clearing Members/ Clearing Corporations/Intermediaries details on receiving such a request from the Depository for corporate actions or for any other purpose, as may be specified by the Depository.
Prior to this amendment, Rule 15.1.4 read as follows:
15.1.4. The Participant shall electronically provide to the Depository, the entire Client details on receiving such a request from the Depository for corporate actions or for any other purpose, as may be specified by the Depository.

[119] **Amended w.e.f November 12, 1998. Prior to this amendment, Rule 15.2.2 read as follows:**
15.2.2. The Issuer or its Registrar and Transfer Agent shall reconcile the balances electronically provided by the Depository, as mentioned above, with its records.

15.2.3. [120] The Depository shall electronically provide the entire Clients/Clearing Members/ Clearing Corporations details to the Issuer or its Registrar and Transfer Agent, on receiving such a request from the Issuer or its Registrar and Transfer Agent for corporate actions or for facilitating internal reconciliation of records. Where the Clients/Clearing Members/ Clearing Corporations account details are required on a particular date, the same shall be provided within fifteen days of such date or fifteen days from the date of making such request whichever is later.

Notes:

[120] Amended w.e.f. May 10, 2008. Prior to this amendment, Rule 15.2.3 was amended on May 7, 2001, which read as follows:

15.2.3. The Depository shall electronically provide the entire Clients/Clearing Members/ Clearing Corporations/ Intermediaries details to the Issuer or its Registrar and Transfer Agent, on receiving such a request from the Issuer or its Registrar and Transfer Agent for corporate actions or for facilitating internal reconciliation of records. Where the Clients/Clearing Members/Clearing Corporations/Intermediaries account details are required on a particular date, the same shall be provided within fifteen days of such date or fifteen days from the date of making such request whichever is later.

Prior to this amendment, Rule 15.2.3 read as follows:

15.2.3. The Depository shall electronically provide the entire Client details to the Issuer or its Registrar and Transfer Agent, on receiving such a request from the Issuer or its Registrar and Transfer Agent for corporate actions or for facilitating internal reconciliation of records. Where the Client account details are required on a particular date, the same shall be provided within fifteen days of such date or fifteen days from the date of making such request whichever is later.

16. RECORDS

16. 1. RECORDS TO BE MAINTAINED BY THE PARTICIPANTS

16.1.1. Every Participant of the Depository shall maintain the following records relating to its business for a period of five years:-

i) Delivery/Receipt Instructions given by its Clients.

ii) Forms submitted by the Clients to the Participant for: -
   a) Opening of accounts with the Participant;
   b) Closing of accounts with the Participant;
   c) Freezing of accounts with the Participant;
   d) [121] Unfreezing of accounts with the Participant.

iii) Copies of correspondence from the Clients on the basis of which Clients details were updated in the DPM;

iv) Record of all actions taken on the exception reports, generated by the system;

v) A register showing details of grievances received from the Clients and their present status. The following details may be specified in this regard :-
   a) name of the Client;
   b) reference number of the Client;
   c) date;
   d) particulars of complaints;
   e) actions taken by the Participant;

vi) if the matter is referred to arbitration, then the particulars including the present status thereof.

vii) instructions received from the Clearing Member to transfer balances from the Pool account to the Delivery account of the Clearing Member in order to enable it to meet its obligations to the Clearing Corporation;

viii) instructions from the clearing member authorising the transfer of securities from the pool account of the clearing member to the accounts of its clients

ix) The forms received in respect of pledge of securities;

x) The forms received in respect of transmission of securities

xi) [122] The forms received in respect of securities lending.

xii) [123] Record of serial numbers of the instruction forms for debit or pledge of securities in a Client account, issued to its Clients.

Notes:

[121] **Amended w.e.f. December 27, 2001. Prior to this amendment, Rule 16.1.1 (ii) (d) read as follows:**

16.1.1. (ii) (d) Defreezing of accounts with the Participant.

[122] **Inserted w.e.f November 12, 1998**

[123] **Inserted w.e.f February 4, 1999**

16.1.2. [124] The following records pertaining to dematerialisation and rematerialisation of securities shall be kept by the Participants until the process of dematerialisation or rematerialisation is completed:-

i) Dematerialisation request form (DRF and DRF-GS) filled by the Client;
ii) Certificate details of securities sent for dematerialisation;
iii) Proof of deliveries of DRF and securities to the Issuer or its Registrar and Transfer Agent and proof of delivery of DRF-GS and Government Securities to the Depository;
iv) Objection memo and certificate details of the rejected securities against the DRN;
v) Rematerialisation Request Form (RRF and RRF-GS) submitted by the Client
vi) [125] Proof of delivery of RRF to the Issuer or its Registrar & Transfer Agent and proof of delivery of RRF-GS to the Depository.

16.1.3. The Participant shall intimate to the Depository, the place where the above records are kept and available for audit/inspection.

16.1.4. The above requirements relating to maintenance of records shall apply not only to the records of the Participant's principal office but also any branch office and to any nominee company owned or controlled by the Participant for the purpose of conducting the business of the Participant relating to the operations of the Depository.

16.2. RECORDS TO BE MAINTAINED BY THE ISSUER OR ITS REGISTRAR AND TRANSFER AGENTS

16.2.1. Every Issuer or its Registrar and Transfer Agent who is a User of the Depository shall maintain the following records relating to its business for a period of five years:-

i) DRF filled by the Client;
ii) Certificate details of securities received for dematerialisation;
iii) Objection memo and certificate details of the rejected securities against the DRN;
iv) RRF submitted by the Client;
v) Proof of delivery of share certificates which have been sent to the Client after rematerialisation;
vi) A register showing details of grievances received from Clients and their present status. The following details may be specified in this regard :-

Notes:

[124] Amended w.e.f November 12, 1998. Prior to this amendment, Rule 16.1.2 read as follows:
16.1.2. The following records pertaining to dematerialisation and rematerialisation of securities shall be kept by the Participants until the process of dematerialisation or rematerialisation is completed:
i) Dematerialisation request form (DRF) filled by the Client;
ii) Certificate details of securities sent for dematerialisation;
iii) Proof of deliveries of DRF and securities to the Issuer or its Registrar and Transfer Agent;
iv) Objection memo and certificate details of the rejected securities against the DRN;
v) Rematerialisation request form submitted by the Client;
vi) Proof of delivery of RRF sent to the Issuer or its Registrar and Transfer Agent.

[125] Amended w.e.f. February 24, 1999. Prior to this amendment, Rule 16.1.2 (vi) read as follows:
16.1.2. vi) Proof of delivery of RRF and securities to the Issuer or its Registrar & Transfer Agent and proof of delivery of RRF-GS and Government Securities to the Depository.

a) name of the Client;
b) reference number of the Client;
c) date;
d) particulars of complaints;
e) actions taken by the Participant;
f) if the matter is referred to arbitration, the particulars and present status thereof;

vii) Record of all actions taken on the exception reports, generated by the system.

16.3. [126] RECORDS TO BE MAINTAINED BY DEPOSITORY WITH RESPECT TO GOVERNMENT SECURITIES

16.3.1. The Depository shall maintain the following records with respect to the Government Securities for a period of five years:-

i) DRF-GS filled by the Client;
ii) Certificate details of securities received for dematerialisation;
iii) Objection memo and certificate details of the rejected securities against the DRN;
iv) RRF-GS submitted by the Client;
v) [127] Proof of delivery of Government Securities which have been sent to the Client after rematerialisation;
vi) A register showing details of grievances received from Clients and their present status.

16.4. MANNER OF KEEPING RECORDS

16.4.1. [128] The records specified in Rules 16.1 and 16.2 above may be maintained either in physical or in electronic form. Where the records are kept by the Participant or the Issuer or its Registrar & Transfer Agent in electronic form, it shall do so with the prior approval of the Depository and shall ensure that the integrity of the data processing systems is maintained at all times and take all precautions necessary to ensure that the records are not lost, destroyed or tampered with and ensure that sufficient backup of records is available at all times at a different place. However, the prior approval of the Depository is not required if the Participant has been permitted to receive instructions from the Client in an electronic form in the manner specified in the first proviso to Rule 4.5.1.

Notes:

[126] **Inserted w.e.f November 12, 1998. The original Rule 16.3 renumbered as Rule 16.4.**

[127] **Amended w.e.f. February 24, 1999. Prior to this amendment, Rule 16.3.1 (v) read as follows:**
16.3.1. v) Proof of delivery of share certificates which have been sent to the Client after rematerialisation;

[128] **Amended w.e.f. May 7, 2001. Prior to this amendment, Rule 16.4.1 read as follows:**
16.4.1. The records specified in Rules 16.1 and 16.2 above may be maintained either in physical or electronic form. Where the records are kept by the Participant or the Issuer or its Registrar and Transfer Agent in electronic form, it shall do so with the prior approval of the Depository and shall ensure that the integrity of the automatic data processing systems is maintained at all times and take all precautions necessary to ensure that the records are not lost, destroyed and tampered with and ensure that sufficient backup of records is available at all times at a different place.

17. [129] INVESTOR PROTECTION RESERVE

The Executive Committee may establish an "Investor Protection Reserve" (IPR). Contribution to the IPR will be the amounts that may be decided by the Board of NSDL from time to time. The amounts in the IPR shall be utilised to make good the claims, which may be submitted by the Clients who have suffered pecuniary losses arising from the negligence of the Depository or by the Participants while carrying out the instructions of the Client. The IPR may be operated and administered by a Committee (IPR Committee), which will have a maximum of five members to be appointed by the Board of NSDL from time to time.

Notes:

[129] **Amended w.e.f. March 3, 2003. Prior to this amendment, Rule 17 inserted w.e.f. July 22, 1997 read as follows:**

17. INVESTOR PROTECTION FUND

The Executive Committee shall set up a Fund to be known as "The National Securities Depository Limited Investor Protection Fund". Contributions to the Fund shall be the amount or amounts that may be specified by the Executive Committee from time to time. The Trust funds shall be utilised to make good the claims which may be submitted by the Clients who have suffered pecuniary losses arising from the negligence of the Depository or by the Participants while carrying out the instructions of the Client.

17.1. SOURCES OF FUND

17.1.1. Contribution to the "National Securities Depository Limited Investors Protection Fund" shall be out of the following:

i) 1% of the fees (Custody fees, transaction related fees, and rematerialisation fees) collected from the Participants.
ii) Fines, penalties and any extra fees charged from Issuers and Participants for any extra service provided.
iii) 10% of the interest earned on the Security Deposit of Rs.10 lac, collected from the Participants.
iv) 5% of the Annual Fees received from the Participants.
v) Any other sums as may be prescribed by the Trustees from time to time.
vi) Any other contribution that may be received by the Trustees from any other person and any income accruing on the Trust Property.

17.2. NATURE OF CLAIMS

17.2.1. The Trust Funds shall be utilised by the Trustees to compensate the following:

i) for any loss suffered by any Client arising from the negligence of the Participants and/or the Depository while carrying out the instructions of the Client.
ii) for any losses the investor might incur, as a result of non performance by the Participant.

17.3. CLAIMS NOT TO BE ADMITTED

17.3.1. Claims of investors who have not availed the services of the Depository by opening an account with any of its Participants, shall not be admitted by the Trustees.

17.3.2. Claims which are above Rs.1.50 lac in value.

17.4. PROCEDURE FOR MAKING CLAIMS

17.4.1. Any Client who has suffered any loss arising from negligence and/or as a result of non performance by the Participant(s) while carrying out the instructions of the Client shall first approach the concerned Participant to make good the loss.

17.4.2. The Depository shall admit the claim(s) only as a last recourse, when a Participant is no longer able to fulfill his financial obligation.

17.4.3. A claim for compensation shall be made in writing to the Trust giving full details of all relevant facts of the case, duly supported by copies of documents relevant thereto.

17.4.4. Any person wishing to make a claim shall also give an undertaking in writing in the prescribed format, to be bound by the decision of the Trustees which decision shall be final and binding.

17.4.5. In the event of multiple claims received from a Client(s) under Rule 17.4.2 above, the sequence of admission of claims shall be in chronological order in which they have been received and subject to the extent specified under Rule 17.5.1.

17.1. SOURCES OF IPR

17.1.1. Contribution to the IPR will be the amounts that may be decided by the Board of NSDL from time to time.

Notes:

17.4.6. Any Client whose claim has been admitted under Rule 17.4.2 above, the Trustees may require the person to produce and deliver any documents and statements of evidence as may be necessary to establish or support his claim. In the event of default on the part of such Client in this regard, the Trustees may at their discretion disallow or reject the claim either wholly or in part as they may deem fit.

17.4.7. The Trustees while disallowing (whether wholly or partly) a claim for compensation shall serve notice of such disallowance on the claimant.

17.4.8. The Trustees, if satisfied that the default on which the claim is founded was actually committed, may allow the claim and act accordingly.

17.4.9. The Trustees shall have an absolute discretion as regards the mode and method of assessing the nature of the claim including its genuineness and shall likewise at their discretion accept, reject or partially grant or allow claims and make payment thereof subject to the limits herein mentioned, as they may deem fit and proper.

17.4.10. While the Trust will settle the claims of the Clients out of the Trust Funds, the Trustees may initiate necessary legal proceedings to recover the amount from the Participant and replenish the Fund.

17.5. QUANTUM OF COMPENSATION

17.5.1. The Trust Funds shall be utilised by the Trustees to compensate for any loss suffered by any Client arising from negligence of the Participants and/or the Depository up to a limit of Rs. 1,50,000/- (Rupees One lac fifty thousand only) and/or such other limit as may be determined by the Board of Trustees from time to time.

17.5.2. The Trustees may from time to time either generally or in respect of a particular claim determine the limit. However, where the limit is raised in respect of a particular claim, the Board of Trustees shall record in writing, its reasons therefor.

17.5.3. The amount of compensation payable in respect of any claim shall be reduced by the amount or value of any compensation or benefits received by the Client from any other source in respect of such claim.

17.5.4. In case the Client receives compensation from any other source and the Trust also pays the compensation without the knowledge of the payment by the other source in respect of the same claim, the Trustees shall recover from such Client an amount equivalent to the compensation received by him from such other source provided that the amount so recovered shall not exceed the amount of compensation received by such Client from the Trust.

17.5.5. In the event that any Client has received compensation from the Trust in respect of a claim founded on the negligence on the part of a Participant, the Trustees shall take all steps necessary to recover from such Participant the amount of compensation so paid together with interest thereon from the date of payment of compensation to the Client at such rate as the Trustees may decide from time to time.

17.5.6. Every decision by the Trustees in regard to any claim made by a Client shall be conclusive and binding.

17.6. CLAIM NOT TO AFFECT LEGAL PROCEEDINGS

17.6.1. The rejection or partial acceptance of any claim by the Trustees or grant of any compensation to a claimant shall not preclude or debar such claimant to pursue his claim for dues against the Participant in any court of law or otherwise howsoever or other legal action on other grounds or causes of action of whatsoever nature.

Provided, however, that the net claim of any such claimant against the Participant shall stand reduced to the extent of the compensation received by him from the Fund. The Trust shall have the right to be subrogated to the extent of compensation so paid by the Participant. In the event of the claimant receiving his full dues from any source other than the Trust, the claimant shall refund the amount of claim received by him from the Trust and in the event of the claimant not so refunding the money, the Trust shall have the right to recover the same from the claimant.

17.7. ALTERATION OF PROCEDURE

17.7.1. The Trustees may, in their discretion alter, modify or repeal the procedure as they may consider necessary.

17.7.2. If there is any repugnance between this procedure and NSDL Business Rules, Bye laws and SEBI Regulations, then NSDL Business Rules, Bye laws and SEBI Regulations will prevail.

17.2. NATURE OF CLAIMS

17.2.1. The IPR shall be utilised to compensate the following:

i) for any loss suffered by a Client arising from the negligence of the Participants and or the Depository while carrying out the instructions of the Client.

ii) for any losses the investor might incur, as a result of non performance by the Participant.

17.3. CLAIMS NOT TO BE ADMITTED

17.3.1. Claims of investors who have not availed the services of the Depository by opening an account with any of its Participants, shall not be admitted.

17.3.2. Claims which are above Rs.1.50 lakh in value.

17.4. PROCEDURE FOR MAKING CLAIMS

17.4.1. Any Client who has suffered any loss arising from negligence and/or as a result of non performance by the Participant(s) while carrying out the instructions of the Client shall first approach the concerned Participant to make good the loss.

17.4.2. The claim(s) of the Clients shall be admitted under IPR only as a last recourse, when a Participant is no longer able to fulfill his financial obligation.

17.4.3. A claim for compensation shall be in writing, giving full details of all relevant facts of the case duly supported by copies of documents relevant thereto.

17.4.4. Any person wishing to make a claim shall also give an undertaking in writing in the prescribed format, to be bound by the decision of the IPR Committee, whose decision shall be final and binding.

17.4.5. In the event of multiple claims received from a Client(s) under Rule 17.4.2 above, the sequence of admission of claims shall be in chronological order in which they were received and subject to the extent specified under Rule 17.5.1.

17.4.6. Any Client whose claim has been admitted under Rule 17.4.2 above, the IPR Committee may require the person to produce and deliver any documents and statements of evidence as may be necessary to establish or support his claim. In the event of default on the part of such Client in this regard, the IPR Committee may at its discretion disallow or reject the claim either wholly or in part as they may deem fit.

17.4.7. The IPR Committee while disallowing (whether wholly or partly) a claim for compensation shall serve notice of such disallowance on the claimant.

17.4.8. The IPR Committee, if satisfied that the claim was based on the default actually committed, may allow the claim and act accordingly.

17.4.9. The IPR Committee shall have an absolute discretion as regards the mode and method of assessing the nature of the claim including its genuineness and shall likewise at its discretion accept, reject or partially grant or allow claims and make payment thereof subject to the limits herein mentioned, as it may deem fit and proper.

17.4.10. While the IPR Committee may settle the claims of the Clients out of the IPR, the Executive Committee may initiate necessary legal proceedings to recover the amount from the Participant and replenish the IPR.

17.5. QUANTUM OF COMPENSATION

17.5.1. The IPR may be utilised by the IPR Committee to compensate any loss suffered by any Client arising from negligence of the Participants and/or the Depository up to a limit of Rs. 1,50,000/- (Rupees One lakh fifty thousand only) and/or such other limit as may be determined by the IPR Committee from time to time.

17.5.2. The IPR Committee may from time to time either generally or in respect of a particular claim determine the limit. However, where the limit is raised in respect of a particular claim, the IPR Committee shall record in writing, its reasons thereof.

17.5.3. The amount of compensation payable in respect of any claim shall be reduced by the amount or value of any compensation or benefits received by the Client from any other source in respect of such claim.

17.5.4. In case the Client receives compensation from any other source and the IPR Committee also pays the compensation without the knowledge of the payment by any other source in respect of the same claim, the IPR Committee shall recover from such Client an amount equivalent to the compensation received by him from such other source provided that the amount so recovered shall not exceed the amount of compensation received by such Client from the IPR.

17.5.5. In the event that any Client has received compensation from the IPR in respect of a claim based on the negligence on the part of a Participant, the IPR Committee shall take all steps necessary to recover from such Participant the amount of compensation so paid together with interest thereon from the date of payment of compensation to the Client at such rate as the IPR Committee may decide from time to time.

17.5.6. Every decision by the IPR Committee in regard to any claim made by a Client shall be conclusive and binding.

17.6. CLAIM NOT TO AFFECT LEGAL PROCEEDINGS

17.6.1. The rejection or partial acceptance of any claim by the IPR Committee or grant of any compensation to a claimant shall not preclude or debar such claimant to pursue his claim for dues against the Participant in any court of law or otherwise howsoever or other legal action on other grounds or causes of action of whatsoever nature. Provided however that, the net claim of any such claimant against the Participant shall stand reduced to the extent of the compensation received by him from the IPR. The IPR Committee shall have the right to be subrogated to the extent of compensation so paid by the Participant. In the event of the claimant receiving his full dues from any source other than the IPR, the claimant shall refund the amount of claim received by him from the IPR and in the event of the claimant not so refunding the money, the IPR Committee shall have the right to recover the same from the claimant.

17.7. ALTERATION OF PROCEDURE

17.7.1. The IPR Committee may, in their discretion alter, modify or repeal the procedure as they may consider necessary.

18. PENALTIES

18.1.1. [130] The Depository may impose a penalty on the Participant to the extent indicated for non compliance as described below:

Sr. No.	Nature of Non-Compliance	Penal Action
I	**Operational deviations**	
1	Accounts operated with an unsigned agreement/Account opened without obtaining adequate proof of identity or any other document prescribed by SEBI/ Account opened without obtaining adequate proof of address or adequate proof of adress not collected for change of address, Record of in-person verification not maintained.	Rs. 2500 per account. If such deviation is observed in two consecutive inspections, penalty would be Rs. 5000 per account. If such deviation is observed in three consecutive inspections, matter would be referred to Disciplinary Action Committee. Depository to refer the matter to Disciplinary Action Committee if total penalty imposed in one inspection under this head exceeds Rs. 50000.
2	Supplementary agreement executed or undertaking/letter obtained or any modification made in any document which has clauses contradictory to Depository prescribed agreement or Power of attorney executed in favour of Participant in contradiction to Depository prescribed guidelines.	Rs. 1000 per occasion.
3	Accounts opened in the name of partnership firms/HUF/proprietory concern/such other entities not entitled to hold securities in its name.	Rs. 1000 per account.
4	Nomination not done as per prescribed procedure.	Rs. 250 per account.
5	Any type of transaction not executed as per the procedure prescribed by Depository such as change in bank details, change in signature, transmission, account closure, freeze/unfreeze, pledge, remat etc.	Rs. 500 per account.
6	Data entry errors / omission which may cause inconvenience and/or loss to the client/ system / Depository.	Rs. 50 per account.
7	Correct PAN details are not obtained from the clients and the account is not frozen for debit.	Rs. 500 per account.
8	Incorrect entry of PAN details in DPM system.	Rs. 50 per account.

Sr. No.	Nature of Non-Compliance	Penal Action
9	Alterations in the contents of agreements as prescribed by Depository.	Rs. 100 per occasion.
10	Minor's account opened with joint holders.	Rs. 500 per account.
11	Invalid/ factually incorrect/ meaningless data entered in demographic details.	Rs. 500 per account.
12	Delay in despatch of demat request beyond seven working day after receipt of Demat Request Form and certificates from the Client.	Rs. 250 per occasion.
13	Sending securities for dematerialization to Registrar & Transfer Agents/Issuers without defacing and multilating certificates.	Rs. 100 per occasion.
14	No/inadequate control over issuance and / or acceptance of instruction slips.	Rs. 2500 per occasion. If such deviation is observed in two consecutive inspections, penalty would be Rs. 5000. If such deviation is observed in three consecutive inspections, matter would be referred to Disciplinary Action Committee.
15	Client account debited without receiving proper authorization.	Rs. 2500 per account. If such deviation is observed in two consecutive inspections, penalty would be Rs. 5000 per account. If such deviation is observed in three consecutive inspections, matter would be referred to Disciplinary Action Committee. Depository to refer the matter to Disciplinary Action Committee, if total penalty imposed in one inspection under this head exceeds Rs. 50000. The penalty levied above will be in addition to restoration of securities in case of clients' dispute.
16	Instruction of the client not executed or erroneously entered by Participants.	Rs. 250 per account.
17	Fax indemnity not executed with the clients for the instructions accepted on fax and/or original instruction not collected within stipulated time from the date of receipt of the fax instruction.	Rs. 500 per account.

Sr. No.	Nature of Non-Compliance	Penal Action
18	Transaction statement not being sent to clients as per requirements or discrepancy observed in the transaction statement sent to clients.	Rs. 2000 per occasion.
19	Change in office address and / or investor relations officers/compliance officers not intimated to Depository.	Rs. 250 per occasion.
20	Forms used are not in conformity with the prescribed format.	Rs. 100 per occasion.
21	Termination/Closure of franchisee/branch services contrary to Depository instruction.	Rs. 500 per occasion.
22	Speed-e facility made available/operated contradictory to Depository prescribed guidelines.	Rs. 500 per account.
23	Internal Audit Report/Concurrent Audit Report not submitted in the prescribed format within the stipulated time period.	Rs. 1000 per occasion plus additional Rs. 500 for any delay per fortnight.
24	Internal audit report/Concurrent audit report submitted without inclusion of management comments for deviations noted by auditors or not providing compliance duly certified by auditors on the observations made by the Depository.	Rs. 1000 per occasion plus additional Rs. 500 for any delay per fortnight till the submission of revised report.
25	Non-submission of net worth certificate based on the audited annual accounts by the Participants (as specified in the Bye-Laws) in the prescribed format for 31st March within prescribed time limit.	Rs. 2500 per occasion plus additional Rs. 1000 for any delay per fortnight.
26	Non-submission of annual financial statement within the prescribed time limit.	Rs. 1000 per occasion plus additional Rs. 500 for any delay per fortnight.
27	Non filing of information sought by Depository either periodically or specifically through circulars/letters etc.	Rs. 250 per occasion.
28	Half yearly Compliance certificate not submitted within the stipulated time.	30 days have elapsed after stipulated time and the certificate is not submitted, Participant will be advised to stop opening fresh demat accounts. If the delay is beyond 60 days from the stipulated time, matter to be referred to Disciplinary Action Committee.

Sr. No.	Nature of Non-Compliance	Penal Action
29	Client Grievances (except disputes/court cases) not redressed within 30 days.	Rs. 250 per grievance plus additional Rs. 100 for any further delay per month. Delay beyond six months will be reported to the Disciplinary Action Commitee.
30	Non-submission of monthly report of client Complaints as required under Bye Law 6.3.6 (iii) to be submitted every month (latest by 10th of the following month).	Rs. 500 per month.
31	Qualified personnel (NCFM/NSDL/NISM certified for depository operations) not appointed in at least 90% of the total service centres (other than drop boxes) of the Participants.	Rs.1,000 per month per service centre (other than drop box). Further, Rs. 5,000 per month per service centre upon recurrence of the deviation in the same service centre wherein non-compliance was observed earlier. In case of new service centre or in case of resignation or transfer of qualified personnel from the existing service centre, time period of three months will be allowed within which qualified personnel should be appointed.
32	Depository services are offered through service centers without approval of Depository.	Rs.2,500 per occasion
33	(a) Carrying out certain functions which are prohibited by Depository through franchisees (like in-person verification of clients at the time of opening of accounts and verification of delivery instruction slips) (b) Dispatch of periodic transaction statements by Participants through its service centre (branch as well as franchisees) other than one which is directly connected to the Depository or through its centralised processing unit under the supervision of its head office.	Matter to be referred to Disciplinary Action Commitee.
II	**System related deviations**	
34	Using the DPM System for any other purpose or loading any other software or alteration of parameters/configuration/ software other than DPM application software/prescribed system software found loaded in the system.	Rs. 5000 per occasion.

Sr. No.	Nature of Non-Compliance	Penal Action
35	Not upgrading the software and/or hardware within the prescribed time limit/ not complying with pre-requisite or post-requisite of upgradation.	Rs. 5000 per occassion plus actual cost of travel of Depository official/s and or other person/s on behalf of Depository, if any, for this purpose.
36	DPM configuration not as per Depository requirements.	Rs. 5000 per occasion.
37	DPM is connected to WAN without permission of relevant authorities.	Rs. 5000 per occasion.
38	Anti Virus Software not loaded/enabled/ upgraded on server and/or client machine(s)	Rs. 500 per occasion.
39	Variable access rights' scheme suggested by Depository not implemented/ not implemented properly.	Rs. 250 per occasion.
40	Back up register not maintained or not updated	Rs. 100 per occasion.
41	There is no physical restriction on access to server and client machine.	Rs. 100 per occasion.
42	DPM configuration not as per Form B; however it is as per Depository specifications.	Rs. 100 per occasion.
43	System personnel not deputed for BP training.	Rs. 100 per occasion.
44	Documentation related to procedure of RAS/PPP/online/Dongle etc. not maintained/is not available immediately.	Rs. 100 per occasion.
45	Not connecting with Depository continuosly for two working days without intimating to Depository.	Rs. 5000 per occasion plus Rs. 500 per day thereafter.
46	Transaction logs not getting copied to client machine.	Rs. 5000 per occasion.
47	Failure to establish connectivity with Depository through dial-up mode.	Rs. 1000 per occasion.
48	ERD not created/RAID controller configuration back up not taken as per Depository requirements.	Rs. 1000 per occasion. If such deviation is observed in two consecutive inspections, penalty would be Rs. 2000.
	Miscelleneous	
49	Compliance not reported by Participant within 60 days from the date of communication by depository with respect to deviations observed during the inspections	Matter to be referred to Disciplinary Action Committee.

18.1.2. ¥ For non-compliances, where fines are levied, the fine will be communicated to the Participant and in addition, Participant would be required to report compliance within the stipulated time frame. The Participant shall pay the fine within 15 days of the communication. In case the Participant continues to default after paying the penalty, the matter will be referred to Disciplinary Action Committee.

18.1.3. ¥ Compliance reported by the Participant will be verified during the subsequent inspection. In case the compliance reported by the Participant is found to be false, the matter will be referred to Disciplinary Action Committee.

18.1.4. ¥ If the total monetary penalty levied on a particular Participant in last three years exceed Rs. 1,00,000 the matter would be referred to Disciplinary Action Commitee.

18.1.5. ¥ The penalty provisions as mentioned in Rule 18.1.1 to 18.1.4 will apply to CC/CH to the extent that are relevant for the operations of CC/CH.

18.2 [131]

18.2.1. [132] The Depository may impose a penalty on the Issuer/R&T Agent to the extent indicated for non compliance as described below:

Sr. No.	Nature of Non-Compliance	Penalty
1	Not connecting with NSDL continuously for two working days	5 points (1 point per day thereafter)
2	Delay in confirmation of demat/remat request within stipulated time frame (in cases where the delay is attributable only to the Issuer/RTA connected to NSDL)	10 points
3	Certificates and physical documents not sent to the concerned Depository Participants within 5 days of rejection of demat request	3 points
4	System of maintaining documents pertaining to demat/ remat requests not satisfactory	5 points
5	Proof of delivery of certificates not maintained in case of remat	3 points
6	Reconciliation between NSDL control position and Register of Members (ROM) is not done on a daily basis	10 points. If such deviation is observed in second consecutive inspection, monetary penalty of Rs.1000/- will be levied. If the deviation is observed in third consecutive inspection, R&T Agent will be advised not to undertake any new client companies.
7	Separate folios for NSDL and CDSL are not maintained in ROM	5 points
8	Transaction logs not generated on the client machines	5 points

Sr. No.	Nature of Non-Compliance	Penalty
9	Scheme of Variable Access Rights not implemented	5 points. If such deviation is observed in second consecutive inspection, 10 penalty points will be levied. If the deviation is observed in third consecutive inspection, a monetary penalty of Rs.500/- will be levied.
10	Using DPM-SHR system for any other purpose or loading any other software or alteration of parameters/configuration	5 points
11	Antivirus software not loaded/upgraded/ enabled on server and/or client machine	5 points. If such deviation is observed in second consecutive inspection, 10 penalty points will be levied. If the deviation is observed in third consecutive inspection, a monetary penalty of Rs.500/- will be levied.
12	DPM-SHR configuration not as per Form B and/or NSDL requirements	5 points
13	Not upgrading the software or not complying with pre-requisite or post-requisite of upgradation	5 points
14	Change in office address and or investor relations officers/compliance officers not intimated to NSDL	5 points
15	Back-up Register not maintained or not updated	3 points
16	Documentation related to procedure of RAS/PPP/on line/Dongle etc. not maintained/is not available immediately	5 points
17	Failure to establish connectivity with NSDL through dial-up mode	5 points (on each such occasion)
18	Latest signature CD not uploaded as per NSDL guidelines	3 points
19	Date of receipt of DRF/RRF not entered in DPM-SHR	2 points
20	Name & specimen signature of authorised signatories not obtained from companies having only electronic connectivity and not compared before confirmation of demat/ remat requests.	2 points

Sr. No.	Nature of Non-Compliance	Penal Action
21	There is no physical restriction on access to server and client machine	3 points
22	ERD not created / RAID controller configuration backup not taken as per NSDL requirements	3 points
23	Dematerialistion of securities for which listing approval has not been received from the relevant stock exchange(s).	Rs.1000/- per occasion

18.2.2 [133] For non-compliances, the Issuer/R&T Agent will be issued a letter communicating the penalty points and seeking compliance thereof within 15 days. If the Issuer/R&T Agent sends the compliance report within the said time, penalty points will be dropped after verification of the compliance during the next NSDL inspection.

18.2.3 [134] If the Issuer/R&T Agent fails to send the compliance report within the stipulated time, the following action will be taken:

Sr. No.	Penalty Points	Penalty under the current penalty structure
1	Upto 15	Advise penalty points imposed to the Compliance Officer seeking compliance report
2	16 to 30	A fine of Rs. 1,500/- will be levied and additional fine at Rs. 200/- per point above 15 points will be levied.
3	31 and above	A fine at Rs.400/- per point above 30 points will be levied
4	Above 45	In addition to monetary penalty, report to client companies as well as to SEBI for necessary action.

18.2.4. The compliance reported by the Issuer/R & T Agent will be verified during the subsequent inspection. In case the compliance reported by the Issuer/R & T Agent is found to be false, the matter will be reported to its client companies as well as SEBI, for necessary action.

Notes:

*** Sr. No. 39 and 49 under Rule 18.1.1 which were amended w.e.f. May 1, 2009 have been deleted w.e.f. June 30, 2009 and remaining provisions under 18.1.1. have been renumbered. The deleted Rules read as under :**

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

Sr. No.	Nature of Non-Compliance	Penal Action
39	Not taking back up daily and/or deviation in procedure of taking backup.	Rs. 5000 per occasion.
49	Additional copy of back up not sent to remote site and/or not sent as per Depository Requirements.	Rs. 1000 per occasion.

•Amended w.e.f. June 14, 2011. Prior to this amendment the Sr. No. 31, which read as follows:

Sr. No.	Nature of Non-Compliance	Penal Action
31	Qualified personnel (NCFM/NSDL certified for depository operations) not appointed in at least 90% of the total service centres (other than drop boxes) of the Participants.	Rs.1,000 per month per service centre (other than drop box). Further, Rs. 5,000 per month per service centre upon recurrence of the deviation in the same service centre wherein non-compliance was observed earlier. In case of new service centre or in case of resignation or transfer of qualified personnel from the existing service centre, time period of three months will be allowed within which qualified personnel should be appointed.

••word 'NISM' was added after NCFM/NCDO in srl. No. 31 of Rule 18.1.1 w.e.f June 14, 2011.

•Prior to this amendment the Sr. No. 31, which read as follows:

Sr. No.	Nature of Non-Compliance	Penal Action
31	Qualified personnel (NCFM/NSDL certified for depository operations) not appointed in at least 75% of the total service centres (other than drop boxes) of the Participants.	Rs. 50 per day per service centre (other than drop box) till the appointment of qualified person(s) to the extent of shortages.

•Amended w.e.f. October 21, 2009. Prior to this amendment the Sr. No. 31, 32 & 33, which read as follows:

Sr. No.	Nature of Non-Compliance	Penal Action
32	Depository services are offered through service centers without the approval of Depository.	Participant will be advised to stop opening fresh demat account and matter will be referred to the Disciplinary Action Commitee.
33	Carrying out certain functions which are prohibited by Depository though franchisees (like in-person verification of clients at the time of opening of accounts, verification of delivery instruction slips, despatch of transaction statements etc.)	Matter to be referred to Disciplinary Action Commitee.

[130] **Amended w.e.f. May 1, 2009. Prior to this amendment the Rule 18.1.1. was amended w.e.f. September 1, 2006, which read as follows:**

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

Sr. No.	Nature of Non-Compliance	Penalty
1	Account opened without executing DP Client agreement or obtaining adequate proof of identity and/or proof of address and no adequate proof of address collected for change of address.	Rs. 5000 per occasion. If such deviation is observed in two consecutive inspections, penalty would be Rs.10000. If such deviation is observed in third consecutive inspection matter would be referred to Disciplinary Action Committee.
2	Account opened in incorrect name viz. accounts opened in name of partnership firms/proprietary concerns/HUF etc.	Rs.1000 per deviation.
3	Minor account opened with joint holdings	Rs. 500 per deviation
4	Invalid/ factually incorrect data entered in demographic details.	Rs. 500 per deviation
5	Incorrect PAN details entered in DPM system.	Rs.500 per account.
6	Data entry errors/omission which may cause inconvenience and/or loss to the client / system / DP / NSDL	Rs. 50 per occasion
7	Supplementary agreement executed or undertaking/ letter obtained or any modification made in any document which has clauses contradictory to NSDL prescribed agreement or Power of attorney executed in favour of DP in contradiction to NSDL prescribed guidelines.	Rs. 1000 per occasion
8	Nomination not done as per prescribed procedure.	Rs. 500 per deviation
9	Change in clients signature not done as per prescribed procedure.	Rs. 5000 per deviation
10	Account closure/ freezing/ unfreezing not done as per NSDL requirements.	Rs. 500 per deviation
11	Transmission not done as per prescribed procedure.	Rs.1000 per deviation

Sr. No.	Nature of Non-Compliance	Penalty
12	Speed-e facility made available/operated contrary to NSDL procedure.	Rs. 500 per deviation
13	No/inadequate control over issuance and/or acceptance of instruction slips.	Rs. 5000 per occasion. If such deviation is observed in two consecutive inspections, monetary penalty of Rs.10000 would be levied. If such deviation is observed in third consecutive inspection, matter would be referred to the Disciplinary Action Committee.
14	Client account debited without receiving proper authorisation from clients.	Upto 5 such deviations: Rs.5000 and thereafter Rs.1000 per deviation. If such deviation is observed in two consecutive inspections, the penalty would be Rs.10000 and Rs.2000 respectively and if same is observed thrice consecutively matter would be referred to Disciplinary Action Committee. The penalty levied above will be in addition to restoration of securities in case of clients' dispute.
15	Transaction statement not being sent to clients as required by regulations or discrepancy observed in the transaction statement sent to clients.	Rs. 2000
16	Delay in processing of demat requests beyond 7 working days after receipt	Rs. 50 per request per day of delay beyond 7 working days.
17	Half yearly Compliance certificate not submitted (by stipulated time).	If 30 days have elapsed after stipulated time and the certificate is not submitted, stop opening new demat accounts. If the delay is beyond 60 days from the stipulated time, matter to be referred to Disciplinary Action Committee.
18	Change in office address and / or investor relations officers/compliance officers not intimated to NSDL.	Rs.100 per day from the date of change in address/ investor relations officers/ compliance officer till intimation given to NSDL.
19	Quarterly Internal Audit Report/Concurrent Audit Report not submitted (by stipulated time).	Rs. 1000 per occasion plus additional Rs. 500 for any delay per fortnight
20	Quarterly Internal Audit Report/Concurrent Audit Report submitted without inclusion of management comments for deviations noted by the auditors or for not providing comments by the auditors with respect to the action initiated by DP based on the observations made by NSDL.	Rs.1000 per occasion plus additional Rs.500 for any delay per fortnight till the submission of revised report.
21	Monthly report as required under Bye Law 6.3.6 (iii) to be submitted every month (latest by 10th of the following month)	Rs. 25 per day till the date of submission of the report by the Participant.
22	Not connecting with NSDL continuously for two working days without intimating to NSDL.	Rs.5000 plus Rs.500 per day thereafter.
23	Not taking back up daily and/or deviation in procedure of taking backup	Rs.5000 for each deviation

Sr. No.	Nature of Non-Compliance	Penalty
24	Not upgrading the software or not complying with pre-requisite or post-requisite of upgradation.	Rs.5000 plus actual cost of travel of NSDL official/s and/or other person/s on behalf of NSDL, if any, for this purpose.
25	DPM configuration not as per NSDL requirements.	Rs. 5000
26	Transaction logs not getting copied to client machines.	Rs. 5000
27	Failure to establish connectivity with NSDL through dial-up mode	Rs. 1000 on each occasion.
28	Additional copy of back up not sent to remote site and/ or not sent as per NSDL requirements.	Rs.1000 on every occasion
29	ERD not created/ RAID controller configuration back up not taken as per NSDL requirements.	Rs. 1000 per deviation. If such deviation is observed in two consecutive inspections, penalty of Rs. 2000 would be levied.
30	DPM is connected to WAN without permission of relevant authorities.	Rs. 5000
31	Anti Virus Software not loaded/enabled/upgraded on server and/or client machine(s).	Rs. 500 per deviation
32	Using the DPM system for any other purpose or loading any other software or alteration of parameters/ configuration.	Rs.5000 If such deviation is observed in two consecutive inspections, matter to be referred to Disciplinary Action Committee.
$$33	Qualified personnel (NCFM / NSDL certified for depository operations) not appointed in at least 75% of the total service centres (other than drop boxes) of the Participants.	Rs.50 per day per service centre (other than drop box) till the appointment of qualified person(s) to the extent of shortages.
34	Depository services are offered through franchisee without the approval of NSDL.	DP will be advised to stop opening fresh demat account and matter will be referred to the Disciplinary Action Committee.
35	Termination of franchisee / branch services contrary to NSDL instructions.	Rs.500 per occasion
36	Franchisees carrying out functions which are in contravention to NSDL guidelines (like in-person verification of clients at the time the opening of account, verification of delivery instruction slips, despatch of transaction statements etc).	Matter to be referred to Disciplinary Action Committee.
©37	Non submission of charge structure by the DP to NSDL by 30th April every year and changes thereof before such change becomes effective.	Rs.5,000 plus Rs.250 per day thereafter for a period of 30 days. If the delay is beyond 30 days of the stipulated time, the matter to be referred to the Disciplinary Action Committee.
38	Outstanding penalty points more than 15	Rs.1000 per point in excess of 15 to 30. For 31 to 45, Rs. 2000 per point above 30 points and for points above 45 - To Refer the matter to Disciplinary Action Committee.

Penalty Points:

Sr. No.	Nature of Non-Compliance	Penalty Points
(i)	Forms used are not in conformity with NSDL prescribed format.	3 points
(ii)	'Variable access rights' scheme suggested by NSDL not implemented / not implemented properly.	5 points. If such deviation is observed in two consecutive inspections, then 10 penalty points would be levied. If such deviation is observed thrice consecutively, monetary penalty of Rs.500 would be levied.
(iii)	There is no physical restriction on access to server and client machine.	3 points.
(iv)	DPM configuration not as per Form B;however it is as per NSDL specifications.	3 points.
(v)	Software other than DPM application software / prescribed system software found loaded in the system.	3 points.
(vi)	System personnel not deputed for BP training	1 point.
(vii)	Back up register not maintained or not updated.	5 points.
(viii)	Documentation related to procedure of RAS/PPP/ on line/Dongle etc. not maintained/is not available immediately.	5 points.
(ix)	Fax indemnity not executed with the clients for the instructions accepted on fax and/or original instruction not collected within two days from the date of receipt of fax instruction.	3 points. If such deviation is observed in two consecutive inspections, then 10 penalty points would be levied. If such deviation is observed in thrice consecutively, monetary penalty of Rs.500 would be levied.
(x)	Certificates are sent to R&T without defacing or mutilating them	5 points.

[$$]Amended w.e.f. February 11, 2009. Prior to this amendment Rule 18.1.1 (33) as amended w.e.f. November 1, 2007 read as follows:
18.1.1

Sr. No.	Nature of Non-Compliance	Penalty
33	NCFM qualified personnel not appointed in at least 75% of the total service centres (other than drop boxes) of the DPs.	Rs.50 per day per service centre (other than drop box) till the appointment of qualified person(s) to the extent of shortages.

Prior to this amendment Rule 18.1.1 (33) as amended w.e.f. September 1, 2006 read as follows:

Sr. No.	Nature of Non-Compliance	Penalty
33	NCFM qualified personnel not appointed at each service centre.	Rs. 50 per day per service centre till the appointment of qualified person(s).

[@]Inserted w.e.f. January 1, 2007. The Original Rule 18.1.1 (37) renumbered as Rule 18.1.1 (38)

¶ **Amended w.e.f. September 1. 2006. Prior to this amendment the Rule 18.1.1. was amended on April 1, 2003, which read as follows:**

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

Sr. No.	Nature of Non-Compliance	Penalty
1	Using the DPM system for any other purpose or loading any other software or alteration of parameters /configuration.	Rs.5,000/-
2	Not taking back up daily and/or deviation in procedure of taking backup	Rs.5000/- for each deviation
3	Not upgrading the software or not complying with pre-requisite or post-requisite of upgradation.	Rs.5000/- plus actual cost of travel of NSDL official/s and/or other person/s on behalf of NSDL, if any, for this purpose.
4	Not connecting with NSDL continuously for two working days without intimating to NSDL.	Rs.5000/- plus Rs.500/- per day thereafter.
5	DPM configuration not as per NSDL requirements.	Rs.5000/-
6	DPM is connected to WAN without approval of DOT/NSDL.	Rs.5000/-
7	Transaction logs not getting copied to client machines.	Rs. 5000/-
8	Failure to establish connectivity with NSDL through dial-up mode	Rs. 1000/- on each occasion.
9	ERD not created/ RAID controller configuration back up not taken as per NSDL requirements.	Rs. 1000/- per deviation.
10	Anti Virus Software not loaded on server and/or client machine(s).	Rs. 500/- per deviation

Sr. No.	Nature of Non-Compliance	Penalty
‡11	Client account debited without receiving proper authorisation from clients.	Up to five such deviations Rs. 5,000/- and thereafter Rs. 1,000/- per deviation. If such deviation is observed in two consecutive inspections, the penalty would be Rs.10,000/- and Rs.2,000/- respectively and if the same is observed thrice consecutively, the matter would be referred to disciplinary action committee of NSDL for further action.
12	Statement of transactions not being sent to clients as required by regulations.	Rs. 2000/-
‡13	No/inadequate control over issuance and/or acceptance of instruction slips.	Rs. 2000/- per occasion. If such deviation is observed in two consecutive inspections, monetary penalty of Rs. 4,000/- would be levied.
14	Additional copy of back up not sent to remote site and/ or not sent as per NSDL requirements.	Rs.1000/- on every occasion
15	Quarterly Internal Audit Report not submitted (by stipulated time).	Rs. 1000/- per occasion plus additional Rs. 500/- for any delay per fortnight
16	Supplementary agreement executed or undertaking/letter obtained or any modification made in any stationery used which has clauses contradictory to NSDL prescribed agreement.	Rs. 1000/- per occasion
17	Total number of qualified persons not equal to the total number of service centres.	Rs. 50 per day per service centre till the appointment of qualified person(s).
‡·18	Account opened without obtaining adequate proof of identity and/or proof of address and no adequate proof of address collected for change of address.	Rs. 1,000/- per deviation. If such deviation is observed in two consecutive inspections, the penalty would be Rs.2,000/- and if the same is observed thrice consecutively, the matter would be referred to disciplinary action committee of NSDL for further action.
19	Account closure/ freezing/ unfreezing / transmission not done as per NSDL requirements.	Rs. 100/- per deviation
20	Delay in processing of demat requests beyond 7 working days after receipt	Rs. 50/- per request per day of delay beyond 7 working days
21	Data entry errors/omission which may cause inconvenience and/or loss to the client / system / DP / NSDL	Rs. 50/- per occasion
22	Monthly report as required under Bye Law 6.3.6 (iii) to be submitted every month (latest by 10th of the following month)	Rs. 25 per day till the date of submission of the report by the Participant.
23	+ Quarterly Internal Audit Report submitted without inclusion of management comments for deviations noted by the auditors or for not providing comments by the auditors with respect to the action initiated by DP based on the observations made by NSDL.	Rs.1000 per occasion plus additional Rs.500 for any delay per fortnight till the submission of revised report

Sr. No.	Nature of Non-Compliance	Penalty
‡ i	'Variable access rights' scheme suggested by NSDL not implemented / not implemented properly.	5 points. If such deviation is observed in two consecutive inspections, then 10 penalty points would be levied. If such deviation is observed thrice consecutively, monetary penalty of Rs. 500/- would be levied.
‡ ii	Anti Virus Software not upgraded/enabled on server and/or client machine.	5 points. If such deviation is observed in two consecutive inspections, then 10 penalty points would be levied. If such deviation is observed thrice consecutively, monetary penalty of Rs. 500/- would be levied.
iii	Documentation related to procedure of RAS/PPP/ on line/ Dongle etc. not maintained/is not available immediately.	5
iv	Back up register not maintained or not updated.	5
v	DPM configuration not as per Form B; however it is as per NSDL specifications.	3
vi	Software other than DPM application software/prescribed system software found loaded in the system.	3
vii	Systems Personnel not deputed for BP training.	1
viii	Instruction of the client not entered at all or entered late causing inconvenience to the client.	5
‡ix	Accounts operated without entering into an agreement with the client.	5 points. If such deviation is observed in two consecutive inspections, monetary penalty of Rs. 500/- would be levied.
‡x	Depository services are offered through franchisee without the approval of NSDL.	5 points. If such deviation is observed in two consecutive inspections, monetary penalty of Rs. 500/- would be levied.If such deviation is observed thrice consecutively, DP would not be permitted to open any fresh franchisee for a period of six months.
xi	Change in office address and / or investor relations officers/compliance officers not intimated to NSDL.	5
‡·xii	Depository services offered through franchisee not closed as per NSDL requirement.	5 points. If such deviation is observed in two consecutive inspections, monetary penalty of Rs. 500/- would be levied.If such deviation is observed thrice consecutively, DP would not be permitted to open any fresh franchisee for a period of six months.
xiii	Accounts opened through Speed-e not operated as per NSDL procedure.	5
xiv	Minor account opened with joint holdings	3
xv	Alterations are made in the forms used for depository operations.	3

	Nature of Non-Compliance	Penalty
‡·xvi	Fax indemnity not executed with the clients for the instructions accepted on fax and/or original instruction not collected within two days from the date of receipt of fax instruction	3 points. If such deviation is observed in two consecutive inspections, then 10 penalty points would be levied. If such deviation is observed thrice consecutively, monetary penalty of Rs. 500/- would be levied.
xvii	Accounts opened in the name of Partnership firms/ proprietorship firm	1
xviii	Standing Instruction indicator enabled in DPM even though not given by client.	1
xix	§ There is no physical restriction on access to server and client machine.	3
xx	§ Certificates are sent to R&T without defacing or mutilating them.	5

‡ Amended w.e.f. April 1, 2004. Prior to this amendment the Rules as amended w.e.f. April 1, 2003 read as follows:

	Nature of non-compliance	**Penalty**
11	Client acc·unt debited without receiving proper authorisation from clients.	Rs. 5000/- per occasion
13	No/inadequate control over issuance and/or acceptance of instruction slips.	Rs. 2000/- per occasion.
18	Account opened without obtaining adequate proof of identity and/or proof of address and no adequate proof of address collected for change of address.	Rs. 100/- per deviation

	Nature of non-compliance	**Penalty points**
i	'Variable access rights' scheme suggested by NSDL not implemented / not implemented properly.	5
ii	Anti Virus Software not upgraded/enabled on server and/or client machine.	5
ix	Accounts operated without entering into an agreement with the client.	5
x	Depository services are offered through franchisee without the approval of NSDL.	5
xii	Depository services offered through franchisee not closed as per NSDL requirement.	5
xvi	Fax indemnity not executed with the clients for the instructions accepted on fax and/or original instruction not collected within two days from the date of receipt of fax instruction.	3

+ Inserted w.e.f. March 23, 2006
§ Inserted w.e.f. May 1, 2003

£ **Amended w.e.f. April 1, 2003. Prior to this amendment the Rule 18.1.1. as amended w.e.f. April 1, 2001 read as follows:**

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

	Nature of non-compliance	Penalty
i.	Using the DPM system for any other purpose or loading any other software or alteration of parameters / configuration.	Rs.5,000/-
ii	Not taking back up daily and/or deviation in procedure of taking backup	Rs.5000/- for each deviation
iii	Not upgrading the software or not complying with pre-requisite or post-requisite of upgradation.	Rs.5000/- plus actual cost of travel of NSDL official/s and/or other person/s on behalf of NSDL, if any, for this purpose.
iv.	Not connecting with NSDL continuously for two working days.	Rs.5000/- plus Rs.500/- per day thereafter.
v.	DPM configuration not as per Form B and/or NSDL requirements.	Rs.5000/-
vi.	DPM is connected to WAN without approval of DOT/NSDL.	Rs.5000/-
vii.	Client account debited without receiving proper authorisation from clients.	Rs. 5000/- per occasion
viii.	Y2K patching not done.	Rs.2000/- plus Rs.500/- for every day after the date by which compliance is expected.
ix.	Statement of transactions/holding not being sent to clients as required by regulations.	Rs. 2000/-
x.**	Participant having qualified persons employed in one or more service centres but not less than 60% of the total service centres.	Effective from July 1, 2001, Rs. 100 per day per Participant till the number of qualified persons appointed by the Participant equals the total number of service centres, subject to a maximum of Rs. 3000 per Participant.
	Number of qualified persons appointed is less than 60% of the total number of service centres.	Effective from July 1, 2001, Rs. 100 per day per Participant till the appointment of qualified persons that equals the total number of service centres.
	Total number of qualified persons not equal to the total number of service centres.	Effective from October 1, 2001, Rs. 50 per day per service centre till the appointment of qualified persons.
xi.	Delay in processing of demat requests beyond 7 working days after receipt	Rs. 50/- per request per day of delay beyond 7 working days
xii.	Data entry errors which may cause inconvenience and/or loss to the client / system / DP / NSDL	Rs. 50/- per client id
xiii.	No/inadequate control over issuance and/or acceptance of instruction slips.	Rs. 1000/- per occasion.
xiv.	Additional copy of back up not sent to remote site and/or not sent on same day.	Rs.1000/- on every occasion
xv.	Quarterly Internal Audit Report not submitted (by stipulated time).	Rs. 1000/- per occasion plus additional Rs. 500/- for any delay per fortnight
xvi.	Supplementary agreement executed or undertaking obtained which has clauses contradictory to NSDL prescribed agreement.	Rs. 1000/- per occasion

	Nature of non-compliance	Penalty
xvii.	Transaction logs not getting copied to client machines.	Rs. 5000/-
xviii#	Monthly report as required under Bye Law 6.3.6 (iii) to be submitted every month (latest by 10th of the following month).	Effective from June 1, 2002, a penalty of Rs. 25 per day till the date of submission of the report by the Participant.
xix##	Failure to establish connectivity with NSDL through dial-up mode.	Effective from January 1, 2003, a penalty of Rs. 1000/- on each such occasion.

	Nature of non-compliance	Penalty points
i.	'Variable access rights' scheme suggested by NSDL not implemented / not implemented properly.	5
ii	Anti Virus Software not loaded/upgraded on server and/or client machine.	5
iii	DPM configuration not as per Form B; however it is as per NSDL specifications.	3
iv.	Software other than DPM application software/prescribed system software found loaded in the system.	3
v.	There is no physical restriction on access to server and client machine.	1
vi.	Systems Personnel not deputed for BP training.	1
vii.	Instruction of the client not entered at all or entered late causing inconvenience to the client.	5
viii.	Accounts operated without entering into an agreement with the client.	5
ix.	Alternations are made in the forms used for depository operations.	3
x.	Depository services are offered through franchisee without the approval of NSDL.	3
xi.	Certificates are sent to R&T without defacing or mutilating them.	3
xii.	Change in office address and / or investor relations officers/compliance officers not intimated to NSDL.	5
xiii.	Accounts opened in the name of Partnership firms/proprietorship firm	1
xiv.	Standing Instruction indicator enabled in DPM even though not given by client	1
xv.	HUF Account opened with nominee and/or joint holdings	5
xvi.	Minor account opened with joint holdings	3
xvii.	Back up register not maintained or not updated.	5
xviii.	Documentation related to procedure of RAS/PPP/on line/Dongle etc. not maintained/is not available immediately.	5

**** - Amended w.e.f. July 1, 2001. Prior to this amendment the Rule 18.1.1. (x) as amended w.e.f. April 1, 2001 read as follows:**
18.1.1.

	Nature of non-compliance	Penalty
x.	Qualified person not appointed as per NSDL requirements.	Rs. 100/- per day till continuance of non-compliance.

 # - Amended w.e.f. June 1, 2002, Prior to this amendment the Rule 18.1.1 (xviii) inserted w.e.f. December 1, 2001 read as follows:
18.1.1.

	Nature of non-compliance	Penalty
(xviii)	Monthly report as required under Bye Law 6.3.6 (iii) to be submitted every month (latest by 10th of the following month).	Effective from December 1, 2001, a penalty of Rs.500/- on the Participants, for each occasion of not submitting the report within the stipulated time.

- Inserted w.e.f. January 1, 2003.
*** - Amended w.e.f. April 1, 2001. Prior to this amendment the Rule 18.1.1 as amended w.e.f. May 4, 1999 read as follows:**

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

	Nature of non-compliance	Penalty
i.	Using the DPM system for any other purpose or loading any other software or alteration of parameters / configuration.	Rs.5,000/-
ii.	Not taking back up at all or the back up taken is not stored properly.	Rs.5000/- on every occasion.
iii.	Not upgrading the software or not complying with pre-requisite or post-requisite of upgradation.	Rs.5000/- plus actual cost of travel of NSDL official or any other person on behalf of NSDL, if any, for this purpose.
iv.	Not connecting with NSDL continuously for two working days.	Rs.5000/- plus Rs.500/- per day thereafter.
v.	DPM not as per NSDL specification though declared as compliant in application or Form B.	Rs. 5000/-
vi.	Change in DPM which do not conform to NSDL specifications as given in Form B.	Rs. 5000/-
vii.	DPM is connected to WAN, which is not approved by DOT.	Rs.5000/-
viii.	Y2K patching not done	Rs. 2000/- plus Rs.500/- for every day after the date by which compliance is expected.
ix.	Client account debited without clients instructions.	Rs.5000/-
x.	Certificates for demat sent after 7 days from the date of receipt	Rs.500 per day of delay
xi .	Data entered by DP is not tallying with the application form; filling in obviously unrelated or meaningless information in critical fields like address, bank details	Rs.50/- per account
xii.	Statement of transactions/holding not being sent to clients as required by regulations	Rs. 2000/-
xiii.$	Qualified person not appointed	Rs.100/- per day till appointment of a qualified person.

Nature of non-compliance	Penalty Point
• 'Variable access rights' scheme suggested by NSDL not implemented.	5
• A copy of the back up is not stored at a remote site.	5
• Anti Virus Software not loaded on server and/or client machine.	5
• System configuration is changed without informing NSDL; but changed configuration is as per NSDL specification.	1
• 'Variable access rights' scheme is implemented but not practiced; passwords are freely shared.	3

Nature of non-compliance	Penalty Point
• Software other than DPM application software found loaded in the system.	3
• There is no physical restriction on access to server and client machine.	1
• Systems Personnel not deputed for BP training.	1
• Internal Audit not conducted and/or internal audit report not submitted.	5
• Instruction of the client not entered at all or entered late causing inconvenience to the client.	5
• Accounts operated without entering into an agreement with the client.	5
• DPM not connected to DM on a working day for non technical reasons.	5
• Alterations are made in the agreements / forms used for depository operations.	3
• Depository services are offered through franchisee without the approval of NSDL.	3
• Certificates are sent to R&T without defacing or mutilating them.	3
• Change in office address (or investor relations officers/compliance officers) not intimated to NSDL.	5
• Change in Investor relations / compliance officer not informed to NSDL.	1
• Accounts opened in the name of Partnership firms.	1

$ - Inserted w.e.f. October 8, 1999

¥ Rules 18.1.2 to 18.1.5 were amended w.e.f. May 1, 2009. Prior to this amendment, Rules 18.1.2 to 18.1.6 read as follows:

18.1.2. For non-compliances, where fines are levied, the fine will be communicated to the Participant. The Participant shall pay the fine within 15 days of the communication. In case the Participant continues to default after paying the penalty, the matter will be referred to Disciplinary Action Committee.

18.1.3. For non-compliances, where penalty points are levied, the Participant will be issued a letter communicating the penalty points and seeking compliance thereof within 15 days. If the Participant sends the compliance report within the said time, penalty points will be dropped.

18.1.4. The compliance reported by the Participant will be verified during the subsequent inspection. In case the compliance reported by the Participant is found to be false, the matter will be referred to Disciplinary Action Committee.

18.1.5. If the Participant fails to send the compliance report within the stipulated time, the following action will be taken :

Penalty Points	***Penalty***
Upto 15	Advise penalty points imposed to the Compliance Officer seeking compliance report.
16 to 30	A fine at Rs.1000/- per point above 15 points will be levied.
31 to 45	A fine at Rs.2000/- per point above 30 points will be levied.
Above 45	Refer to the Disciplinary Action Committee.

18.1.6 ø The penalty provisions as mentioned in Rules 18.1.1 to 18.1.5 will apply to CC/ CH to the extent that are relevant for the operations of CC/CH.

ø Inserted w.e.f. April 1, 2004

*** Previous Rule 18.1.6 was deleted w.e.f. March 3, 2003. Prior to deletion, Rule 18.1.6. read as follows:**

18.1.6. The penalties, excluding the reimbursement of actual expenses collected from the Participant, shall be credited to the Investor Protection Fund Account.

[131] **Inserted w.e.f. October 30, 2002.**
*** Sr. No. 1 and 22 under Rule 18.2.1 which were amended w.e.f. October 1, 2006 have been deleted w.e.f. June 30, 2009 and remaining provisions under 18.2.1. have been renumbered. The deleted Rules read as under:**

18.2.1

Sr. No.	Nature of Non-Compliance	Penalty
1	Not taking back up daily and/or deviation in procedure of taking backup	5 points (for each occasion). Penalty points which are levied will not be waived. The same will get accumulated and after it exceeds 15 points, monetary penalty will be levied as per business rules 18.2.3.
22	Additional copy of back-up not sent to remote site and/or not sent as per NSDL requirements	1 point

[132] **Amended w.e.f. October 1, 2006. Prior to this amendment, the Rule 18.2.1. was amended on April 1, 2003, which read as follows:**

18.2.1. * The Depository may impose a penalty on the Issuer/R & T Agent to the extent indicated for non compliance as described below:

	Nature of non-compliance	Penalty
1	Not taking back-up and/or deviation in procedure of taking back-up	5 (for each occasion)
2	Not connecting with NSDL continuously for two working days	5 (1 per day thereafter)
3	Delay in confirmation of demat/remat request within stipulated time frame (in cases where the delay is attributable only to the Issuer/ RTA connected to NSDL)	5
4	Certificates and physical documents not sent to the concerned Depository Participants within 5 days of rejection of demat request	3
5	System of maintaining documents pertaining to demat/ remat requests not satisfactory	5
6	Proof of delivery of certificates not maintained in case of remat	3
7	Reconciliation between NSDL control position and Register of Members (ROM) is not done on a daily basis.	5
8	Separate folios for NSDL and CDSL are not maintained in ROM	5
9	Inter Depository Transfers not effected on a daily basis in ROM	3
10	Transaction logs not generated on the client machines	5
11	Scheme of Variable Access Rights not implemented	5
12	Using DPM-SHR system for any other purpose or loading any other software or alteration of parameters/configuration	5
13	Antivirus Software not loaded/upgraded/enabled or server and/ or client machine	5
14	DPM-SHR configuration not as per Form B and/or NSDL requirements	5
15	Not upgrading the software or not complying with pre-requisite or post-requisite of upgradation	5
16	Change in office address and or investor relations officers/ compliance officers not intimated to NSDL	5
17	Back-up Register not maintained or not updated	3
18	Documentation related to procedure of RAS/PPP/on line/ Dongle etc. not maintained/is not available immediately	5
19	Failure to establish connectivity with NSDL through dial-up mode	5 (on each such occasion)
20	Latest signature CD not uploaded as per NSDL guidelines	3

	Nature of non-compliance	Penalty
21	Date of receipt of DRF/RRF not entered in DPM-SHR	2
22	Name & specimen signature of authorised signatories not obtained from companies having only electronic connectivity and not compared before confirmation of demat/remat requests	2
23	Additional copy of back up not sent to remote site and/or not sent as per NSDL requirements.	1
24	$ There is no physical restriction on access to server and client machine.	3

$ Amended w.e.f. May 1, 2003
***Amended w.e.f. April 1, 2003. Prior to this amendment, the Rule 18.2.1. inserted w.e.f. October 30, 2002 reads as follows:**
18.2.1. The Depository may impose a penalty on the Issuer/R & T Agent to the extent indicated for non compliance as described below:

Sr. No.	Nature of Non-Compliance	Penalty Point(s)
1	Not taking back-up and/or deviation in procedure of taking back-up	5 (for each occasion)
2	Not connecting with NSDL continuously for two working days	5 (1 per day thereafter)
3	Delay in confirmation of demat/remat request within stipulated time frame (in cases where the delay is attributable only to the Issuer/ RTA connected to NSDL)	5
4	Certificates and physical documents not sent to the concerned Depository Participants within 5 days of rejection of demat request	3
5	System of maintaining documents pertaining to demat/ remat requests not satisfactory	5
6	Proof of delivery of certificates not maintained in case of remat	3
7	Reconciliation between NSDL control position and Register of Members (ROM) is not done on a daily basis.	5
8	Separate folios for NSDL and CDSL are not maintained in ROM	5
9	Inter Depository Transfers not effected on a daily basis in ROM	3
10	Transaction logs not generated on the client machines	5
11	Scheme of Variable Access Rights not implemented	5
12	Using DPM-SHR system for any other purpose or loading any other software or alteration of parameters/configuration	5
13	Antivirus Software not loaded/upgraded or server and/or client machine	5
14	DPM-SHR configuration not as per Form B and/or NSDL requirements	5
15	Not upgrading the software or not complying with pre-requisite or post-requisite of upgradation	5
16	Change in office address and or investor relations officers/compliance officers not intimated to NSDL	5
17	Back-up Register not maintained or not updated	3
18	Documentation related to procedure of RAS/PPP/on line/ Dongle etc. not maintained/is not available immediately	5
19	Failure to establish connectivity with NSDL through dial-up mode	5 (on each such occasion)

Sr. No.	Nature of Non-Compliance	Penalty Point(s)
20	Latest signature CD not uploaded as per NSDL guidelines	3
21	Date of receipt of DRF/RRF not entered in DPM-SHR	2
22	Name & specimen signature of authorised signatories not obtained from companies having only electronic connectivity and not compared before confirmation of demat/remat requests	2
23	Additional copy of back-up not sent to remote site within stipulated time	1
24	There is no physical restriction on access to server and client machine	1

Note:
Chapter 18 was amended w.e.f. May 4, 1999. Prior to this amendment the entire Chapter 18, inserted w.e.f. January 20, 1998, read as follows :

18. PENALTIES

18.1.1. The Depository may impose a penalty on the Participant or the Issuer or its Registrar and Transfer Agent for failure of any of the following matters.

Nature of non-compliance	Penalty
I) Applicable to both, Participant and Issuers or its Registrar and Transfer Agent	
i) Using the DPM system for any other purpose or loading any other software or alteration of parameters/configuration.	Rs. 2,000/-
ii) Not taking back up at all or the back up is not taken or stored properly.	Rs. 1,000/- on every occasion
iii) Not upgrading the software or not complying with pre-requisite or post-requisite of upgradation.	Rs. 1,000/- plus actual cost of travel of NSDL official or any other person on behalf of NSDL, if any, for this purpose.
II) In the case of Participants only Not connecting with NSDL continuously for two working days	Rs. 2,000/- plus Rs.500/- per day thereafter.

18.1.2. The penalties excluding the reimbursement of actual expenses collected from the Participant or the Issuer or its Registrar and Transfer Agent shall be credited to the Investor Protection Fund Account.

18.1.3. In case a penalty is imposed on a Participant or the Issuer or its Registrar and Transfer Agent on more than three occasions for the same lapse, the matter shall be taken up for further disciplinary action.

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[133] **Amended w.e.f. October 1, 2006. Prior to this amendment, the Rule 18.2.2. reads as follows:**
18.2.2. For non-compliances, the Issuer/R & T Agent will be issued a letter communicating the penalty points and seeking compliance thereof within 15 days. If the Issuer/ R & T Agent sends the compliance report within the said time, penalty points will be dropped.

[134] **Amended w.e.f. October 1, 2006. Prior to this amendment, the Rule 18.2.3. reads as follows:**
18.2.3. If the Issuer/R & T Agent fails to send the compliance report within the stipulated time, the following action will be taken:

Penalty Points	Penalty
Upto 15	Advise penalty points imposed to the Compliance Officer seeking compliance report.
16 to 30	A fine at Rs. 100/- per point above 15 points will be levied.
31 and above	A fine at Rs. 200/- per point above 30 points will be levied.
Above 45	In addition to monetary penalty, report to client companies as well as to SEBI for necessary action.

19. [135] RULES OF ARBITRATION

19.1. NSDL Committee of Arbitration

19.1.1. The Arbitration Committee ("the Committee") of National Securities Depository Limited ("NSDL") shall provide for, manage and supervise all aspects in the matter of settlement by arbitration of disputes arising out of all dealings on the depository as provided for in the NSDL Bye-Laws and Business Rules and may in addition to enforcing these Rules frame its own Rules for Arbitration.

19.1.2. As provided for in its Internal Rules, the Committee may delegate to one or more committees composed of its members the power to take certain decisions, provided that any such decision is reported to the Committee at its next session.

19.1.3. The Secretariat of the Committee ("the Secretariat") under the direction of the Chairman ("the Chairman") shall have its seat at the head office of NSDL.

19.2. Written Notifications or Communications; Time Limits

19.2.1. All pleadings and other written communications submitted by any party, as well as all documents annexed thereto, shall be supplied in a number of copies sufficient to provide one copy for each party, plus one for each arbitrator, and one for the Secretariat. A copy of all the communications from the Arbitral Tribunal to the parties shall be sent to the Secretariat.

19.2.2. All notifications or communications from the Secretariat and the Arbitral Tribunal shall be made to the last address of the party or its representative for whom the same are intended, as notified either by the party in question or by the other party. Such notification or communication may be made by delivery against receipt, registered post, courier, facsimile transmission, telex, telegram or any other means of telecommunication that provides a record of the communication thereof.

19.2.3. A notification or communication shall be deemed to have been made on the day it was received by the party itself or by its representative, or would have been received if it is made in accordance with the preceding paragraph.

19.2.4. Periods of time specified in, or fixed under the present Rules, shall start to run on the day following the date a notification or communication is deemed to have been made in accordance with the preceding paragraph. When the day next following such date is a bank holiday, the period of time shall commence on the first following business day. Official holidays and non-business days are included in the calculation of the period of time. If the last day of the relevant period of time granted is an official holiday or a non-business day, the period of time shall expire at the end of the first following business day.

Notes:

[135] **Inserted w.e.f. December 12, 2000**

COMMENCING THE ARBITRATION

19.3. Request for Arbitration

19.3.1. Any party to a dispute may submit its Request for Arbitration ("the Request") to the Secretariat, which shall notify the Claimant and Respondent of the receipt of the Request and the date of such receipt.

19.3.2. The date on which the Request is received by the Secretariat shall, for all purposes, be deemed to be the date of the commencement of the arbitral proceedings.

19.3.3. The Request shall, inter alia, contain the following information:

(a) the name in full, description and address of each of the parties;

(b) a description of the nature and circumstances of the dispute giving rise to the claim(s), together with copies of all documents relied on.

(c) a statement of the relief sought, including, to the extent possible, an indication of any amount(s) claimed;

(d) the relevant agreements;

(e) all relevant particulars concerning the number of arbitrators and their choice in accordance with the provisions of Rules 19.7, 19.8 and 19.9 and any nomination of an arbitrator required thereby.

19.3.4. Together with the Request, the Claimant shall submit the number of copies thereof required by Rule 19.2.1 and shall make the advance payment on administrative expenses required by Appendix III (Arbitration Costs and Fees) in force on the date the Request is submitted. In the event that the Claimant fails to comply with either of these requirements, the Secretariat may fix a time limit within which the Claimant must comply, failing which the File shall be closed without prejudice to the right of the Claimant to submit the same claims at a later date in another Request.

19.3.5. The Secretariat shall send a copy of the Request and the documents annexed thereto to the Respondent for its Answer to the Request once the Secretariat has sufficient copies of the Request and the required advance payment.

19.3.6. When a party submits a Request in connection with a legal relationship in respect of which arbitration proceedings between the same parties are already pending under these Rules, the Committee may, at the request of a party, decide to include the claims contained in the Request in the pending proceedings provided that the Terms of Reference have not been signed or approved by the Committee. Once the Terms of Reference have been signed or approved by the Committee, claims may only be included in the pending proceedings subject to the provisions of Rule 19.18

19.4. Answer to the Request; Counterclaims

19.4.1. Within 30 days from the receipt of the Request from the Secretariat, the Respondent shall file an Answer (the Answer) which shall, inter alia, contain the following information:

(a) its name in full, description and address;

(b) its comments as to the nature and circumstances of the dispute giving rise to the claim(s);

(c) its response to the relief sought; and

(d) any comments concerning the number of arbitrators and their choice in light of the Claimant's proposals and in accordance with the provisions of Rules 19.7, 19.8 and 19.9 and any nomination of an arbitrator required thereby.

19.4.2. The Secretariat may grant the Respondent an extension of the time for filing the Answer, provided the application for such an extension contains the Respondent's comments concerning the number of arbitrators and their choice, and, where required by Rules 19.7, 19.8 and 19.9, the nomination of an arbitrator. If the Respondent fails to do so, the Committee shall proceed in accordance with these Rules.

19.4.3. The Answer shall be supplied to the Secretariat in the number of copies specified by Rule 19.2.1

19.4.4. A copy of the Answer and the documents annexed thereto shall be communicated by the Secretariat to the Claimant.

19.4.5. Any counterclaim(s) made by the Respondent shall be filed with its Answer and shall provide :

(a) a description of the nature and circumstances of the dispute giving rise to the counterclaim(s); and

(b) a statement of the relief sought, including, to the extent possible, an indication of any amount(s) counter-claimed.

19.4.6. The Claimant shall file a Reply to any counterclaim within 30 days from the date of receipt of the counterclaim(s) communicated by the Secretariat. The Secretariat may for reasons recorded in writing, grant the Claimant an extension of time for filing the Reply.

19.5. Effect of the Arbitration Agreement

19.5.1. If the Respondent does not file an Answer, as provided by Rule 19.4 the Committee may decide, without prejudice to the admissibility or merits of the plea or pleas, that the arbitration shall proceed if it is *prima facie* satisfied that the NSDL Bye-Laws in relation to arbitration are applicable. In such a case, any decision as to the jurisdiction of the Arbitral Tribunal shall be taken by the Arbitral Tribunal itself. If the Committee is not so satisfied, the parties shall be notified that the arbitration cannot proceed. In such a case, any party retains the right to ask any Court having jurisdiction whether or not there is a binding arbitration agreement.

THE ARBITRAL TRIBUNAL

19.6. General Provisions

19.6.1. Only members of the panel of arbitrators of NSDL can be appointed as arbitrators on any Arbitral Tribunal either by the parties to the dispute or by the Committee. In case of any difference or dispute regarding appointment of any person(s) as the arbitrator(s), the procedure laid down under section 11 of Arbitration and Conciliation Act, 1996 shall be complied with.

19.6.2. Such panel shall comprise persons of ability, integrity and standing, and having adequate knowledge and experience of or having shown capacity in dealing with problems relating to capital market, securities transactions, securities law, accountancy, commerce or administration, and willing to serve as arbitrators. The Committee shall provide adequate information as to the qualifications and experience of such persons.

19.6.3. Every arbitrator must be and remain independent of the parties involved in the arbitration.

19.6.4. Before appointment or confirmation, a prospective arbitrator shall sign a statement of independence and disclose in writing to the Secretariat any facts or circumstances which might be of such a nature as to call into question the arbitrator's independence in the eyes of the parties. The Secretariat shall provide such information to the parties in writing and fix a time limit for any comments from them.

19.6.5. An arbitrator shall immediately disclose in writing to the Secretariat and to the parties any facts or circumstances of a similar nature which may arise during the arbitration.

19.6.6. The decisions of the Committee as to the appointment, confirmation, challenge or replacement of an arbitrator shall be final and the reasons for such decisions shall not be communicated.

19.6.7. By accepting to serve, every arbitrator undertakes to carry out his responsibilities in accordance with these Rules.

19.6.8. Insofar as the parties have not provided otherwise, the Arbitral Tribunal shall be constituted in accordance with the provisions of Rules 19.7,19.8 and 19.9.

19.7. Number of Arbitrators

19.7.1. The disputes shall be decided by a sole arbitrator or by three arbitrators.

19.7.2. Save and except, as provided in Rule 19.7.3, in all claims, differences and disputes, whether or not involving NSDL, the Arbitral Tribunal shall comprise a sole arbitrator.

19.7.3. In all claims, differences and disputes involving only two parties, NSDL being one of the parties to the dispute, the Arbitral Tribunal shall comprise three arbitrators, one arbitrator to be appointed by each Party and the two arbitrators so appointed, in turn

appointing the third arbitrator. The third arbitrator so appointed shall preside over the Arbitral Tribunal.

19.7.4. Where the Arbitral Tribunal is required to consist of three arbitrators under Rule 19.7.3 above, and any of the parties to the dispute fails to make the necessary deposit towards the cost and expenses of arbitration, instead of three arbitrators, the Committee may subject to the other provisions of these Rules appoint a sole arbitrator.

19.7.5. Notwithstanding anything contained in these Rules, where there are more than two parties to a dispute, the Arbitral Tribunal that adjudicates upon such dispute shall consist of a sole arbitrator.

19.7.6. Where the dispute is to be settled by a sole arbitrator, the parties may, by agreement, nominate the sole arbitrator for confirmation. If the parties fail to nominate a sole arbitrator within 30 days from the date when the Claimant's Request for Arbitration has been received by the other party, or within such additional time as may be allowed by the Secretariat, the sole arbitrator shall be appointed by the Committee.

19.7.7. Where the dispute is to be referred to three arbitrators, each party shall nominate in the Request and the Answer, respectively, one arbitrator for confirmation by the Committee. If a party fails to nominate an arbitrator, the appointment shall be made by the Committee. The third arbitrator, who shall act as chairman of the Arbitral Tribunal, shall be appointed by the Committee. Should such procedure not result in a nomination within the time limit fixed by the parties or the Committee, the third arbitrator shall be appointed by the Committee.

19.8. Appointment and Confirmation of the Arbitrators

19.8.1.In confirming or appointing arbitrators, the Committee shall consider the prospective arbitrator's residence, business interests and other relationships with the parties and the prospective arbitrator's availability and ability to conduct the arbitration in accordance with these Rules. The same shall apply where the Chairman confirms arbitrators pursuant to Rule 19.8.2.

19.8.2. The Chairman may confirm as co-arbitrators, sole arbitrators and Chairman of Arbitral Tribunals persons nominated by the parties or pursuant to their particular agreements, provided they have filed a statement of independence without qualification or a qualified statement of independence has not given rise to objections. Such confirmation shall be reported to the Committee at its next session. If the Chairman considers that a co-arbitrator, sole arbitrator or Chairman of an Arbitral Tribunal should not be confirmed, the matter shall be submitted to the Committee.

19.9. Multiple Parties

19.9.1. Where there are multiple parties, whether as Claimant or as Respondent, and where the dispute is to be referred to three arbitrators, the multiple Claimants, jointly,

and the multiple Respondents, jointly, shall nominate an arbitrator for confirmation pursuant to Rule 19.8.

19.9.2. In the absence of such a joint nomination and where all parties are unable to agree to a method for the constitution of the Arbitral Tribunal, the Committee may appoint each member of the Arbitral Tribunal and shall designate one of them to act as Chairman. In such case, the Committee shall be at liberty to choose any person it regards as suitable to act as arbitrator, applying Rule 19.8 when it considers this appropriate.

19.10. Challenge of Arbitrators

19.10.1. A challenge of an arbitrator, whether for an alleged lack of independence or otherwise, shall be made by the submission to the Secretariat of a written statement specifying the facts and circumstances on which the challenge is based.

19.10.2. For a challenge to be admissible, it must be sent by a party either within 30 days from receipt by that party of the notification of the appointment or confirmation of the arbitrator, or within 30 days from the date when the party making the challenge was informed of the facts and circumstances in which the challenge is based if such date is subsequent to the receipt of such notification.

19.10.3. The Committee shall decide on the admissibility, and, at the same time, if necessary, on the merits of a challenge after the Secretariat has afforded an opportunity for the arbitrator concerned, the other party or parties and any other members of the Arbitral Tribunal, to comment in writing within a suitable period of time. Such comments shall be communicated to the parties and to the arbitrators.

19.11. Replacement of Arbitrators

19.11.1. An arbitrator shall be replaced upon his death, upon the acceptance by the Committee of the arbitrator's resignation, upon acceptance by the Committee of a challenge or upon the request of all the parties.

19.11.2. An arbitrator shall also be replaced on the Committee's own initiative when it decides that he is prevented *de jure or de facto* from fulfilling his functions, or that he is not fulfilling his functions in accordance with the Rules or within the prescribed time limits.

19.11.3. When, on the basis of information that has come to its attention, the Committee considers applying Rule 19.11.2, it shall decide on the matter after the arbitrator concerned, the parties and any other members of the Arbitral Tribunal have had an opportunity to comment in writing within a suitable period of time. Such comments shall be communicated to the parties and to the arbitrators.

19.11.4. When an arbitrator is to be replaced, the Committee has discretion to decide whether or not to follow the original nominating process. Once reconstituted, and after having invited the parties to comment, the Arbitral Tribunal shall determine if and to what extent prior proceedings shall be repeated before the reconstituted Arbitral Tribunal.

THE ARBITRAL PROCEEDINGS

19.12. Transmission of the File to the Arbitral Tribunal

19.12.1. The Secretariat shall transmit the File to the Arbitral Tribunal as soon as it has been constituted, provided the advance on costs requested by the Secretariat at this stage has been paid.

19.13. Place of the Arbitration

19.13.1.[136] The place of the arbitration shall be at Mumbai, New Delhi, Kolkata and Chennai, as the case may be.

19.13.2. The Arbitral Tribunal may, after consultation with the parties, conduct hearings and meetings at any other location it considers appropriate unless otherwise agreed by the parties, subject always to the permission of the Secretariat.

19.14. Rules Governing the Proceedings

19.14.1. The proceedings before the Arbitral Tribunal shall be governed by these Rules.

19.14.2. In all cases, the Arbitral Tribunal shall act fairly and impartially and ensure that each party has a reasonable opportunity to present its case.

19.15. Language of the Arbitration

The language of arbitration shall be English.

19.16. Applicable Rules of Law

19.16.1. Reliance shall be had to the rules of law prescribed under The Depositories Act, 1996, Companies Act, 1956, Securities Contract (Regulation) Act, 1956, Securities and Exchange Board of India Act, 1992, any other applicable Laws, SEBI (Depositories and Participants) Regulations, 1996 or any other SEBI Regulations or Guidelines and the Bye Laws and Business Rules of NSDL.

19.16.2. In all cases the Arbitral Tribunal shall take account of the provisions of the contract and the relevant trade usages.

Notes:

[136] **Amended w.e.f. March 31, 2003. Prior to this amendment, Rule 19.13.1 read as follows:**
19.13.1. The place of the arbitration shall be at the head office of NSDL.

19.16.3. The Arbitral Tribunal shall assume the powers of an amiable compositeur or decide the matter by a "Documents Only" arbitration if the parties have agreed to give it such powers.

19.16.4. Notwithstanding anything contained herein, where the amount in dispute is of a value below Rupees Twenty-five Thousand (25,000) Only, the Arbitral Tribunal shall conduct a "Documents Only" arbitration and the parties to the dispute shall be bound by the same.

19.17. Terms of Reference; Procedural Timetable

19.17.1. As soon as it has received the File from the Secretariat, the Arbitral Tribunal shall draw up, on the basis of documents or in the presence of the parties and in the light of their most recent submissions, a document defining its Terms of Reference. This document shall include the following particulars:

a) the full names and descriptions of the parties;

b) the addresses of the parties' to which notifications and communications arising in the course of the arbitration may be made;

c) a summary of the parties' respective claims and of the relief sought by each party, with an indication to the extent possible of the amounts claimed or counterclaimed;

d) unless the Arbitral Tribunal considers it inappropriate, a list of issues to be determined;

e) the full names, descriptions and addresses of the arbitrators;

f) the place of the arbitration; and

g) particulars of the applicable procedural rules and, if such is the case, reference to the power conferred upon the Arbitral Tribunal to act as amiable compositeur or to decide by means of a "Documents Only" arbitration.

19.17.2. The Terms of Reference shall be signed by the parties and the Arbitral Tribunal. Within two months of the date on which the File has been transmitted to it, the Arbitral Tribunal shall transmit to the Committee the Terms of Reference signed by it and by the parties. The Committee may extend this time limit pursuant to a reasoned request from the Arbitral Tribunal.

19.17.3. If any of the parties refuses to take part in the drawing up of the Terms of Reference or to sign the same, they shall be submitted to the Committee for approval. When the Terms of Reference are signed in accordance with Rule 19.17.2 or approved by the Committee, the arbitration shall proceed.

19.17.4. When drawing up the Terms of Reference, or as soon as possible thereafter, the Arbitral Tribunal, after having consulted the parties, shall establish in a separate document a provisional timetable that it intends to follow for the conduct of the arbitration and shall communicate it to the Committee and the parties. Any subsequent modifications of the provisional timetable shall be communicated to the Committee and the parties.

19.18. New Claims

19.18.1. After the Terms of Reference have been signed or approved by the Committee, no party shall make new claims or counterclaims which fall outside the limits of the Terms of Reference unless it has been authorized to do so by the Arbitral Tribunal, which shall consider the nature of such new claims or counterclaims, the stage of the arbitration and other relevant circumstances.

19.19. Establishing the Facts of the Case

19.19.1. The Arbitral Tribunal shall proceed within as short a time as possible to establish the facts of the case by all appropriate means.

19.19.2. After studying the written submissions of the parties and all documents relied upon, the Arbitral Tribunal shall hear the parties together in person if any of them so requests or, failing such a request, it may of its own motion decide to hear them.

19.19.3. The Arbitral Tribunal may decide to hear witnesses, experts appointed by the parties or any other person, in the presence of the parties, or in their absence provided they have been duly summoned.

19.19.4. The Arbitral Tribunal, after having consulted the parties, may appoint one or more experts, define their terms of reference and receive their reports. At the request of a party, the parties shall be given the opportunity to question at a hearing any such expert appointed by the Tribunal.

19.19.5. At any time during the proceedings, the Arbitral Tribunal may summon any party to provide additional evidence.

19.19.6. The Arbitral Tribunal may decide the case solely on the documents submitted by the parties unless any of the parties reasonably requests a hearing.

19.19.7. The Arbitral Tribunal may take measures for protecting trade secrets and confidential information.

19.20. Hearings

19.20.1. When a hearing is to be held, the Arbitral Tribunal, giving reasonable notice, shall summon the parties to appear before it on the day and at the place fixed by it.

19.20.2. If any of the parties, although duly summoned, fails to appear without valid excuse, the Arbitral Tribunal shall have the power to proceed with the hearing.

19.20.3. The Arbitral Tribunal shall be in full charge of the hearings, at which all the parties shall be entitled to be present. Save with the approval of the Arbitral Tribunal and the parties, persons not involved in the proceedings shall not be admitted.

19.21. Closing of the Proceedings

19.21.1. When it is satisfied that the parties have had a reasonable opportunity to present their cases, the Arbitral Tribunal shall declare the proceedings closed. Thereafter, no further submission or argument may be made, or evidence produced, unless requested or authorised by the Arbitral Tribunal.

19.21.2. When the Arbitral Tribunal has declared the proceedings closed, it shall indicate to the Secretariat an approximate date by which the Award will be finalised. Any postponement of that date shall be communicated to the Secretariat by the Arbitral Tribunal.

19.22. Conservatory and Interim Measures

19.22.1. Unless the parties have otherwise agreed, as soon as the File has been transmitted to it, the Arbitral Tribunal may, at the request of a party, order any interim measure it deems appropriate. The Arbitral Tribunal may make the granting of any such measure subject to appropriate security being furnished by the requesting party. Any such measure shall take the form of an order, giving reasons, or of an Award, as the Arbitral Tribunal considers appropriate.

19.22.2. If any party has applied to any competent judicial authority for interim or conservatory measures, such application shall not affect the powers of the Arbitral Tribunal. The applying party shall be obliged to notify such application and any measures taken by the judicial authority without delay to the Secretariat. The Secretariat shall inform the Arbitral Tribunal thereof.

AWARDS

19.23. Time Limit for the Award

19.23.1. The time limit within which the Arbitral Tribunal must render its final Award is six months. Such time limit shall start to run from the date of the last signature by the Arbitral Tribunal or of the parties of the Terms of Reference, or, in the case of application of Rule 19.17.3 the date of the notification to the Arbitral Tribunal by the Secretariat of the approval of the Terms of Reference by the Committee.

19.23.2. The Arbitral Tribunal may extend this time limit if it decides it is necessary to do so, for reasons to be recorded in writing.

19.24. Making of the Award

19.24.1. When the Arbitral Tribunal is composed of more than one arbitrator, an Award is given by a majority decision. If there be no majority, the Award shall be made by the Chairman of the Arbitral Tribunal alone.

19.24.2. The Award shall state the reasons upon which it is based.

19.24.3. The Award shall be deemed to be made on the date stated therein.

19.25. Award by Consent

19.25.1. If the parties reach a settlement after the File has been transmitted to the Arbitral Tribunal in accordance with Rule 19.12, the settlement shall be recorded in the form of an Award made by consent of the parties if so requested by the parties and if the Arbitral Tribunal agrees to do so.

19.26. Notification, Deposit and Enforceability of the Award

19.26.1. An original of each Award made in accordance with the present Rules shall be deposited with the Secretariat.

19.26.2. Once an Award has been made, the Secretariat shall notify to the parties the text signed by the Arbitral Tribunal, provided always that the costs of the arbitration have been fully paid to NSDL by the parties or by one of them.

19.26.3. Additional copies certified true by the Chairman shall be made available on request and at any time to the parties, but to no one else.

19.26.4. By virtue of the notification made in accordance with Rule 19.26.1 of this Rule, the parties waive any other form of notification or deposit on the part of the Arbitral Tribunal.

19.26.5. The Arbitral Tribunal and the Secretariat shall assist the parties in complying with whatever further formalities that may be necessary.

19.26.6. Every Award shall be binding on the parties. By submitting the dispute to arbitration under these Rules, the parties undertake to carry out any Award without delay and shall be deemed to have waived their right to any form of recourse insofar as such waiver can validly be made.

19.27. Correction and Interpretation of the Award

19.27.1. On its own initiative, the Arbitral Tribunal may correct a clerical, computational or typographical error, or any errors of similar nature contained in an Award within 30 days of the date of such Award.

19.27.2. Any application of a party for the correction of an error of the kind referred to in Rule 19.27.1, or for the interpretation of an Award, must be made to the Secretariat within 30 days of the receipt of the Award by such party, in a number of copies as stated in Rule 19.2.1. After transmittal of the application to the Arbitral Tribunal, it shall grant the other party a short time limit, normally not exceeding 30 days, from the receipt of the application by that party to submit any comments thereon. If the Arbitral Tribunal decides to correct or interpret the Award, it shall submit its decision in draft form to the Committee not later than 30 days following the expiration of the time limit for the receipt of any comments from the other party or within such other period as the Committee may decide.

19.27.3. The decision to correct or to interpret the Award shall take the form of an addendum and shall constitute part of the Award. The provisions of Rules 19.24 and 19.26 shall apply *mutatis mutandis*.

COSTS

19.28. Advance to Cover the Costs of the Arbitration

19.28.1. After receipt of the Request, the Chairman may request the Claimant to pay a provisional advance in an amount intended to cover the costs of arbitration until the Terms of Reference have been drawn up.

19.28.2. As soon as practicable, the Committee shall fix the advance on costs in an amount likely to cover the fees and expenses of the arbitrators and the NSDL administrative costs for the claims and counterclaims which have been referred to it by the parties. This amount may be subject to readjustment at any time during the arbitration. Where, apart from the claims, counterclaims are submitted, the Committee may fix separate advances on costs for the claims and the counterclaims.

19.28.3. The advance on costs fixed by the Committee shall be payable in equal shares by the Claimant and the Respondent. Any provisional advance paid on the basis of Rule 19.28.1. will be considered as a partial payment thereof. However, any party shall be free to pay the whole of the advance on costs in respect of the principal claim or the counterclaim should the other party fail to pay its share. When the Committee has set separate advances on costs in accordance with Rule 19.28.2, each of the parties shall pay the advance on costs corresponding to its claims.

19.28.4. When a request for an advance on costs has not been complied with, and after consultation with the Arbitral Tribunal, the Chairman may direct the Arbitral Tribunal to suspend its work and set a time limit, which must be not less than 15 days, on the expiry of which the relevant claims, or counterclaims, shall be considered as withdrawn. Should the party in question wish to object to this measure it must make a request within the aforementioned period for the matter to be decided by the Committee. Such party shall not be prevented on the ground of such withdrawal from reintroducing the same claims or counterclaims at a later date in another proceeding.

19.28.5. If one of the parties claims a right to a set-off with regard to either claims or counterclaims, such set-off shall be taken into account in determining the advance to cover the costs of arbitration in the same way as a separate claim insofar as it may require the Arbitral Tribunal to consider additional matters.

19.29. Decision as to the Costs of the Arbitration

19.29.1. The costs of the arbitration shall include the fees and expenses of the arbitrators and the NSDL administrative costs fixed by the Committee, in accordance with the scale in force at the time of the commencement of the arbitral proceedings, as well as the fees and expenses of any experts appointed by the Arbitral Tribunal and the reasonable legal and other costs incurred by the parties for the arbitration.

19.29.2. The Committee may fix the fees of the arbitrators at a figure higher or lower than that which would result from the application of the relevant scale should this be deemed necessary due to the exceptional circumstances of the case. Decisions on costs other than those fixed by the Committee may be taken by the Arbitral Tribunal at any time during the proceedings.

19.29.3. The final Award shall fix the costs of the arbitration and decide which of the parties shall bear them or in what proportion they shall be borne by the parties.

MISCELLANEOUS

19.30. Modified Time Limits

19.30.1. The parties may agree to shorten the various time limits set out in these Rules. Any such agreement entered into subsequent to the constitution of an Arbitral Tribunal shall become effective only upon the approval of the Arbitral Tribunal.

19.30.2. The Committee, on its own initiative, may extend any time limit which has been modified pursuant to Rule 19.30.1. if it decides that it is necessary to do so in order that the Arbitral Tribunal or the Committee may fulfil their responsibilities in accordance with these Rules.

19.31. Waiver

19.31.1. A party which proceeds with the arbitration without raising its objection to a failure to comply with any provision of these Rules, or of any other rules applicable to the proceedings, any direction given by the Arbitral Tribunal, or any requirement under the arbitration agreement relating to the constitution of the Arbitral Tribunal, or to the conduct of the proceedings, shall be deemed to have waived its right to object.

19.32. Exclusion of Liability

19.32.1. Neither the arbitrators, nor the Committee and its members, nor the NSDL and its employees, nor NSDL's various committees shall be liable to any person for any act or omission in connection with the arbitration.

19.33. General Rule

19.33.1. In all matters not expressly provided for in these Rules, the Committee and the Arbitral Tribunal shall act in the spirit of these Rules and shall make every effort to make sure that the Award is enforceable at law.

APPENDIX - I

ARBITRATION COMMITTEE OF THE NSDL

Article 1 - Function

(1) The function of the Arbitration Committee of NSDL ("the Committee") is to ensure the application of the Rules of Arbitration of NSDL.

(2) The Committee shall be constituted by the Executive Committee of the NSDL in order that it carries out these functions in an independent and quasi-judicial manner.

Article 2 - Composition of the Committee

The Committee shall consist of a Chairman, Vice-Chairman, and members and alternate members (collectively designated as members).

Article 3 - Appointment

(1) The Chairman shall be appointed by the Board of Directors of NSDL based on the recommendation of the Executive Committee of NSDL.

(2) Four other members shall be appointed by the Executive Committee based on the recommendation of the Chairman. Such members shall comprise persons of ability, integrity and standing, and having adequate knowledge or experience of or having shown capacity in dealing with problems relating to capital market, securities transactions, securities law, accountancy, commerce and administration. The Committee shall provide adequate information as to the qualifications and experience of such persons.

Article 4 - Meetings of the Committee

The meetings of the Committee shall be presided over by the Chairman, or, in his absence, by any other member of the Committee designated by him. The deliberations shall be valid when at least three members are present. Decisions are taken by a majority vote, the Chairman having a casting vote in the event of a tie.

Article 5 - Confidentiality

The work of the Committee is of a confidential nature and shall be respected by everyone who participates in that work in whatever capacity. The Committee lays down the rules regarding the persons who can attend the meetings of the Committee and its Committees and who are entitled to have access to the materials submitted to the Committee and its Secretariat.

APPENDIX - II

INTERNAL RULES OF THE ARBITRATION COMMITTEE

(1) The sessions of the Committee, whether plenary or those of a Committee of the Committee, are open only to its members and to the Secretariat. However, in exceptional circumstances, the Chairman of the Committee may invite other persons to attend. Such persons must respect the confidential nature of the work of the Committee.

(2) The Secretariat will in each matter referred to arbitration under the Rules retain in the archives of the Committee all awards, terms of reference, and decisions of the Committee as well as copies of the pertinent correspondence of the Secretariat.

(3) Any documents, communications or correspondence submitted by the parties or the arbitrators may be destroyed unless a party or an arbitrator requests in writing within a period fixed by the Secretariat the return of such documents. All related costs and expenses for the return of those documents shall be paid by such party or arbitrator.

(4) The Chairman and the members of the Secretariat of the Committee may not act as arbitrators or as counsel in matters referred to arbitration.

(5) The Committee shall not appoint members of the Committee as arbitrators. They may, however, be proposed for such duties by one or more of the parties, or, pursuant to any other procedure agreed upon by the parties, subject to confirmation by the Committee.

(6) When the Chairman, a Vice-Chairman or a member of the Committee or of the Secretariat is involved in any capacity whatsoever in proceedings pending before the Committee, such person must inform the Executive Committee upon becoming aware of such involvement.

(7) Such person must refrain from participating in the discussions or in the decisions of the Committee concerning the proceedings and must be absent from the Committee meeting room whenever the matter is considered.

(8) Such person will not receive any material documentation or information pertaining to such proceedings.

(9) The Committee shall have a Secretary who shall have the authority to carry out the day-to-day operations of the Committee. In case of absence, the Secretary may delegate the authority to confirm arbitrators, to certify true copies of awards and to request the payment of a provisional advance, respectively provided for in Articles 19.8.2, 19.26.3. and 19.28.1 of the Rules to any member of the Committee.

(10) The Secretariat may, with the approval of the Committee, issue notes and other documents for the information of the parties and the arbitrators, or as necessary for the proper conduct of the arbitral proceedings.

APPENDIX - III

ARBITRATION FEES, EXPENSES AND COSTS

(1) The Arbitral Tribunal shall be entitled to allow fees and expenses of witnesses, expenses connected with the examination of documents, charges, conveyance, hire, cost of legal or technical advice or proceedings in respect of any matter arising out of the arbitration incurred by the arbitration tribunal, and any other incidental expenses and charges in connection with or arising out of the reference or award as the arbitration tribunal may, in its absolute discretion think fit.

(2) The costs of the reference and the award including charges, fees and other expenses shall be the discretion of the Arbitral Tribunal, which may, direct to and by whom, and in what proportion, such charges, fees and other expenses and any, part thereof shall be borne and paid, and may fix and settle the amount of costs to be so paid or any part thereof and may award costs to be paid as between the parties. In the event, any administrative fees and expenses are due to the Executive Committee, the Arbitral Tribunal may, award them in favour of the Executive Committee.

(3) The fees, costs and expenses incidental to the reference and the award shall include the following:

(a) Application Fee

A non-refundable application fee of **Rs. 1000/-** shall be payable by Claimant along with the application for reference.

(b) Administrative Fee and Arbitrator's Fee

The Administrative Fee of NSDL and Arbitrator's fee (for each arbitrator) will be fixed separately with regard to, the amount in dispute in each case, as under:

Claim Amount	**Fee Payable**
Less than Rs 25,000	Rs 2,500/-
From Rs. 25,001 to Rs. 5 Lakhs (Rs.500,000)	Rs.4,000/-
From Rs. 5 Lakhs one to Rs. 25 Lakhs (Rs.500,001 to Rs. 2,500,000).	Rs.4,000/- plus Rs.175/- for every Rupees One Lakh of the amount exceeding Rs. 5 Lakhs.
From Rs. 25 Lakhs one to Rs. 1 crore Rupees (Rs.2,500,001 to Rs.10,000,000)	Rs. 7,500/- plus Rs. 125/- for every Rupees One Lakh of the amount exceeding Rs. 25 Lakhs.

From Rs. 1 crore one to Rs. 5 crore (Rs.10,000,001 to Rs.50,000,000)	Rs.16,875/- plus Rs.5,000/- for every Rupees One crore of the amount exceeding Rupees One crore.
From Rs. 5 crore one to Rs. 10 crore (Rs.50,000,001 to Rs.100,000,000)	Rs.36,875/- plus Rs.3,125/- for every Rupees One crore of the amount exceeding Rs.5 crore
Over Rs.10 crore (Rs.100,000,000)	Rs.52,500/- plus Rs.1,250/- for every Rupees One crore of the amount exceeding Rs.10 crore.

(c) In addition to the above:

(i) Each arbitrator, will be entitled to receive a Special Fee for study of the pleadings, case material, writing of the award etc. with regard to the amount in dispute in each case as under:

Upto Rs. 5 Lakhs (Rs.500,000)	Rs.1,000/- LUMPSUM
From Rs. 5 lakh one to Rs. 5 crore (Rs.5,00,001 to Rs.50,000,000)	Rs.2,000/- LUMPSUM
Rs. 5 crore one and above (Rs.50,000,001 and above)	Rs.5,000/- LUMPSUM

(ii) NSDL may at its discretion charge an additional Special Fee of **Rs.1000/-** per hearing from each of the Parties to arbitration, for providing facilities at the arbitration hearing. Provided that such discretion shall be based on the number of hearings conducted, extent of use of facilities and such other criteria.

(4) Notwithstanding anything contained herein, Committee may prescribe the Arbitrator's fees and the Administrative fees of NSDL at a figure higher than those prescribed herein, in exceptional circumstances and if the Committee is of the opinion that such increase in fees is necessary.

(5) Where two or more applications for arbitration are received by the Committee and the issues involved in the dispute arise out of same transactions, and the Committee thinks it proper to and with the consent of all the relevant parties, fix the hearings of the disputes to be heard jointly or refer the applications to the same Arbitral Tribunal, the Arbitrator's fee and the Administrative fee of NSDL shall be fixed by computing the fee applicable to the larger claim in addition to 60% of the applicable fees of all claims being tried jointly. Provided that the Committee shall have the power to prescribe the Arbitrator's Fee and Administrative Fee under this Sub-Rule in any other manner, having regard to the nature and facts of the matters under reference.

(6) [137] The arbitrator may be paid an amount of Rs.1000 towards local conveyance for attending each arbitration hearing. In respect of joint trial, the hearing will be treated as one irrespective of the number of cases.

(7) The cost to be incurred on payment of travelling expenses to an arbitrator nominated by a party will be borne and paid by the party nominating the arbitrator. It will be the responsibility of the party nominating the arbitrator for reimbursement of any enhanced expenses for attending the arbitration hearing. The expenses payable to the third arbitrator or sole arbitrator will be borne and paid by both the parties in equal proportion or in such other manner as may be determined by the Arbitral Tribunal.

Notes:

[137] **Amended w.e.f. August 30, 2008. Prior to this amendment the clause 6 of Appendix III to Rule 19 read as follows:**

(6) The arbitrator may be paid an amount of Rs. 250/- towards local conveyance for attending each arbitration hearing in Mumbai. In respect of joint trial, the hearing will be treated as one irrespective of the number of cases.

20. [138] FEES AND DEPOSITS

SINCE DELETED W.E.F. MAY 1, 2002, REFER CHAPTER 21 ON FEES AND DEPOSITS

Prior to deletion the provisions of Chapter 20 were as under

The following Business Rules shall be effective from September 1, 2000.

20.1. ISSUERS OR ITS REGISTRAR AND TRANSFER AGENTS FEE FOR DISTRIBUTION OF NON-CASH CORPORATE BENEFITS

i) In case of offers for sale by an offeror or disinvestment by GOI, a fee at the rate of 0.02% (two basis points) of the value of securities based on the offer price will be charged to the Issuer / Offeror.

ii) In case of all other corporate actions, viz., bonus, rights, public issues, shares split, merger, demerger, etc., a fee at the rate of 0.02% (two basis points) of the value of securities based on the market price as on the date of allotment or the offer price, as the case may be, or Rs.20/- per record whichever is lower, shall be charged to the Issuer.

iii) In case of conversion of shares of non pari-passu to pari-passu, partly-paid to fully-paid etc., no fee shall be charged.

iv) In case of companies which have paid/pay one time custody fee, no corporate action fee as mentioned at (i) and (ii) above shall be charged till March 31, 2002.

v) [139] In case of any corporate action of commercial papers, a flat fee of Rs.10,000/- shall be levied on the Issuer. Provided however that with effect from January 1, 2001, a flat fee of Rs.10,000/- shall be levied on the Issuer for all issues of commercial papers during a calender year.

20.2. PARTICIPANTS

20.2.1. ENTRY FEES: Each Participant shall pay, to the Depository, a non- refundable entry fee of Rs. 25,000.

20.2.2. ANNUAL FEES: Each Participant shall pay to the Depository, an annual fee as per the schedule given below:

Average market value of dematerialised securities with the Participant	ANNUAL FEES
Upto Rs. 200 crore	Rs. 1,00,000
Between Rs. 200 crore and Rs. 500 crore	Rs. 2,50,000
More than Rs. 500 crore	Rs. 5,00,000

Notes:

[138] **Inserted w.e.f. August 1, 2000.**

[139] **Amended w.e.f. Dec. 20, 2000. Prior to this amendment Rule 20.1 (v) read as follows :** Provided however that in case of any corporate action of commercial papers, a flat fee of Rs.10,000/- shall be levied on the issuer.

The fee shall be charged on a yearly basis from October 1 to September 30. This fee shall be paid before October 31 of the following year.

Provided that all Participants who join the depository in the second half (on or after April 1) of any year shall be required to pay only half of the annual fee for that year.

20.2.3. TRANSACTION RELATED FEES: The following transaction related fees shall be payable by the Participants to the Depository :

i) A settlement fee at the rate of 0.02% (two basis points) of the value of the securities (other than debt instruments and commercial papers) debited to the account(s) of its Client(s) in respect of all transactions shall be charged to the Participant.

ii) [140] A settlement fee at the rate of 0.002% (0.2 basis points) of the value of the securities received from the Clearing Corporation into the Receipt - in Account of each Clearing Member maintained with the Participant subject to a minimum of Rs.2000/- and maximum of Rs.20,000/- per quarter per CM Account shall be charged to the Participant. **Provided however that with effect from January 1, 2001, the minimum fee per quarter per CM Account shall be Rs.1000/-.** Further, a settlement fee at the rate of 0.02% (two basis points) of the value of the securities transferred by way of inter-settlement transfers in the CM Account(s) shall be charged to the Participant. However, no settlement fee will be payable for inter-settlement transfer of securities effected in the additional CM Accounts maintained for the purpose of Vyaj Badla or ALBM transactions. Further, a settlement fee at the rate of 0.02% (two basis points) of the value of the securities transferred from the CM account of a Clearing Member to the CM account of another Clearing Member shall be charged to the Participant of the delivering Clearing Member.

Notes:

[140] Amended w.e.f. December 20, 2000. Prior to this amendment Rule 20.2.3 (ii) amended w.e.f. November 27, 2000 read as follows:

ii) A settlement fee at the rate of 0.002% (0.2 basis points) of the value of the securities received from the Clearing Corporation into the Receipt-in Account of each Clearing Member maintained with the Participant subject to a minimum of Rs. 2000/- and maximum of Rs. 20,000/- per quarter per CM Account shall be charged to the Participant. Further, a settlement fee at the rate of 0.02% (two basis points) of the value of the securities transferred by way of inter-settlement transfers in the CM Acccount(s) shall be charged to the Participant. However, no settlement fee will be payable for inter-settlement transfer of securities effected in the additional CM Accounts maintained for the purpose of Vyaj Badla or ALBM transactions. Further, a settlement fee at the rate of 0.02% (two basis points) of the value of the securities transferred from the CM account of a Clearing Member to the CM account of another Clearing Member shall be charged to the Participant of the delivering Clearing Member. Provided however that;

a) in case of debt instruments, other than Commercial Papers, in respect of all transactions, a settlement fee at the rate of 0.01% (one basis point) on the value of debt securities debited and credited to the account(s) of its Clients shall be charged to the Participant. The above settlement fee of one basis point shall be subject to a maximum of Rs. 100/- for each transaction for each different security.

b) in respect of commercial papers, no settlement fee shall be charged.

Provided however that;

a) in case of debt instruments, other than Commercial Papers, in respect of all transactions, a settlement fee at the rate of 0.01% (one basis point) on the value of debt securities debited and credited to the account(s) of its Clients shall be charged to the Participant. The above settlement fee of one basis point shall be subject to a maximum of Rs.100/- for each transaction for each different security.

b) in respect of commercial papers, no settlement fee shall be charged.

iii) No settlement fee shall be charged in the following cases:-

a) in the case of transfers necessitated by transmission;

b) in the case of transfer of the account of the Client from one Participant to another as a consequence of the expulsion or suspension of such Participant;

c) when the Client closes its account with a Participant and transfers the entire balance in its account to its account maintained with another Participant.

iv) When a pledge/hypothecation is created or closed, a fee at the rate of 0.01% (one basis point) of the value of the securities pledged / hypothecated shall be charged to the Participant of the pledgor / hypothecator.

v) When a pledge / hypothecation is invoked, a fee at the rate of 0.02% (two basis points) of the value of the securities credited to the account(s) of its Client(s) shall be charged to the Participant of the Pledgee.

vi) A fee at the rate of 0.02% (two basis points) of the value of the securities lent by the intermediary to the borrower shall be charged to the Participant of the borrower if the transaction is for a period upto 3 months. In case, the transaction extends beyond 3 months, the Participant of the borrower shall pay an additional fee at the rate of 0.02% (two basis points) of the value of the securities lent. The transaction fee shall be collected from the Participants at the beginning of the transaction and any roll over of transaction beyond 3 months.

20.2.4. CUSTODY FEES: Each Participant shall pay custody fee at the rate of 0.01% (1 basis point) per annum on the average value of securities held by the Participant in dematerialised form. This fee will be collected quarterly on the basis of average holding during the quarter. Provided however that, the custody fees payable by a Participant will be subject to an annual overall ceiling as given below:

Average market value of dematerialised securities with the Participant during the quarter	Annual Ceiling (to be recovered quarterly)
Upto Rs. 200 crore	Rs. 25,000
More than Rs. 200 crore and upto Rs. 500 crore	Rs. 50,000
More than Rs. 500 crore and upto Rs. 2000 crore	Rs. 1,25,000
More than Rs. 2000 crore	Rs. 4,00,000

Provided further that while calculating the custody value as mentioned above, the value of the shares of those companies which have paid a one time custody fee will not be included.

In case of debt instruments and Government Securities, each Participant shall pay custody fee at the rate of 0.005% (0.5 basis point) per annum on the average value of the securities held by the Participant in dematerialised form subject to the overall ceiling as given above.

20.2.5. FEE FOR DEMATERIALISATION & REMATERIALISATION

No fee shall be charged by the Depository on Dematerialisation requests. However, in case of Rematerialisation, a fee at the rate of 0.02% (two basis points) of the value of the securities requested for rematerialisation or Rs.10/- per certificate, whichever is higher will be charged.

20.2.6. SECURITY DEPOSITS

Every Participant will be required to pay an amount of Rs. 10 lakh by way of interest free refundable security deposit. However, a Clearing Corporation or a Clearing House of a Stock Exchange will be exempt from payment of the security deposit.

20.2.7. ONE TIME CUSTODY FEES

20.2.7.1. An issuer may pay a one time custody fee to NSDL at the rate of 0.05% on the market capitalisation of the company. The market capitalisation of a company will be determined on the basis of the average market price for a period of 26 weeks preceding the date on which the company agrees to make such payment. Consequent upon such payment, NSDL shall not levy any custody fee on the Participants.

20.2.7.2. If a company opts to pay the aforesaid one time fee, it will also be required to agree to pay on the newly issued shares, a custody fee at the rate of 0.05% (five basis points) on the value of shares calculated on the basis of issue price of newly issued shares. In case the company does not pay this amount, NSDL shall charge custody fee as per provision mentioned at Rule 20.2.4 above. However, the issuer shall not be required to pay any custody fee on any subsequent issue of Bonus shares by the company.

20.2.8. The Business Rules 20.1 to 20.2.7 shall apply till April 30, 2002 and the Rules contained in Chapter 21 will come into effect from May 1, 2002.

21. [141] FEES AND DEPOSITS

21.1. FEE PAYABLE BY ISSUERS

21.1.1. FEE FOR DISTRIBUTION OF NON-CASH CORPORATE BENEFITS

i) [141] In case of offers for sale by an offerer or disinvestment by GOI, bonus, rights, public issue, preferential issue, split, merger, demerger, capital reduction, redemption, etc., a fee at the rate of Rs. 10 per record for debits or credits to accounts as the case may be, shall be charged to the Issuer, subject to a minimum fee of Rs.1000 per corporate action.

Notes:

[141] Inserted w.e.f. May 1, 2002.

[142] Amended w.e.f. July 1, 2008. Prior to this amendment Rule 21.1.1.(i) was amended on November 1, 2007, which read as follows:

21.1.1.(i) In case of offers for sale by an offerer or disinvestment by GOI, bonus, rights, public issue, preferential issue, split, merger, demerger, capital reduction, redemption, etc., a fee at the rate of Rs. 6 per record for debits or credits to accounts as the case may be, shall be charged to the Issuer, subject to a minimum fee of Rs.500 per corporate action.

Provided however that with effect from November 1, 2007, in case of offers for sale by an offerer or disinvestment by GOI, bonus, rights, public issue, preferential issue, split, merger, demerger, capital reduction, redemption, etc., a fee at the rate of Rs. 8 per record for debits or credits to accounts as the case may be, shall be charged to the Issuer, subject to a minimum fee of Rs.1000 per corporate action.

Prior to this amendment Rule 21.1.1. (i) was amended on October 1, 2005, which read as follows:

21.1.1.(i) In case of offers for sale by an offerer or disinvestment by GOI, bonus, rights, public issue, preferential issue, split, merger, demerger, capital reduction, redemption, etc., a fee at the rate of Rs. 8 per record for debits or credits to accounts as the case may be, shall be charged to the Issuer, subject to a minimum fee of Rs.500 per corporate action.

Provided however that **with effect from October 1, 2005**, in case of offers for sale by an offerer or disinvestment by GOI, bonus, rights, public issue, preferential issue, split, merger, demerger, capital reduction, redemption, etc., a fee at the rate of Rs. 6 per record for debits or credits to accounts as the case may be, shall be charged to the Issuer, subject to a minimum fee of Rs.500 per corporate action.

Prior to this amendment Rule 21.1.1. (i) was amended on January 1, 2004, which read as follows:

21.1.1.(i) In case of offers for sale by an offerer or disinvestment by GOI or issue of shares arising out of bonus, rights, public issues, shares split, merger, demerger, etc., a fee at the rate of Rs. 10/- per record shall be charged to the Issuer, subject to a minimum fee of Rs. 500 per corporate action.

Provided however that with effect from January 1, 2004, in case of offers for sale by an offerer or disinvestment by GOI, bonus, rights, public issues, preferential issue, split, merger, demerger, capital reduction, redemption, etc., a fee at the rate of Rs. 8/- per record for debits or credits to accounts as the case may be, shall be charged to the Issuer, subject to a minimum fee of Rs. 500 per corporate action.

Prior to this amendment Rule 21.1.1. (i) amended w.e.f. October 1, 2002 read as follows:

21.1.1. (i) In case of offers for sale by an offerer or disinvestment by GOI or issue of shares arising out of bonus, rights, public issues, shares split, merger, demerger, etc., a fee at the rate of 0.02% (two basis points) of the value of securities based on the market price or the offer price as on the date of allotment, as the case may be, or Rs.20 per record whichever is lower, shall be charged to the Issuer, subject to a minimum fee of Rs.500 per corporate action.

Provided however that with effect from October 1, 2002, in case of offers for sale by an offerer or disinvestment by GOI or issue of shares arising out of bonus, rights, public issues, shares split, merger, demerger, etc., a fee at the rate of Rs. 10/- per record shall be charged to the Issuer, subject to a minimum fee of Rs.500 per corporate action.

Prior to this amendment Rule 21.1.1. (i) read as follows:

21.1.1. (i) In case of offers for sale by an offerer or disinvestment by GOI or issue of shares arising out of bonus, rights, public issues, shares split, merger, demerger, etc., a fee at the rate of 0.02% (two basis points) of the value of securities based on the market price or the offer price as on the date of allotment, as the case may be, or Rs.20 per record whichever is lower, shall be charged to the Issuer, subject to a minimum fee of Rs.500 per corporate action.

ii) [143] In case of issue of Commercial Papers, a fee of Rs.10,000 shall be levied on the Issuer for five issues of Commercial Papers during the financial year. Provided however that an additional fee of Rs. 10,000 shall be levied on the Issuer for every additional five issues.

iii) [144] In case of issue of short term debt instruments viz; certificate of deposits, MIBOR linked papers etc., a fee of Rs.10,000 shall be levied on the Issuer for five such issues made in a financial year. Provided however an additional fee of Rs.10,000 shall be levied on the Issuer for every additional five issues.

Notes:

*** The original Rule 21.1.1 (ii) has been deleted w.e.f. April 1, 2008. Prior to deletion original Rule 21.1.1 (ii) read as follows :**

21.1.1. (ii) In case of conversion of shares of non pari-passu to pari-passu, partly-paid to fully-paid etc., no fee shall be charged.

[143] The original Rule 21.1.1.(iii) has been renumbered as Rule 21.1.1.(ii) w.e.f. April 1, 2008. Prior to this amendment original Rule21.1.1.(iii) was amended on April 1, 2005, which read as follows:

21.1.1. (iii) In case of issue of Commercial Papers, a flat fee of Rs.10,000 shall be levied on the Issuer for all issues of Commercial Papers during the calendar year.

Provided however that, with effect from April 1, 2005, in case of issue of Commercial Papers, a flat fee of Rs.10,000 shall be levied on the Issuer for all issues of Commercial Papers during the financial year.

Provided further that for the first quarter of the calendar year 2005, an amount of Rs.2,500 shall be levied on the Issuer for all such issues during the first quarter of calendar year 2005.

Prior to this amendment Rule 21.1.1.(iii) read as follows:

21.1.1. (iii) In case issue of Commercial Papers, a flat fee of Rs.10,000 shall be levied on the Issuer for all issues of Commercial Papers during the calendar year.

[144] The original Rule 21.1.1.(iv) has been renumbered as 21.1.1.(iii) w.e.f. April 1, 2008. Prior to this amendment original Rule 21.1.1.(iv) was amended on April 1, 2005, which read as follows:

21.1.1.(iv) In case of issue of short term debt instruments viz., certificate of deposits, MIBOR linked papers etc., a flat fee of Rs.10,000 shall be levied on the Issuer for 10 such issues made in a calendar year. Provided however that an additional fee of Rs.1,000 shall be levied on the Issuer for each subsequent issue.

Provided however that, with effect from April 1, 2005, in case of issue of short term debt instruments viz., certificate of deposits, MIBOR linked papers etc., a flat fee of Rs.10,000 shall be levied on the Issuer for ten such issues made in a financial year and an additional fee of Rs.1,000 shall be levied on the Issuer for each subsequent issue.

Provided further that for the first quarter of the calendar year 2005, an amount of Rs.2,500 would be charged to issuers for three such issues and an additional fee of Rs. 1,000 shall be levied on the Issuer for each subsequent issue.

Prior to this amendment Rule 21.1.1. (iv) amended w.e.f. July 13, 2002 read as follows:

21.1.1. (iv) In case of issue of short term debt instruments viz., certificate of deposits, MIBOR linked papers etc., a flat fee of Rs.10,000 shall be levied on the Issuer for 10 such issues made in a calendar year. Provided however that an additional fee of Rs.1,000 shall be levied on the Issuer for each subsequent issue.

Prior to this amendment Rule 21.1.1. (iv) read as follows:

21.1.1. (iv) In case of issue of short term debt instruments viz., certificate of deposits, MIBOR linked papers etc., a flat fee of Rs.10,000 shall be levied on the Issuer for 10 such issues made in a calendar year. Provided however that an additional fee of Rs.10,000 shall be levied on the Issuer for subsequent 10 issues and so on.

21.1.2. ONE TIME CUSTODY FEES

21.1.2.1. [145] An Issuer may pay a one time custody fee to NSDL at the rate of 0.05%plus service tax as applicable on the market capitalisation of the company. The market capitalisation of a company will be determined on the basis of the average market price for a period of 26 weeks preceding the date on which the company agrees to make such payment. Consequent upon such payment, NSDL shall not levy any custody fee on the Participants or annual custody fee on the Issuer.

Provided that with effect from November 1, 2011, no issuer can opt to pay the one time custody fee to NSDL.

21.1.2.2. [146] If an Issuer has opted to pay the aforesaid one time custody fee till October 31, 2011, it will also be required to agree to pay on the newly issued shares, a one time custody fee at the rate of 0.05% (five basis points) on the value of shares calculated on the basis of issue price of newly issued shares. In case the company does not pay this amount, NSDL shall charge annual custody fee as per the provision mentioned at Rule 21.1.3. However, the Issuer shall not be required to pay any one time custody fee on any subsequent issue of Bonus shares by the company.

Notes:

[145]Amended w.e.f. November 1, 2011. Prior to this amendment Rule 21.1.2.1 was amended w.e.f. June 24, 2005 read as follows :

21.1.2.1. An Issuer may pay a one time custody fee to NSDL at the rate of 0.05% plus service tax as applicable on the market capitalisation of the company. The market capitalisation of a company will be determined on the basis of the average market price for a period of 26 weeks preceding the date on which the company agrees to make such payment. Consequent upon such payment, NSDL shall not levy any custody fee on the Participants or annual custody fee on the Issuer.

Prior to this amendment Rule 21.1.2.1 read as follows:

21.1.2.1. An Issuer may pay a one time custody fee to NSDL at the rate of 0.05% on the market capitalisation of the company. The market capitalisation of a company will be determined on the basis of the average market price for a period of 26 weeks preceding the date on which the company agrees to make such payment. Consequent upon such payment, NSDL shall not levy any custody fee on the Participants.

[146]Amended w.e.f. November 1, 2011. Prior to this amendment Rule 21.1.2.2 amended w.e.f. June 24, 2005 read as follows:

21.1.2.2 If a company opts to pay the aforesaid one time fee, it will also be required to agree to pay on the newly issued shares, a one time custody fee at the rate of 0.05% (five basis points) on the value of shares calculated on the basis of issue price of newly issued shares. In case the company does not pay this amount, NSDL shall charge annual custody fee or custody fee as per provision mentioned at Rule 21.1.3 and Rule 21.2.3 hereunder, as the case may be. However, the Issuer shall not be required to pay any one time custody fee on any subsequent issue of Bonus shares by the company.

Prior to this amendment Rule 21.1.2.2 amended w.e.f. February 18, 2005 read as follows:

21.1.2.2. If a company opts to pay the aforesaid one time fee, it will also be required to agree to pay on the newly issued shares, a custody fee at the rate of 0.05% (five basis points) on the value of shares calculated on the basis of issue price of newly issued shares. In case the company does not pay this amount, NSDL shall charge custody fee as per provision mentioned at Rule 21.1.3 and Rule 21.2.3 hereunder, as the case may be. However, the Issuer shall not be required to pay any custody fee on any subsequent issue of Bonus shares by the company.

Prior to this amendment Rule 21.1.2.2 read as follows:

21.1.2.2. If a company opts to pay the aforesaid one time fee, it will also be required to agree to pay on the newly issued shares, a custody fee at the rate of 0.05% (five basis points) on the value of shares calculated on the basis of issue price of newly issued shares. In case the company does not pay this amount, NSDL shall charge custody fee as per provision mentioned at Rule 21.2.3 hereunder. However, the Issuer shall not be required to pay any custody fee on any subsequent issue of Bonus shares by the company.

21.1.3 [147]ANNUAL CUSTODY FEE

i) An Issuer of listed securities shall pay an annual custody fee at the rate of Rs. 8 per folio (ISIN position) in NSDL, subject to a minimum amount as mentioned below, plus service tax as applicable:

Nominal Value of securities admitted (Rs.)	Amount (Rs.)
Upto 5 crore	6,000
Above 5 crore and upto 10 crore	15,000
Above 10 crore and upto 20 crore	30,000
Above 20 crore	50,000

ii) The above fee would be applicable on all securities i.e. equity, debt, units of mutual funds, pass through certificates, certificates of deposit, commercial papers, preference shares etc., except Government securities.

Notes:

[147] Amended w.e.f. April 1, 2009. Prior to this amendment, Rule 21.1.3 as amended on June 24, 2005 read as follows:

21.1.3 ANNUAL CUSTODY FEE

i) With effect from April 1, 2005, an Issuer of listed securities shall pay an annual custody fee at the rate of Rs. 5 per folio (ISIN position) in NSDL, subject to a minimum amount as mentioned below, plus service tax as applicable :

Nominal Value of securities admitted (Rs.)	Amount (Rs.)
Upto 5 crore	4,000
Above 5 crore and upto 10 crore	10,000
Above 10 crore and upto 20 crore	20,000
Above 20 crore	30,000

ii) The above fee would be applicable on all securities i.e. equity, debt, Units of mutual funds, pass through certificates, certificates of deposit, commercial papers, preference shares etc., except Government securities.

iii) The fee will be based on the total ISIN positions (folios) as on March 31, of the previous financial year. Provided however that, in case the issued capital or ISIN positions increase during the financial year due to issue of further shares, by way of public offer, the annual custody fee would be charged on a pro-rata basis, at the time of such issue.

iv) The fee will be charged every year on a financial year basis and shall be payable by April 30 of that financial year.

iii) The fee will be based on the total ISIN positions (folios) as on March 31, of the previous financial year.

Provided however that, in case the issued capital or ISIN positions increase during the financial year due to issue of further shares, by way of public offer, the custody fee would be charged on a pro-rata basis, at the time of such issue.

iv) The fee will be charged every year on a financial year basis and shall be payable by April 30 of that financial year.

Notes:

Prior to this amendement the Rule 21.1.3 inserted w.e.f. April 1, 2005 read as follows:

21.1.3 ANNUAL CUSTODY FEE

i) With effect from April 1, 2005, an Issuer of listed securities shall pay an annual custody fee at the rate of Rs. 5 per folio (ISIN position) in NSDL, subject to a minimum amount as mentioned below, plus service tax as applicable :

Nominal Value of securities admitted (Rs.)	Amount (Rs.)
Upto 5 crore	4,000
Above 5 crore and upto 10 crore	10,000
Above 10 crore and upto 20 crore	20,000
Above 20 crore	30,000

ii) The above fee would be applicable on all securities i.e. equity, debt, Units of mutual funds, pass through certificates, certificates of deposit, commercial papers, preference shares etc., except Government securities.

iii) The fee will be based on the total ISIN positions (folios) as on March 31, of the previous financial year. Provided however that, in case the issued capital or ISIN positions increase during the financial year due to issue of further shares, by way of public offer, the custody fee would be charged on a pro-rata basis, at the time of such issue.

iv) The fee will be charged on a financial year basis and shall be payable by April 30 every year.

21.1.4 [148] If an Issuer fails to pay the fees mentioned in Rule 21.1.3 by the due date, the Depository may charge interest @ 12% p.a. on the amount, from the due date of payment till the payment is received by the Depository.

Provided further that the Depository may stop providing details of clients / clearing members / clearing corporation to the Issuer and / or its Registrar and Transfer Agent as mentioned in the Bye Laws and Business Rules.

Provided further that the Depository may not permit the Issuer to use its infrastructure including for issue of further securities in electronic form.

21.1.5 [149] Joining Fee by Issuers

21.1.5.1 With effect from November 15, 2005, an Issuer of unlisted securities shall pay a joining fee of Rs. 20,000 plus taxes at the applicable rate at the time of joining NSDL, for the purpose of making its shares available for dematerialisation.

Provided however that in case the Issuer gets its securities listed on any recognised stock exchange within one year of joining NSDL, the joining fee paid by the Issuer will get adjusted against the one time custody fee as per Rule 21.1.2 or Annual Custody Fee as per Rule 21.1.3, as the case may be.

Notes:

[148] Amended w.e.f. May 10, 2008. Prior to this amendment Rule 21.1.4 was amended w.e.f. June 24, 2005, which read as follows:

21.1.4 If an Issuer fails to pay the fees mentioned in Rule 21.1.3 by the due date, the Depository may charge interest @ 12% p.a. on the amount, from the due date of payment till the payment is received by the Depository.

Provided further that the Depository may stop providing details of clients / clearing members / clearing corporation / intermediary to the Issuer and / or its Registrar and Transfer Agent as mentioned in the Bye Laws and Business Rules.

Provided further that the Depository may not permit the Issuer to use its infrastructure including for issue of further securities in electronic form.

Prior to this amendment the Rule 21.1.4 inserted w.e.f. April 1, 2005 read as follows:

21.1.4 If an Issuer fails to pay the fees mentioned in Rule 21.1.3 by the due date, the Depository may charge interest @ 12% p.a. on the amount, from the due date of payment till the payment is received by the Depository.

Provided further that the Depository may stop providing details of clients / clearing members / clearing corporation / intermediary to the Issuer and / or its Registrar and Transfer Agent as mentioned in the Bye Laws and Business Rules.

Provided further that the Depository may not permit the Issuer to use its infrastructure to issue further securities in electronic form.

[149] Inserted w.e.f. November 15, 2005. The original Rule 21.1.5 was renumbered as 21.1.5.1 w.e.f. September 14, 2006.

21.1.5.2 [150] If an issuer gets its securities delisted from all stock exchanges where its securities were listed, it shall pay joining fee of Rs. 20,000 plus taxes at the applicable rate. If an Issuer fails to pay the fees, the Depository may stop providing details of clients/ clearing members/ clearing corporation to the Issuer and / or its Registrar and Transfer Agent as mentioned in the Bye Laws and Business Rules. Provided further that the Depository may not permit the Issuer to use its infrastructure including for issue of further securities in electronic form.

21.1.6 [151] Non extinguishment fee

With effect from February 1, 2008 a non extinguishment fee of Rs. 100 per ISIN per day shall be charged to the Issuer in case the debt securities are not extinguished by the Issuer by the end of the month following the month in which the redemption was due unless the Issuer has decided to restructure or defer the redemption of securities.

Notes:

[150] Amended w.e.f. May 10, 2008. Prior to this amendment Rule 21.1.5.2 inserted w.e.f. September 14, 2006, which read as follows:

21.1.5.2 If an issuer gets its securities delisted from all stock exchanges where its securities were listed, it shall pay joining fee of Rs. 20,000 plus taxes at the applicable rate. If an Issuer fails to pay the fees, the Depository may stop providing details of clients/ clearing members/ clearing corporation/ intermediary to the Issuer and / or its Registrar and Transfer Agent as mentioned in the Bye Laws and Business Rules. Provided further that the Depository may not permit the Issuer to use its infrastructure including for issue of further securities in electronic form.

[151] Inserted w.e.f. February 1, 2008.

21.2. FEE PAYABLE BY PARTICIPANTS

21.2.1. [152] Entry Fees

Each Participant shall pay, at the time of submitting its application, to the Depository, a non-refundable Entry Fee of Rs.25,000.

21.2.2. TRANSACTION RELATED FEES: The following transaction related fees shall be payable by the Participants to the Depository:

21.2.2.1. [153] Settlement fee:

(i) A settlement fee at the rate of Rs. 4.50 per debit instruction in a Client's account shall be charged to the Participant of the Client.

Notes:

[152] **Amended w.e.f. November 15, 2006. Prior to this amendment the Rule 21.2.1 read as follows:**
21.2.1. ENTRY FEES: Each Participant shall pay, to the Depository, a non-refundable Entry Fee of Rs. 25,000.

[153] **Amended w.e.f. April 1, 2010. Prior to this amendment the Rule 21.2.2.1 was amended on April 1, 2008, which read as follows:**
21.2.2.1. Settlement fee:
(i) A settlement fee at the rate of Rs. 5 per debit instruction in a Client's account shall be charged to the Participant of the Client.
(ii) A settlement fee at the rate of Re. 1.00 per instruction in respect of securities received from the Clearing Corporation into the Receipt-in account of each Clearing Member maintained with the Participant subject to a minimum of Rs.1000 and a maximum of Rs.20,000 per quarter per CM Account shall be charged to the Participant.
(iii) A settlement fee at the rate of Rs.5 per debit instruction for transfer of securities by way of inter-settlement transfers in the CM Account(s) shall be charged to the Participant.
(iv) A settlement fee at the rate of Rs.5 per debit instruction for transfer of securities from the CM account of a Clearing Member to the CM account of another Clearing Member shall be charged to the Participant of the delivering Clearing Member.
Provided further that no settlement fee shall be charged in case of:
(i) transfers necessitated by transmission on death of the Client; and
(ii) transfer of the accounts of Clients from one Participant to another as a consequence of expulsion or suspension of such Participant.
Prior to this amendment the Rule 21.2.2.1 was amended w.e.f. January 1, 2008, read as follows:
21.2.2.1.Settlement fee:
i) A settlement fee at the rate of Rs. 6 per debit instruction in a Client's account shall be charged to the Participant of the Client.
Provided however that **with effect from January 1, 2008,** a settlement fee at the rate of Rs. 5 per debit instruction in a Client's account shall be charged to the Participant of the Client.
ii) A settlement fee at the rate of Re.1.00 per instruction in respect of securities received from the Clearing Corporation into the Receipt-in account of each Clearing Member maintained with the Participant subject to a minimum of Rs.1000 and a maximum of Rs.20,000 per quarter per CM Account shall be charged to the Participant.
iii) A settlement fee at the rate of Rs. 6 per debit instruction for transfer of securities by way of inter-settlement transfers in the CM Account(s) shall be charged to the Participant.
Provided however that **with effect from January 1, 2008,** a settlement fee at the rate of Rs.5 per debit instruction for transfer of securities by way of inter-settlement transfers in the CM Account(s) shall be charged to the Participant.
iv) A settlement fee at the rate of Rs.6 per debit instruction for transfer of securities from the CM account of a Clearing Member to the CM account of another Clearing Member shall be charged to the Participant of the delivering Clearing Member.
Provided however that **with effect from January 1, 2008**, a settlement fee at the rate of Rs.5 per debit instruction for transfer of securities from the CM account of a Clearing Member to the CM account of another Clearing Member shall be charged to the Participant of the delivering Clearing Member.

Provided further that no settlement fee shall be charged :
(a) in respect of commercial papers and short term debt instruments such as certificate of deposits, MIBOR linked papers etc.; and
(b) in case of :
(i) transfers necessitated by transmission on death of the Client; and
(ii) transfer of the accounts of Clients from one Participant to another as a consequence of expulsion or suspension of such Participant.

Prior to this amendment the Rule 21.2.2.1. amended w.e.f. October 1, 2005 read as follows:

21.2.2.1.Settlement fee:

(i) A settlement fee at the rate of Rs. 8 per debit instruction in a Client's account shall be charged to the Participant of the Client.
Provided however that **with effect from October 1, 2005**, a settlement fee at the rate of Rs. 6 per debit instruction in a Client's account shall be charged to the Participant of the Client.
ii) A settlement fee at the rate of Re.1.00 per instruction in respect of securities received from the Clearing Corporation into the Receipt-in account of each Clearing Member maintained with the Participant subject to a minimum of Rs.1000 and a maximum of Rs.20,000 per quarter per CM Account shall be charged to the Participant.
(iii) A settlement fee at the rate of Rs.8 per debit instruction for transfer of securities by way of inter-settlement transfers in the CM Account(s) shall be charged to the Participant.
Provided however that **with effect from October 1, 2005**, a settlement fee at the rate of Rs.6 per debit instruction for transfer of securities by way of inter-settlement transfers in the CM Account(s) shall be charged to the Participant.
(iv) A settlement fee at the rate of Rs.8 per debit instruction for transfer of securities from the CM account of a Clearing Member to the CM account of another Clearing Member shall be charged to the Participant of the delivering Clearing Member.
Provided however that **with effect from October 1, 2005**, a settlement fee at the rate of Rs.6 per debit instruction for transfer of securities from the CM account of a Clearing Member to the CM account of another Clearing Member shall be charged to the Participant of the delivering Clearing Member.
Provided further that no settlement fee shall be charged :
(a) in respect of commercial papers and short term debt instruments such as certificate of deposits, MIBOR linked papers etc.; and
(b) in case of :
(i) transfers necessitated by transmission on death of the Client; and
(ii) transfer of the accounts of Clients from one Participant to another as a consequence of expulsion or suspension of such Participant.

Prior to this amendment the Rule 21.2.2.1. amended w.e.f. January 1, 2004 read as follows:

i) A settlement fee at the rate of Rs. 10 per debit instruction in a Client's account shall be charged to the Participant of the Client.
Provided however that with effect from January 1, 2004, a settlement fee at the rate of Rs. 8 per debit instruction in a Client's account shall be charged to the Participant of the Client.
ii) A settlement fee at the rate of Re.1.00 per instruction in respect of securities received from the Clearing Corporation into the Receipt-in account of each Clearing Member maintained with the Participant subject to a minimum of Rs.1000 and a maximum of Rs.20,000 per quarter per CM Account shall be charged to the Participant.
iii) A settlement fee at the rate of Rs.10 per debit instruction for transfer of securities by way of inter-settlement transfers in the CM Account(s) shall be charged to the Participant.
Provided however that with effect from January 1, 2004, a settlement fee at the rate of Rs.8 per debit instruction for transfer of securities by way of inter-settlement transfers in the CM Account(s) shall be charged to the Participant.
iv) A settlement fee at the rate of Rs.10 per debit instruction for transfer of securities from the CM account of a Clearing Member to the CM account of another Clearing Member shall be charged to the Participant of the delivering Clearing Member.
Provided however that with effect from January 1, 2004, a settlement fee at the rate of Rs.8 per debit instruction for transfer of securities from the CM account of a Clearing Member to the CM account of another Clearing Member shall be charged to the Participant of the delivering Clearing Member.
Provided further that no settlement fee shall be charged :
a) in respect of commercial papers and short term debt instruments such as certificate of deposits, MIBOR linked papers etc.; and
b) in case of :
i) transfers necessitated by transmission on death of the Client; and
ii) transfer of the accounts of Clients from one Participant to another as a consequence of expulsion or suspension of such Participant.

(ii) ‡A settlement fee at the rate of Re. 1.00 per instruction in respect of securities received from the Clearing Corporation into the Pool account of each Clearing Member maintained with the Participant subject to a minimum of Rs.1000 and a maximum of Rs. 5,000 per quarter per CM Account shall be charged to the Participant.

(iii) A settlement fee at the rate of Rs.4.50 per debit instruction for transfer of securities by way of inter-settlement transfers in the CM Account(s) shall be charged to the Participant.

(iv) A settlement fee at the rate of Rs.4.50 per debit instruction for transfer of securities from the CM account of a Clearing Member to the CM account of another Clearing Member shall be charged to the Participant of the delivering Clearing Member.

Provided that no settlement fee shall be charged in case of:

(i) transfers necessitated by transmission on death of the Client; and

(ii) transfer of the accounts of Clients from one Participant to another as a consequence of expulsion or suspension of such Participant.

21.2.2.2. **Pledge fee:** A fee at the rate of Rs.25 per instruction for creation of pledge / hypothecation shall be charged to the Participant of the pledgor/ hypothecator. No fee shall be charged when a pledge / hypothecation is closed or invoked.

Notes:

Prior to this amendment the Rule 21.2.2.1. read as follows:

i) A settlement fee at the rate of Rs. 10 per debit instruction in a Client's account shall be charged to the Participant of the Client.

ii) A settlement fee at the rate of Re.1.00 per instruction in respect of securities received from the Clearing Corporation into the Receipt-in account of each Clearing Member maintained with the Participant subject to a minimum of Rs.1000 and a maximum of Rs.20,000 per quarter per CM Account shall be charged to the Participant.

iii) A settlement fee at the rate of Rs.10 per debit instruction for transfer of securities by way of inter-settlement transfers in the CM Account(s) shall be charged to the Participant.

iv) A settlement fee at the rate of Rs.10 per debit instruction for transfer of securities from the CM account of a Clearing Member to the CM account of another Clearing Member shall be charged to the Participant of the delivering Clearing Member.

Provided however that no settlement fee shall be charged :

a) in respect of commercial papers and short term debt instruments such as certificate of deposits, MIBOR linked papers etc.; and

b) in case of :

i) transfers necessitated by transmission on death of the Client; and

ii) transfer of the accounts of Clients from one Participant to another as a consequence of expulsion or suspension of such Participant.

‡**Amended w.e.f. June 30, 2009. Prior to this amendment the Rule 21.2.2.1.(ii) read as follows:**

21.2.2.1.(ii) A settlement fee at the rate of Re. 1.00 per instruction in respect of securities received from the Clearing Corporation into the Receipt-in account of each Clearing Member maintained with the Participant subject to a minimum of Rs.1000 and a maximum of Rs.20,000 per quarter per CM Account shall be charged to the Participant.

*** Rule 21.2.2.3 has been deleted w.e.f. May 10, 2008. Prior to this deletion Rule 21.2.2.3 read as follows:**

21.2.2.3. **Lending and Borrowing fee:** A fee at the rate of Rs.25 per instruction shall be charged to the Participant of the borrower in respect of credit of securities to the account of the borrower. No fee shall be charged at the time of repay or recall of securities.

***21.2.3.**

Notes:

***W.e.f. November 10, 2005 the original Rule 21.2.3 has been deleted. Prior to deletion, the original Rule 21.2.3, which was amended on June 24, 2005 read as follows:**

21.2.3. CUSTODY FEES:

A custody fee at the rate of Re.1/- per quarter (Rs.4/- per annum) for unlisted securities held under each ISIN in each and every account maintained with the Participant shall be charged to the Participant, on a quarterly basis.

Prior to this amendment the Rule 21.2.3. amended w.e.f. April 1, 2005 read as follows :

21.2.3. CUSTODY FEES:

A custody fee at the rate of Re.1/- per quarter (Rs.4/- per annum) for securities held under each ISIN in each and every account maintained with the Participant shall be charged to the Participant, on a quarterly basis. In case an account has no security balance, such an account shall also be charged at the rate of Re.1/- per quarter.

Provided however that with effect from April 1, 2005, this provision will be applicable only to unlisted securities.

Notwithstanding anything contained in Rule 21.1.3. and 21.2.3, no custody fee will be charged on the securities of companies which have paid one time custody fee as per Rule 21.1.2 to NSDL.

Prior to this amendment the Rule 21.2.3. amended w.e.f. April 1, 2004 read as follows :

A custody fee at the rate of Re.0.50 per month (Rs.6 per annum) for securities held under each ISIN (International Securities Identification Number) in each and every account maintained with the Participant shall be charged to the Participant, on a monthly basis. In case an account has no security balance, such an account shall also be charged at the rate of Re.0.50 per month.

Provided however that with effect from April 1, 2004, a custody fee at the rate of Re.1/- per quarter (Rs.4/- per annum) for securities held under each ISIN in each and every account maintained with the Participant shall be charged to the Participant, on a quarterly basis. In case an account has no security balance, such an account shall also be charged at the rate of Re.1/- per quarter.

Provided further that no custody fee will be charged on the securities of companies which have paid one time custody fee to NSDL.

Prior to this amendment the Rule 21.2.3 amended w.e.f. October 1, 2002 read as follows:

A custody fee at the rate of Re.0.75 per month (Rs.9 per annum) for securities held under each ISIN (International Securities Identification Number) in each and every account maintained with the Participant shall be charged to the Participant, on a monthly basis. In case an account has no security balance, such an account shall also be charged at the rate of Re.0.75 per month.

Provided however that with effect from October 1, 2002, a custody fee at the rate of Re.0.50 per month (Rs.6 per annum) for securities held under each ISIN in each and every account maintained with the Participant shall be charged to the Participant, on a monthly basis. In case an account has no security balance, such an account shall also be charged at the rate of Re.0.50 per month.

Provided further that no custody fee will be charged on the securities of companies which have paid one time custody fee to NSDL.

Prior to this amendment the Rule read as follows:

A custody fee at the rate of Re.0.75 per month (Rs.9 per annum) for securities held under each ISIN (International Securities Identification Number) in each and every account maintained with the Participant shall be charged to the Participant, on a monthly basis. In case an account has no security balance, such an account shall also be charged at the rate of Re.0.75 per month. Provided however that no custody fee will be charged on the securities of companies which have paid one time custody fee to NSDL.

21.2.4. [154] FEE FOR DEMATERIALISATION & REMATERIALISATION

No fee shall be charged by the depository for dematerialisation of securities. Participant shall be charged the following fee for rematerialisation of securities :
a) a fee of Rs.10 for every hundred securities or part thereof ; or
b) a flat fee of Rs.10 per certificate,
whichever is higher.
Provided however that with effect from March 1, 2008, no rematerialisation fee shall be charged for Government Securities.

21.2.5. SECURITY DEPOSIT

Every Participant shall pay to the Depository Rs.10 lakh by way of interest free refundable security deposit. However, a Clearing Corporation or a Clearing House of a Stock Exchange will be exempt from payment of security deposit.

21.2.6. [155] MINIMUM FEE

In case the total fee billed to the Participant in a financial year is less than the minimum fee of Rs. 1,00,000 then the Participant shall be charged the difference thereof.

Notes:

[154] Amended w.e.f. March 1, 2008. Prior to this amendment the original Rule 21.2.4 was amended w.e.f. November 1, 2006, which read as follows :

21.2.4. FEE FOR DEMATERIALISATION & REMATERIALISATION

No fee shall be charged by the depository for dematerialisation of securities. In case of rematerialisation of securities, a fee of Rs. 10 for each certificate to be rematerialised shall be charged to the Participant.
Provided however that with effect from November 1, 2006, the Participant shall be charged the following fee for rematerialisation of securities :
a) a fee of Rs.10 for every hundred securities or part thereof ; or
b) a flat fee of Rs.10 per certificate,
whichever is higher.

Prior to this amendment the original Rule 21.2.4 read as follows :

21.2.4. FEE FOR DEMATERIALISATION & REMATERIALISATION

No fee shall be charged by the Depository on dematerialisation requests. However, in case of rematerialisation request, a flat fee of Rs.10 per certificate shall be charged to the Participant.

[155] Amended w.e.f. September 1, 2009. Prior to this amendment Rule 21.2.6 read as follows :

21.2.6. MINIMUM FEE

In case the total fee billed to the Participant in a financial year is less than the minimum fee of Rs. 1,50,000 then the Participant shall be charged the difference thereof.

22. [156] TERMINATION/ SURRENDER OF PARTICIPANTSHIP

22.1. **No participant** shall accept any fresh application from any person for opening a new Client account, or any Dematerialisation Request Form or Form for creation of pledge or hypothecation , with effect from the date of receipt of notice of the termination of participantship, issued by the Depository to Participant, or from the date incorporated in the notice of termination of Participantship issued by Participant to the Depository, or, from the effective date of the order of Participant's Expulsion passed by the Disciplinary Action Committee ; or from the date of the receipt of the order of Participant's expulsion by the Disciplinary Action Committee of the Depository ; whichever is later ;or from the date of the receipt of the order of cancellation of Participant's registration certificate passed by SEBI.

22.2. The participant shall intimate all its clients that, it intends to close down its depository operations, within a period of seven days from the date of receipt of notice of the termination of participantship, issued by the Depository to Participant, or from the date incorporated in the notice of termination of Participantship issued by Participant to the Depository, or, from the effective date of the order of Participant's expulsion passed by the Disciplinary Action Committee ; or from the date of the receipt of the order of Participant's Expulsion by the Disciplinary Action Committee of the Depository ; whichever is later ;or from the date of the receipt of the order of cancellation of Participant's registration certificate passed by SEBI.

22.3 The Participant shall along with the intimation as stated in Rule 22.2, provide a latest transaction statement to all its clients, with a direction to confirm their holdings, if any, and shall inform them that after thirty days from the date of receipt of such direction by the clients from the Participant, the Participant shall not entertain any instruction from the client except for transfer of securities to their accounts held with the other Participant(s) or rematerialisation of securities, as the case may be for the purpose of closing its account.

Provided that the Participant shall send the said direction in the form of a letter and send it to all its client.

Notes:

[156] Amended w.e.f. March 30, 2007. Prior to this amendment the Rule 22 which was inserted w.e.f. February 18, 2003 read as follows :

22. TERMINATION/ SURRENDER OF PARTICIPANTSHIP

22.1. The Participant, within seven days from the receipt of termination order as per Bye Law 6.5.1 or within seven days of sending an intimation to the Depository about its decision to surrender the participantship under Bye Law 6.5.3, will intimate all its Clients who have balances in their accounts either to transfer the securities to their accounts maintained with other Participant(s) or get the securities rematerialised, within thirty days from the date of receipt of such intimation by the Client.

22.2. In case Clients do not respond to the above, the Participant may request the Depository to manage the accounts of such Clients on its behalf, on such terms and conditions as may be prescribed by the Depository from time to time.

22.3. Upon the Participant satisfying the conditions laid down by the Depository as per Rule 22.2 and submission of all necessary documents to the Depository, the Depository may advise the Participant to transfer the securities held in the accounts of such Clients to the computer system set-up by the Depository and freeze such accounts.

22.4. The Participant, within seven days of transferring the securities as referred in Rule 22.3, shall inform all such Clients the procedure to get the securities transferred to their accounts maintained with other Participant(s).

22.5. The Depository shall transfer the securities to the account of the Client maintained with another Participant, as and when the Client approaches the Depository and proves its identity, to the satisfaction of the Depository.

22.4 The Participant shall close all zero balance Client accounts held with it, in accordance with clause 8 of the agreement entered between the Participant and Client.

22.5 The Participant shall, issue a public notice within a period of 15 days from the date stated in the Business Rule No.22.2 in one national English daily newspaper and in one vernacular daily newspaper, declaring thereby to the public its intention to close down its depository operations as Participant from the date specified in the public notice.

22.6 The Participant shall appoint an auditor for conducting the concurrent audit of all its transactions, pertaining to the closing operations within a period of 15 days from the date as stated in the Business Rule No.22.2. and shall further confirm the said appointment of the auditor to the Depository.

Provided that, if the Participant expresses its inability to appoint or fails to appoint the Auditor within the stipulated time, then the Depository shall on behalf of the Participant, appoint the Auditor for conducting the concurrent audit of all its transactions, at the cost of the Participant.

22.7 The Participant shall furnish to the Depository the following every month, by the 10th day of the following month, till the Participant successfully closes down its entire depository operations as a Participant:

i) Status on the closure of accounts giving details viz. Client ID., date and reference number of the letter, status of the closure of the account (if closed provide details of target account where the securities have been transferred) and details of investor grievances and the action taken.

ii) Back-up of the DPM as of the end of every month, and

iii) Concurrent audit report

22.8 Without prejudice to any other rights of the Clients, when the Participant is unable to close all client accounts ; the Participant may request the Depository to manage the accounts of such clients on its behalf as per the terms and conditions prescribed by the Depository from time to time .

Provided that the Depository may, on its own, decide to manage the accounts of the clients of such Participant(s), so as to enable the Clients to get their securities transferred to another Participant.

Provided, however, that the requirement of furnishing transaction statement including statement of accounts as per Bye Law 6.4.4 will not apply to these Client accounts.

22.9 Without prejudice to any other rights of the Clients, on receipt of the request from the Participant to manage its account and submission of all necessary documents by the Participant as prescribed by the Depository, the Depository may direct the Participant to transfer the securities held by it in the client accounts, to the system set-up by the Depository and thereafter, the Depository shall freeze such accounts.

22.10 Without prejudice to any other rights of the clients, the Participant shall within a period of seven days from the date of transfer of the securities as referred to in Business Rule 22.9, intimate to all such clients about such transfer and shall further intimate them about the procedure to get their securities transferred to their Client accounts held with other Participant(s) or depository as the case may be.

22.11 The Depository shall transfer the securities from the account(s) of the client(s) held in the system managed by the Depository, to account(s) maintained with other Participant(s) and close such Client accounts subsequent to such transfer, on receipt of the necessary documents , to the satisfaction of the Depository.

22.12 The Participant shall surrender the original certificate of registration as a Participant to the Depository, for the purpose of forwarding the same to the SEBI for cancellation.

22.13 The Participant, upon the cancellation of the certificate of Registration by SEBI, shall issue a public notice in one English daily newspaper and in one vernacular daily newspaper, intimating thereby the public about the closure of the depository operations and in case of termination of operations of Participant by the Depository, such public notice may be issued by the Depository, at the cost of the Participant.

22.14 The participant shall meet all its outstanding obligations to the Depository while the Participant was acting as such.

22.15 Any Participant who is required to follow the aforesaid business rules, fails to follow it, or commits a breach of any of the said rule, it shall be liable to the penalty of rupees five hundred for each day during which the failure continues or rupees fifty thousand, whichever is less.

ANNEXURE A

COMPUTATION OF NETWORTH

Sr. No.	Particulars	Current Year (Rs.)	Previous Year (Rs.)
	Paid-up Capital + Free Reserves – Share Application Money (total reserves less Revaluation Reserves and Specified Reserves) Less:		
A	Accumulated Losses		
B	Receivable (more than 6 months old)		
C	Receivable from Group Companies		
D	Intangible Assets		
E	Preliminary and Preoperative expenses not written off		
F	Value of Stock Exchange Card		
G	Loan in excess of value of Pledged Securities		
H	Loan in excess of value of Pledged Assets		
I	Investment in Group Companies		
J	Networth required for other depositories		
K	Loans and advances to group Companies		
L	Statutory Contingent Liabilities		

Notes:

1. Details of item mentioned under Sr. no. C, F, G, H, I, K and L shall be provided as annexure to the certificate.

2. In case of statutory contingent liabilities, only 50% of the liabilities shall be deducted.

3. In case of Bank DPs, if provisions for NPAs have been made as per RBI guidelines and Auditor's certificate to this effect has been provided, no deduction to be made for receivables more than six months old.

4. Security-wise details of all investments (quoted as well as unquoted securities) shall be provided as annexure to the certificate.

The applicant for Participantship should submit a certificate of Net worth computed in accordance with these guidelines from the Chartered Accountant in the following format:

CERTIFICATE FOR PARTNERSHIP FIRMS

This is to certify that the Networth of M/s _____ as on _____ as per the statement of computation of even date annexed to this report is Rupees _____ only.

It is further certified that the computation of Networth based on my/ our scrutiny of the books of accounts, records and documents is true and correct to the best of my/our knowledge and as per information provided to my/our satisfaction.

Place:

Date:

For (Name of Accounting Firm)

Name of Partner
Chartered Accountant
Membership Number

CERTIFICATE FOR INDIVIDUALS

This is to certify that the Networth of Mr/Ms _____ as on _____ as per the statement of computation of even date annexed to this report is Rupees _____ only.

It is further certified that the computation of Networth based on my/ our scrutiny of the books of accounts, records and documents is true and correct to the best of my/our knowledge and as per information provided to my/our satisfaction.

Place:

Date:

For (Name of Accounting Firm)

Name of Partner
Chartered Accountant
Membership Number

CERTIFICATE FOR CORPORATES

This is to certify that the Networth of _____ as on _____ as per the statement of computation of even date annexed to this report is Rupees _____ only.

It is further certified that the computation of Networth based on my/ our scrutiny of the books of accounts, records and documents is true and correct to the best of my/our knowledge and as per information provided to my/our satisfaction.

Place:

Date:

For (Name of Accounting Firm)

Name of Partner
Chartered Accountant
Membership Number

ANNEXURE B

Participant's Name, Address & DP ID
(Pre-printed)

CONVERSION REQUEST FORM FOR EXISTING MUTUAL FUND UNITS (REPRESENTED BY STATEMENT OF ACCOUNT) INTO DEMATERIALISED FORM - THROUGH DEPOSITORY PARTICIPANT

Serial No (Pre Printed) Date: _____

I/We request you to convert the following units represented by Statement of Account (enclosed) issued by the Issuer into my/our account as per the details given below:

Client ID								
Sole/First Holder Name								
Second Holder Name								
Third Holder Name								
Type of Security	*MF Units/Others (please specify)*							
Folio Number								

Details of Units:

Free Units ☐ Locked-in Units ☐

ISIN	Mutual Fund Name	Unit Description	Quantity*	CRN (To be filled in by Participant)

**** For conversion of all the units in respect to a mutual fund scheme (ISIN) held in the folio of the Client at the time of confirmation of request by the AMC/R&T Agent, specify "All" against Quantity.***

Total No. of pages of Statement of Account: _____

Details of Locked-in units (if any):

ISIN	Lock-in reason	Lock-in release date

Notes:

1. In case the space is found to be insufficient, an annexure containing the said details in the same format may be attached.
2. Please use separate form for free units and locked-in units

Declaration

I/We hereby declare that the above mentioned units are registered in my/our name and are not already dematerialised and no certificates are issued against these units. I/We also hereby declare that the units requested by me/us for conversion into dematerialised form are free from any lien or charge or encumbrance and represent the bonafide units of the Issuer to the best of my/our knowledge and belief.

Holder(s)	*Signature(s)*
Sole/First Holder	
Second Holder	
Third Holder	

Participant Authorisation

We have received the abovementioned units for conversion into dematerialised form. It is certified that the holders of the securities have beneficiary account with us in the same name(s).

Name of the official :
Signature :

Participant's Stamp & Date

==========

Acknowledgement

Serial No (pre-printed)

We hereby acknowledge the receipt of following units requested for conversion into dematerialised form by Mr/Ms/M/s _____ having DP ID _____and Client ID _____

Mutual Fund Name	Unit Description	Quantity

Date: **Participant's Stamp & Signature**

ANNEXURE C

Reconversion Request Form for conversion of Mutual Fund Units held in Dematerialised form to Statement of Account form

(*Pre-printed serial nos.*)

To	Date	DD	MM	YYYY
DP Name (Pre printed) DP ID (Pre printed) DP Address (Pre printed)				

I/We hereby declare that the below mentioned account may be debited to the extent of my/our reconversion request and equivalent units into Statement of Account form be issued for the same. I/We hereby declare that the below mentioned units are registered in the name(s) of below mentioned person(s).

Client Details		
Client ID		
Name of the account holder(s)	Sole/First holder	
	Second holder	
	Third holder	

Details of Units:

Mutual Fund Name	

Free Units ☐ Locked-in Units ☐

Sr. No.	**ISIN**	**Unit Description**	**Quantity**	**Details of Lock-in (*if applicable*)**		**Reconversion request number (RRN) (*To be filled in by Participant*)**
				Reason	**Release date**	

Notes:

1. In case the space is found to be insufficient, an annexure containing the said details in the same format may be attached.
2. Please use separate form for free units and locked-in units

Authorised Signatory(ies)

Holder(s)	*Signature(s)*
Sole/First Holder	
Second Holder	
Third Holder	

Participant Authorisation

Received the above mentioned Units for reconversion into Statement of Account form:

Client Details										
Client ID										
Name of the account holder(s)	Sole/First holder									
	Second holder									
	Third holder									

The application form is verified with the details of the Client account and certify that the application form is in order. The account has sufficient balances to accept the reconversion request as requested. It is also certified that the Clients' signatures are verified and found in order.

Date:

Forwarded by (Name of the Official) : **(Participant's Stamp)**

Signature:

Acknowledgment

Participant's Name, Address and ID **(*pre-printed serial no.*)**

We hereby acknowledge the receipt of a reconversion request for _____ (*quantity*) of Mutual fund units of _____ (*security details*) from _____ (*Name*) having Client ID _____ surrendered on _____(*date*) to be delivered in the form of Mutual Fund units represented by Statement of Account.

(Participant's Stamp and Signature)

ANNEXURE D

Participant's Name, Address & DP ID
(pre-printed)

DEMATERIALISATION REQUEST FORM

DRN
(to be filled-in by the DP) _____

Serial No. (Pre Printed) Date : _____

I/We request you to dematerialise the enclosed certificates into my/our account as per the details given below:

Client ID												
Sole/First Holder Name												
Second Holder Name												
Third Holder Name												
Company Name												
Type of Security	*Equity/Others (please specify)*											
Quantity to be Dematerialised (in figures)												
(in words)												
Face Value												
ISIN (To be filled in by the DP)	I	N										

Details of Securities :

☐ Free Securities			☐ Locked-in Securities		
Folio No.	Certificate Nos.		Distinctive Nos.		Quantity
	From	To	From	To	

Total No. of Certificates : _____

Details of Locked-in Securities:

Lock-in reason	
Lock-in release date	

(In case the space is found to be insufficient, an annexure containing the certificate details in the same format may be attached. Please use separate form for free securities and locked-in securities)

Declaration

I/We hereby declare that the above mentioned securities are registered in my/our name. The original certificates are hereby surrendered by me/us for dematerialisation. I/We also hereby declare that the securities surrendered by me/us for dematerialisation are free from any lien or charge or encumbrance and represents the bonafide securities of the company to the best of my/our knowledge and belief.

Holder(s)	***Signature(s)***
Sole/First Holder	
Second Holder	
Third Holder	

Participant Authorisation

We have received the above-mentioned securities for dematerialisation. The application form is verified with the certificates surrendered for dematerialisation and we certify that the application form is in accordance with the details mentioned in the enclosed certificates. It is also certified that the holders of the securities have beneficiary account with us in the same name(s).

Name of the Executive :

Signature : **Participant's Stamp & Date**

Acknowledgement

Serial No. (pre-printed)

We hereby acknowledge the receipt of _____ shares/units/bonds/ debentures of _____ surrendered for dematerialisation by Mr/Ms/M/s _____ _____ having Client ID _____.

Date : **Participant's Stamp & Signature**

ANNEXURE E

ABC COMPANY LTD.

Regd. Address: 2nd Floor ,Victoria Bldg., Fort, Mumbai

AMOUNT PAID UP PER SHARE Rs.5/-
FACE VALUE PER EQUITY SHARE Rs.10/-

Folio No. : **A658542** Certificate No.:**0123456**

Name : **AJAY SHAH**
JT1 : **MEHUL SHAH**

SURRENDERED FOR DEMATERIALISATION

*** **200*****

Distinctive No. : **932654701 - 932654900**

Authorised signatory Company Seal

ANNEXURE F

PATTERN OF HOLDING AT THE TIME OF DEMATERIALISATION

At the time of dematerialisation of securities, the securities shall be credited to the account of the holders only if the pattern of holding as per the security certificate(s) submitted for dematerialisation or the names of the applicants in the case of any public or rights issue of securities matches with the pattern of holding as per the account maintained with the Participant to which it is credited. Provided however that, in case of transposition and dematerialisation of securities, the securities held by A B and C can be dematerialised in an account opened in the combination of A C & B, B C & A, B A & C, C A & B and C B & A.

ANNEXURE G

SHARE APPLICATION FORM

Application form for equity shares for the Indian Public (Please read instructions carefully before filling up this form)

THE ABC COMPANY LIMITED

Reg. office : First Floor , Victoria Bldg., S.A.Brelvi Road, Fort, Mumbai - .

The ABC Company Limited (hereinafter referred to as "The Company") was incorporated on, etc., etc.

Equity issue opens on	:	Monday, 13th May 1996
Earliest closing	:	Friday, 17th May 1996
Issue closing not later than	:	Thursday, 23rd May 1996

Serial no. : 0252185

Broker's stamp & code	Sub-broker's stamp & code	Bank's stamp	Bank's serial no.	Registrar's serial no.

Public issue of 18,00,000 equity shares of Rs. 10 each for cash at par aggregating to Rs.180 Lakhs.	Application must be for a minimum of 500 equity shares & in multiples of 100 thereafter.	
Cheques/DD/Stockinvest must be drawn in favour of company from the account of the first/sole applicant.	Amount payable per equity share on application @ Rs.5/- per share.	
Please write the application no. on the reverse of the Cheque/DD/Stockinvest.	No. of equity Shares applied for	Amount payable on application
	500	2500
	600	3000
	800	4000
	1000	5000

To
The Board of Directors,
ABC COMPANY LIMITED
First Floor, Victoria Bldg.,
S. A. Brelvi Road, Fort, Mumbai

Dear Sirs,

On the basis of the company's prospectus I/we hereby apply to you for allotment to me/us of the equity shares stated below, out of the above issue. The amount payable on application as shown below is remitted herewith. I/we hereby agree to accept the equity shares applied for or for lesser number as may be allotted to me etc.

No. of shares applied	Amount paid (Rs.)		Cash	Instrument No.
In figures	In figures		Cheque	Date of issue
In words	In words		Demand Draft	Drawn on (Bank)
			Stockinvest	Branch

Sole/first applicant	Name Surname Date		Occupation of first applicant
Name in full (Mr./Mrs./Miss/Ms)		Age	1. Service 2. Business
Address		Status (Please tick) Individual ☐ Ltd. co. ☐ Others ☐	3. Student 4. Housewife 5. Professional 6. Farmer 7. Others
Father's/Husband's Name			
Second Applicant			Age
Third Applicant			Age

Option for receipt of allotted securities (Please Tick)	
Physical ☐	**Electronic (Depository) ☐**
In case of Electronic (Depository) : Name of Depository : Name of Depository Participant : **Account Number –** _____	

Investor's bank particulars for refund		Specimen Signature	PAN / GIR No.	Circle/ward/ district.
SB a/c no.	Sole/First Applicant			
Bank	Second Applicant			
Branch	Third Applicant			

THE ABC COMPANY LIMITED

Reg. office: First Floor, Victoria Bldg., S. A. Brelvi Road, Fort, Mumbai – **Serial No. : 0252185**

Acknowledgment slip (To be filled in by the first applicant) **Date :**

Received from	Equity shares applied for		Amount Paid		Cash (___/)	Bank stamp & signature
Address _____ _____ _____	in figures	in words	in figures	in words	Cheque/DD/ Stockinvest No. _____	Dated _____
Pin code					Drawn on _____ _____	

For electronic holdings Account No. _____ Name of the Depository Name of the DP	All future communication in connection with the application should be addressed to the registrars to the issue quoting the full name of the First/sole applicant, application sr. no., of equity shares applied for, Date & name of the bank branch where the application was submitted, at the following address : In House Share Registry, First Floor, Victoria Bldg, S. A. Brelvi Road, Fort, Mumbai.	(Cheques/ DD/ Stockinvest are subject to realization)

Notes :-

1. For subscription in electronic form, names in the share application form should be identical to those appearing in the account details in the depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the depository.
2. Share application forms for part subscription in electronic form and part in physical form will be treated as invalid and rejected.
3. This IPO form may not be complete in all respects.

Additions made to the existing share application form are shown in shaded area.

ANNEXURE H

REMATERIALISATION REQUEST FORM
(pre-printed serial nos.)

PARTICIPANT NAME	
DEPOSITORY PARTICIPANT - ID	
RRN	DATE

I/We hereby declare that the below mentioned account may be debited to the extent of my/our rematerialisation request and equivalent certificates be issued for the same. I/We hereby declare that the below mentioned person(s) are the beneficial owners of the securities mentioned.

Account No.	
Account Holder Name	
No. of Securities to be Rematerialised: (nos.)	
(in words)	
Lot Type Requested	Market lot / Jumbo
Name of the Security	
Name of Issuing Company	
Face Value	
ISIN	

The rematerialisation request is for locked shares Yes/No

Quantity :
Lock in Reason :
Lock in Release Date (dd-mm-yyyy)

Address : (to be filled in only if change in address is to be recorded)

Pin

Authorised Signature(s)

	Name	Signature
First/Sole Holder		
Second Holder		
Third Holder		

Participant Authorisation

Received the above mentioned securities for rematerialisation from :

Account No.	
ISIN	
Date	
Account No.	
Name of the first holder	

The application form is verified with the details of the beneficial owner's account and certify that the application form is in order. The account has sufficient balances to accept the rematerialisation as requested. It is also certified that the beneficial owners signatures are verified and found in order. The other details of the beneficial owners as extracted from the records are enclosed.

Forwarded by : (Seal)

Signature : (Name of the Executive)

(to be printed from the system)

Remat Request No.

Status : **Sub-Status :** **(Occupation) :**

In Case of Individuals

Name(s) in full	
First/Sole holder	
Second holder	
Third holder	

In Case of Corporates

Name

Full Address

Tax Information

	PAN/GIR No.	Circle/ward/district
Sole/First Applicant		
Second Applicant		
Third Applicant		

Residential status : **Resident / NRI**

In Case of NRI Holding

Indian Address																							
Foreign Address																							
Nationality																							
RBI Approval No.														Date									
Bank Account No.																							

Lock in Reason :

Lock in Release Date (dd-mm-yyyy)

Acknowledgement

Participant's Name Address and ID (pre-printed serial no.)

We hereby acknowledge the receipt of a rematerialisation request for _____ no. of shares of _____ (security details) from _____ (Name) holding a/c no. _____ surrendered on _____ (date) to be delivered in market lots / jumbo lots of _____ certificates.

Participant's Signature (Seal)

ANNEXURE HA

REPURCHASE / REDEMPTION FORM

Participant's Name, Address & DP ID
(Pre-printed)

Serial No (Pre Printed) Date: _____

I/We offer the below mentioned securities for repurchase/ redemption and declare that my/our account be debited by the number of securities to the extent of my/our repurchase/ redemption request and make the payment as per the bank account details available in the depository system. I/We hereby declare that the below mentioned person(s) are the beneficial owners of the securities mentioned.

Client ID								
Sole/First Holder Name								
Second Holder Name								
Third Holder Name								
Type of Security	*MF Units/Others (please specify)*							

ISIN	Mutual Fund / Issuer Name	All Units/No. of Units/Amount (Rs.) (Please mention as applicable)	RRN (Repurchase / Redemption Request Number) (To be filled in by Participant)
		Units Amount	
		Units Amount	
		Units Amount	

Note : 1. In case the space is found to be insufficient, a duly signed annexure containing the aforesaid details in the same format may be attached.
2. If 'Units' and 'Amount' both are mentioned, the request will be processed based on the 'Units'
3. 'All' and 'Amount based' options are available only for redemption requests.

Holder(s)	***Signature(s)***
Sole/First Holder	
Second Holder	
Third Holder	

==========

Acknowledgement

Serial No (pre-printed)

We hereby acknowledge the receipt of following request(s) for repurchase / redemption from Mr/Ms/M/s _____ having DP ID _____ and Client ID _____ .

ISIN	Mutual Fund / Issuer Name	All Units/No. of Units/Amount (Rs.) (Please mention as applicable)
		Units Amount
		Units Amount
		Units Amount

Name of the Official : **Participant's Stamp & Date**

Signature :

ANNEXURE HB

ISIN CONVERSION FORM
(pre-printed serial nos.)

PARTICIPANT NAME	
DEPOSITORY PARTICIPANT - ID	
ICFN	DATE / /

I/We wish to convert my/our securities from ISIN _____ to ISIN _____. I/We hereby authorise my/our account to be debited under the ISIN _____ and receive credit under ISIN _____.

Account Number	
Account Holder Name	
No. of Securities to be Converted (in figure)	
(in words)	
(Integers)	
and	
(Fractions)	

Specimen Signature(s)

	Name	Signature
First/Sole Holder		
Second Holder		
Third Holder		

Participant Authorisation

Received request for ISIN Conversion from :

Account No.	
From ISIN	
To ISIN	
Date	
Name of the first holder	

The application form is verified with the details of the beneficial owner's account and certified that the application form is in order . The account has sufficient balances to accept the ISIN Conversion Request. It is also certified that the beneficial owners signatures are verified and found in order. The other details of the beneficial owners as extracted from the records are enclosed.

Forwarded by : Name

Signature (Seal)

Acknowledgment

Participant's Name Address and ID (pre-printed serial no.)

We hereby acknowledge the receipt of ISIN Conversion request for_____ no. of Securities from _____ (Name) holding a/c no._____.

From ISIN												
To ISIN												

Participant's Signature (Seal)

Date :

ANNEXURE I

PATTERN OF HOLDING AT THE TIME OF REMATERIALISATION

At the time of rematerialisation of securities the securities shall be issued to the persons as per the pattern of holdings in the account of the Participant from which such securities are rematerialised. This can be explained as follows:

1. **In case of rematerialisation of securities from the account held solely in the name of A :-** These securities shall only be issued in the name of A. They cannot be issued in the names of A and any other person.

2. **In case of rematerialisation of securities from the account held jointly by A and B:-** These securities shall only be issued in the names of A and B and cannot be issued in the individual name of A or B or any other persons including A and/or B (eg. issue of the securities in the joint names of A,B,C and D). The issue of such securities in the joint names of A and B also depends on the order in which the names of the persons appear in the accounts held with the Participant from which such securities have been rematerialised. The order of such names and manner could either be; or

   a) **A is the first holder and B the second holder :-** In this case the securities can only be issued in the joint names of A and B in which A is the first security holder and B is the second security holder. It cannot be issued in the joint names of A and B where B is shown as the first security holder.

   b) **B is the first holder and A the second holder :-** In this case the securities can only be issued in the joint names of A and B in which B is the first security holder and A is the second security holder. It cannot be issued in the joint names of A and B where A is shown as the first security holder.

ANNEXURE J

Participant Name, Address & DP ID
(Pre-printed)

APPLICATION FOR OPENING AN ACCOUNT

(For Individuals Only)

Date :	**Client –ID** (To be filled by Participant)								

I/We request you to open a depository account in my/our name as per the following details:

(Please fill all the details in **CAPITAL LETTERS** only)

Type of Account

☐ Ordinary Resident	☐ NRI-Repatriable	☐ Margin	☐ Promoter
☐ HUF	☐ NRI-Non-Repatriable	☐ Others (please specify)	

Sole/First Holder's Details

Name (Mr./Ms.)						
Name of Father/Husband						
Local / Permanent Address	Pin Code					
Correspondence Address	Pin Code					
Telephone No.		Mobile No.		SMS Facility	Yes ☐	No ☐
Fax Number		E-mail ID:				
Occupation						

Other Holder Details

Second Holder Name (Mr./Ms.)						
Name of Father/Husband						
Address	Pin Code					
Telephone No.		Mobile No.		SMS Facility	Yes ☐	No ☐
Fax Number		E-mail ID:				
Occupation						

Third Holder Name (Mr./Ms.)						
Name of Father/Husband						
Address	Pin Code					
Telephone No.		Mobile No.		SMS Facility	Y e s	No ☐
Fax Number		E-mail ID:			☐	
Occupation						

Address for communication / Corporate Benefits (Default option is Local Address)	Local / Permanent Address	☐
	Correspondence Address / Foreign Address	☐

Guardian Details (In case the Sole Holder is a minor)

Name (Mr./Ms.)								
Relationship (if any)								
Address	Pin Code							
Date of Birth (of minor)	D	D	M	M	Y	Y	Y	Y

In Case of NRIs

Foreign Address										
RBI Reference No.		RBI Approval Date	D	D	M	M	Y	Y	Y	Y

Bank Details

Bank Sub-type	Saving Account ☐				Current Account ☐					
Bank Acoount No.										
Bank Name										
Branch Address	Pin Code									
9-Digit Code Number of the Bank and branch appearing on the MICR cheque issued by the Bank										

Financial Details

	P.A.N										*IT Circle / Ward / District No.*
Sole/First Holder											
Second Holder											
Third Holder											
Gaurdian (in case of Minor)											

Additional Financial Details

Financial Status (Annual Income)	☐ < Rs.5 Lakh ☐ Rs.5 – 10 Lakh ☐ Rs.10 – 15 Lakh ☐ > Rs.15 Lakh
Nature of Business	

Standing Instructions

I/We authorise you to receive credits automatically into my/our account.	☐ Yes	☐ No
Account to be operated through Power of Attorney (PoA)	☐ Yes	☐ No

Please attach recent passport size photographs in the space provided below:

Sole/First Holder	Second Holder	Third Holder
Signature across Photograph	**Signature across Photograph**	**Signature across Photograph**

Declaration

The rules and regulations of the Depository and Depository Participants pertaining to an account which are in force now have been read by me/us and I/we have understood the same and I/we agree to abide by and to be bound by the rules as are in force from time to time for such accounts. I/We also declare that the particulars given by me/us are true to the best of my/our knowledge as on the date of making such application. I/We further agree that any false / misleading information given by me or suppression of any material fact will render my account liable for termination and further action.

	Name(s) of holder(s)	**Signature(s)**
Sole/First Holder (Mr./Ms.)		
Second Holder (Mr./Ms.)		
Third Holder (Mr./Ms.)		
Guardian (in case of minor) (Mr./Ms.)		

NOMINATION

☐ I/We wish to make a nomination and do hereby nominate the following person in whom all rights and / or amount payable in respect of securities held in the Depository by me / us in the said beneficiary owner account shall vest in the event of my / our death.										
☐ I/We do not wish to make a nomination										
Name of the Nominee (Mr./Ms.)										
Relationship with the Applicant (if any)										
Address of Nominee									Pin Code	
Date of Birth (in case of minor)	D	D	M	M	Y	Y	Y	Y	Signature of Nominee	
Name of Guardian (Mr./Ms.) (in case Nominee is a minor)										
Address of Guardian									Pin Code	
Signature of Guardian										

Photograph of Nominee Signature of Nominee across Photograph	Photograph of Guardian (in case of minor) Signature of Guardian across Photograph

Signature of two Witnesses

Name	Address	Signature with date
1.		
2.		

(To be signed by the applicant only in case of nomination)

(Sole/First Holder)	(Second Holder)	(Third Holder)

Notes :

1. All communication shall be sent at the address of the Sole/First holder only.
2. Thumb impressions and signatures other than English or Hindi or any of the other language not contained in the 8th Schedule of the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate.
3. As per NSDL Circular No. NSDL/PI/2004/1622 dated September 7, 2004 pursuant to SEBI Circular No. MRD/DoP/Dep/Cir-29/2004 dated August 24, 2004 a copy of any one of the following documents may be accepted as proof of identity / proof of address (local/correspondence/foreign address as the case may be):

   Proof of Identity: Passport, Voter ID Card, Driving license, PAN card with photograph, Identity card/document with applicant's Photo, issued by a) Central/State Government and its Departments, b) Statutory/Regulatory Authorities, c) Public Sector Undertakings, d) Scheduled Commercial Banks, e) Public Financial Institutions, f) Colleges affiliated to Universities, g) Professional Bodies such as ICAI, ICWAI, ICSI, Bar Council etc., to their Members; and h) Credit cards/ Debit cards issued by Banks.

   Proof of Address: Ration card, Passport, Voter ID Card, Driving license, Bank passbook, verified copies of Electricity bills (not more than two months old)/ Residence Telephone bills (not more than two months old)/ Leave and License agreement / Agreement for sale, Self-declaration by High Court & Supreme Court judges, giving the new address in respect of their own accounts, Identity card/document with address, issued by a) Central/State Government and its Departments, b) Statutory/Regulatory Authorities, c) Public Sector Undertakings, d) Scheduled Commercial Banks, e) Public Financial Institutions, f) Colleges affiliated to universities; and g) Professional Bodies such as ICAI, ICWAI, Bar Council etc., to their Members.

   Participants must verify the copy of the document with the original.
4. Instructions related to nomination, are as below:
   - I. The nomination can be made only by individuals holding beneficiary owner accounts on their own behalf singly or jointly. Non- individuals including society, trust, body corporate, partnership firm, karta of Hindu Undivided Family, holder of power of attorney cannot nominate. If the account is held jointly all joint holders will sign the nomination form.
   - II. A minor can be nominated. In that event, the name and address of the Guardian of the minor nominee shall be provided by the beneficial owner.
   - III. The Nominee shall not be a trust, society, body corporate, partnership firm, karta of Hindu Undivided Family or a power of Attorney holder. A non-resident Indian can be a Nominee, subject to the exchange controls in force, from time to time.

IV. Nomination in respect of the beneficiary owner account stands rescinded upon closure of the beneficiary owner account. Similarly, the nomination in respect of the securities shall stand terminated upon transfer of the securities.

V. Transfer of securities in favour of a Nominee shall be valid discharge by the depository against the legal heir.

VI. The cancellation of nomination can be made by individuals only holding beneficiary owner accounts on their own behalf singly or jointly by the same persons who made the original nomination. Non- individuals including society, trust, body corporate, partnership firm, karta of Hindu Undivided Family, holder of power of attorney cannot cancel the nomination. If the beneficiary owner account is held jointly, all joint holders will sign the cancellation form.

VII. On cancellation of the nomination, the nomination shall stand rescinded and the depository shall not be under any obligation to transfer the securities in favour of the Nominee.

5. Strike off whichever is not applicable.

Acknowledgement

Participant Name, Address & DP ID

Received the application from Mr/Ms_____ as the sole/first holder alongwith _____ and _____ as the second and third holders respectively for opening of a depository account. Your Client ID will be intimated to you shortly. Please quote the DP ID & Client ID allotted to you in all your future correspondence.

Date : _____

Participant Stamp & Signature

ANNEXURE JA

FORM FOR NOMINATION / CANCELLATION OF NOMINATION

(To be filled in by individual applying singly or jointly)

I/We _____ and _____ the holders of beneficiary owner account bearing Client ID No. _____ held with M/s _____ a NSDL Depository Participant bearing DP ID No;_____ wish **to *make a nomination** / *cancel the nomination dated* _____ and do hereby ***nominate** /*cancel the nomination made by me/ us on the* _____ *day of* _____ **the following person in whom all rights of transfer and / or amount payable in respect of securities held in the Depository by me/ us in the said beneficiary owner account shall vest in the event of my/our death /*** *and consequently all rights and liabilities in respect of beneficiary ownership in the securities held by me/ us in the said account shall vest in me/us.*
(* strike out whichever is not applicable)

Photograph of the Nominee Signature of Nominee across Photograph	Photograph of Guardian (in case of minor) Signature of Guardian across Photograph

Name and Address of Nominee

Name : .....

Relationship with the Applicant (if any) : .....

Address : .....

Date of Birth* : .....
(to be furnished in case the Nominee is a minor)

Signature of the Nominee : .....

**The Nominee is a minor whose guardian is : .....

Address of the Guardian .....

.....

Signature of the guardian: .....
(in case of guardian his photograph should be affixed) (to be deleted if not applicable)

Beneficial Owner

Sr. No.	Name	Address	Signature with date
1.			
2.			
3.			

Signature of two Witnesses

Name and Address **Signature with date**

1.
2.

Instructions:

1. The nomination can be made only by individuals holding beneficiary owner accounts on their own behalf singly or jointly. Non- individuals including society, trust, body corporate, partnership firm, karta of Hindu Undivided Family, holder of power of attorney cannot nominate. If the account is held jointly all joint holders will sign the nomination form.
2. A minor can be nominated. In that event, the name and address of the Guardian of the minor nominee shall be provided by the beneficial owner.
3. The Nominee shall not be a trust, society, body corporate, partnership firm, karta of Hindu Undivided Family or a power of Attorney holder. A non-resident Indian can be a Nominee, subject to the exchange controls in force, from time to time.
4. Nomination in respect of the beneficiary owner account stands rescinded upon closure of the beneficiary owner account. Similarly, the nomination in respect of the securities shall stand terminated upon transfer of the securities.
5. Transfer of securities in favour of a Nominee shall be valid discharge by the depository against the legal heir.
6. The cancellation of nomination can be made by individuals only holding beneficiary owner accounts on their own behalf singly or jointly by the same persons who made the original nomination. Non- individuals including society, trust, body corporate, partnership firm, karta of Hindu Undivided Family, holder of power of attorney cannot cancel the nomination. If the beneficiary owner account is held jointly, all joint holders will sign the cancellation form.
7. On cancellation of the nomination, the nomination shall stand rescinded and the depository shall not be under any obligation to transfer the securities in favour of the Nominee.

Participant Name, Address & DP ID
(Pre-printed)

ANNEXURE K

APPLICATION FOR OPENING AN ACCOUNT

(For Corporates/Clearing Members Only)

Date :	**Client-ID** (To be filled by Participant)								

We request you to open a depository account in our name as per the following details:

(Please fill all the details in **CAPITAL LETTERS** only)

Type of Account

☐ Body Corporate	☐ Bank	☐ Trust	☐ FI
☐ FII	☐ OCB	☐ Others (please specify)	

Client Details

Name of Corporate (Sole/First Holder)						
Registered Office Address	Pin Code					
Correspondence Address (if different)	Pin Code					
Telephone No.		Mobile No.		SMS Facility	Yes ☐	No ☐
Fax Number						
E-mail ID:						

Other Holder Details

Second Holder Name						
Name of Father/Husband						
Address	Pin Code					
Telephone No.		Mobile No.		SMS Facility	Yes ☐	No ☐
Fax Number		E-mail ID:				
Occupation						

Third Holder Name						
Name of Father/Husband						
Address	Pin Code					
Telephone No.		Mobile No.		SMS Facility	Yes ☐	No ☐
Fax Number		E-mail ID:				
Occupation						

In Case of FIIs/OCBs/Others (as may be applicable)

Foreign Address	
RBI Reference No.	
RBI Approval Date	
SEBI Registration No. (for FIIs)	

Address for communication / Corporate Benefits (Default option is Registered office Address)	Registered / Permanant Address	☐
	Correspondence Address / Foreign Address	☐

Bank Details

Bank Sub-type	Savings Account ☐	Current Account ☐
Bank Acoount No.		
Bank Name		
Branch Address	Pin Code	
9-Digit Code Number of the Bank and branch appearing on the MICR cheque issued by the Bank		

Financial Details

	P.A.N	*IT Circle / Ward / District No.*
Sole/First Holder		
Second Holder		
Third Holder		

Additional Financial Details

Financial Status	
Nature of Business	

Standing Instructions

I/We authorise you to receive credits automatically into my/our account.	☐ Yes	☐ No
Account to be operated through Power of Attorney (PoA)	☐ Yes	☐ No

Introduction
(by an existing account holder / applicant's bank)

DP ID: _____ Client ID: _____ (Incase of existing account holder)

I confirm the identity and address of the applicant(s)

Name: _____

Signature of Introducer /
Signature and Seal incase of Bank
(To be verified by DP official)

Clearing Member Details (to be filled up by Clearing Members only)

Name of Stock Exchange	
Name of Clearing Corporation	
Clearing Member ID	
SEBI Registration No.	
Trade Name	
CM-BP-ID (to be filled up by Participant)	

Please attach recent passport size photographs in the space provided below:

Sole/First Holder	Second Holder	Third Holder
Signature across Photograph	**Signature across Photograph**	**Signature across Photograph**

Declaration

The rules and regulations of the Depository and Depository Participants pertaining to an account which are in force now have been read by us and we have understood the same and we agree to abide by and to be bound by the rules as are in force from time to time for such accounts. We also declare that the particulars given by us are true to the best of our knowledge as on the date of making such application. We further agree that any false / misleading information given by us or suppression of any material fact will render our account liable for termination and further action.

Authorised Signatories (Enclose a Board Resolution for Authorised Signatories)

Sole/First Holder	*Name*	*Signature(s)*
First Signatory		
Second Signatory		
Third Signatory		
Other Holders Second Holder		
Third Holder		

Mode of Operation for Sole/First Holder (In case of joint holdings, all the holders must sign)

☐ Any one singly ☐ Jointly by

☐ As per resolution_____

☐ Others (please specify) _____

Notes:

1. In case of additional signatures, separate annexures should be attached to the application form.
2. As per NSDL Circular No. NSDL/PI/2002/1319 dated August 8, 2002, following documents may be accepted as proof of identity / proof of address:
   (i) Memorandum & Articles of Association (MOA & AOA), board resolution for opening demat account and the list of authorised signatories alongwith their specimen signatures and photographs, etc.
   (ii) Introduction by an existing account holder or by the applicant's bank.
   (iii) Proof of address of the corporate evidenced by the document registered with Registrar of Companies or acknowledged copy of Income Tax Return or Bank Statement or Leave and License agreement/Agreement for sale.
3. Thumb impressions and signatures other than English or Hindi or any of the other language not contained in the 8th Schedule of the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate.
4. Strike off whichever is not applicable.

Acknowledgement

Participant Name, Address & DP ID

Accepted/Rejected the application from M/s_____ as the sole/first holder alongwith _____ and _____ as the second and third holders respectively for opening of a depository account. Your Client ID/CM-BP-ID (in case of Clearing Members) will be intimated to you shortly on acceptance. Please quote the DP ID & Client ID allotted to you (CM-BP-ID in case of Clearing Members) in all your future correspondence.

Date : _____

Participant Stamp & Signature

ANNEXURE L

(New Format)

Participant Name, Address & DP ID.
(Pre-printed)

DELIVERY INSTRUCTIONS BY CLIENTS

Serial No. (Pre-printed)

Client ID. (Pre-stamped) | | | | | | | | |

Date **(dd-mm-yyyy)** | | | | | | | | |

I/We hereby request you to **debit** my /our account as per the following details

For Market Trades (Receiver Details)

CM-BP-ID	CM-Name	Market Type	Settlement No.	ISIN	Security Name	Quantity (In Figures)	Quantity (In Words)	Instruction No. (To be filled by DP)

For Off-Market Trades (Receiver Details)

DP ID	DP Name	Client ID	ISIN	Security Name	Quantity (In Figures)	Quantity (In Words)	Instruction No. (To be filled by DP)	Reason / Purpose (*)	Consideration if any

Execution Date **(dd-mm-yyyy)** | | | | | | | | |

No. of Instructions
(in Figure) _____

(in words) _____

1 _____ 2 _____ 3 _____

Participant Stamp, Date & Time

Authorised Signatory(ies)

Instructions:
1. To be submitted in duplicate for acknowledgement.
2. In case of joint holdings, all joint holders must sign.
3. Please strike off unused rows.
4. (*) – Like Gift, Donation, etc.

ANNEXURE L

(Old Format)

Participant Name, Address & DP ID.
(Pre-printed)

DELIVERY INSTRUCTIONS BY CLIENTS

Serial No. (Pre-printed)

Client ID. (Pre-stamped)

Date : _____

I/We hereby request you to **debit** my /our account as per the following details :

(Fill up the relevant box and strike off whichever is not applicable)

For Market Trades (Receiver Details)								
CM-BP-ID	I	N						
CM Name								
Market Type								
Settlement No.								

For Off-Market Trades (Receiver Details)								
DP ID	I	N						
DP Name								
Client ID								

ISIN	Security Name	Quantity (In Figures)	Quantity (In Words)	Instruction No. (to be filled by DP)	Reason / Purpose (*) (#)	Consideration if any (*)

Execution Date : _____

Participant Stamp, Date & Time

Authorised Signatory(ies)

Instructions:
1. To be submitted in duplicate for acknowledgement.
2. In case of joint holdings, all joint holders must sign.
3. (*) – This Information is required only if it is an Off-Market Trade.
4. (#) – Like Gift, Donation, etc.

ANNEXURE LA - I

Participant Name, Address & DP ID
(Pre-printed)

COMBINED - DELIVERY INSTRUCTIONS BY CLIENTS

Serial No. (Pre-printed)
Client ID (Pre-stamped) | | | | | | | | |

Date **(dd-mm-yyyy)** | | | | | | | | |

I/We hereby request you to **debit** my /our account as per the following details :

(Fill up the relevant box and strike off whichever is not applicable)

For Market Trades (Receiver Details)

CM-BP-ID	I N
CM Name	
Market Type	
Settlement No.	

For Off-Market Trades (Receiver Details)

DP ID	I N
DP Name	
Client ID	

For Inter - Depository Transfers

Target Depository-ID **IN000026** | Target Settlement Details :

Target Client-ID

ISIN	Security Name	Quantity (In Figures)	Quantity (In Words)	Instruction No. (to be filled by DP)	Reason /Purpose (*) (#)	Consideration, if any (*)

Execution Date **(dd-mm-yyyy)** | | | | | | | | |

Participant Stamp, Date & Time

No. of Instructions (in figures) _____

(in words) _____

1 _____ **2** _____ **3** _____

Authorised Signatory(ies)

Instructions:
1. To be submitted in duplicate for acknowledgement.
2. In case of joint holdings, all joint holders must sign.
3. Please strike off unused rows.
4. (*) – This Information is required only for Off-Market Trades.
5. (#) – Like Gift, Donation, etc.

ANNEXURE LA - II

Participant Name, Address & DP ID
(Pre-printed)

COMBINED - DELIVERY INSTRUCTIONS BY CLIENTS

Serial No. (Pre-printed)
Client ID (Pre-stamped) | | | | | | | | |

Date **(dd-mm-yyyy)** | | | | | | | | |

I/We hereby request you to **debit** my /our account as per the following details :

For Market Trades (Receiver Details)

CM-BP-ID	CM Name	Market Type	Settlement No.	ISIN	Security Name	Quantity (In Figures)	Quantity (In Words)	Instruction No.(To be filled by DP)

For Off-Market Trades (Receiver Details)

DP ID	DP Name	Client ID	ISIN	Security Name	Quantity (In Figures)	Quantity (In Words)	Instruction No. (To be filled by DP)	Reason / Purpose (#)	Consideration, if any

For Inter - Depository Transfers

Target Depository-ID : **IN000026**		ISIN	Security Name	Quantity (In Figures)	Quantity (In Words)	Instruction No.	Reason /Purpose (*) (#)	Consideration, if any (*)
Target Client - ID	Target Settlement Details							

Execution Date **(dd-mm-yyyy)** | | | | | | | | |

Participant Stamp,
Date & Time

No. of Instructions
(in figures) _____
(in words) _____

1 _____ **2** _____ **3** _____
Authorised Signatory(ies)

Instructions:
1. To be submitted in duplicate for acknowledgement.
2. In case of joint holdings, all joint holders must sign.
3. Please strike off unused rows.
4. (*) – This Information is required only for Off-Market Trades.
5. (#) – Like Gift, Donation, etc.

ANNEXURE LB

ERRONEOUS TRANSFER FORM

No	Details	Description
1.	Requested by :	Name of Participant (DP)/ Clearing Corporation (CC)/CH: DP/CC ID :
2.	Mistake is on the part of :	☐ Client ☐ DP/CC/CH
3.	Details of Client or Clearing Member from whose account the erroneous instruction was given	DP ID : Client ID : Client Name : CM BP ID :
4.	Details of securities erroneously transferred	ISIN 1 : Company 1 name : Quantity : ISIN 2 : Company 2 name : Quantity : ISIN 3 : Company 3 name : Quantity : etc.,.
5.	Details of Client to whose account securities were erroneously transferred:	DP ID : Client ID :
6.	Date of erroneous transfer of securities	
7.	Details of Client or Clearing Member to whose account securities were to be transferred	DP ID: Client ID: CM BP ID: Client Name:
8.	Whether **indemnity** as per Annexure LC has been executed by the Participant (given to NSDL):	☐ Yes ☐ No ☐ Annexure LC has already been furnished vide our letter ref. no._____dated _____

1. I / We request NSDL to initiate preventive measures to restrain the person mentioned in (5) above from transferring and/or creating any interest/rights/ encumbrance in favour of any third person(s) with respect to the securities mentioned in (4) above within which _____ (name of DP) shall undertake to furnish the supporting documents evidencing the erroneous transaction as per the procedure prescribed by the NSDL.
2. I /we hereby certify that the information furnished at nos. 1 to 8 above are true and correct as per my/ our knowledge based on the official records of the transaction and that no part of it is false.

Date :

Signature:
Name :
Designation

Notes:

1. This Annexure shall be submitted on the letter head of the Depository Participant.
2. This Annexure shall be signed by the Compliance Officer of the Depository Participant.

ANNEXURE LC

FORMAT FOR ERRONEOUS TRANSFER INDEMNITY

(To be stamped as per Stamp Act).

Ref. no. _____ Dated._____

To,

_____

National Securities Depository Ltd.
4th Floor, Trade World, 'A' Wing,
Kamala Mills Compound, Senapati
Bapat Marg, Lower Parel, Mumbai
400 013.

Dear Sir,

1. In consideration of NSDL having at the request of _____ (name of DP) agreeing to initiate the preventive measures to restrain the transferee (receiving client) from transferring or creating any interest/ rights/ encumbrance in favour of any third person(s) with respect to the securities that have been transferred erroneously / wrongly (hereinafter referred to as the said "securities") by the transferor (Our Client), We, _____ (name and address of DP) hereby guarantee to NSDL the payment against any and all claims, demands, proceedings, losses, damages, costs, charges, expenses and actions of any kind which may arise against or incurred or suffered by NSDL whether jointly or severally with any person on account of or by reason of or in consequence of NSDL having initiated the preventive measures to restrain the transferee from transferring or creating any interest/rights/ encumbrance with respect to the said securities on account of any claim being made against NSDL, and its successor(s) and established by any person or persons found to have suffered damages / losses on account of the preventive measures initiated by NSDL.

2. Notwithstanding anything contained herein, this guarantee is executed in favour of NSDL, in addition to the Rights and Obligations arising out of the provisions of Law or any contractual obligations of the transferor in favour of _____ (name of the DP) and NSDL; and the same shall remain in force till NSDL is relieved and discharged from all liabilities arising out of the said preventive measures initiated by NSDL with respect to the said securities.

3. This guarantee shall be a continuing guarantee to cover all such requests that we as a Depository Participant may make to NSDL, with respect to all such erroneous / wrong transfer(s) of securities that may be made by our client(s) (transferor(s)) and shall remain operative in respect of each of the obligations, liabilities or commitments of _____ (Name of DP) severally and may be enforced as such in the discretion of NSDL, as if each of the obligations, liabilities or commitments had been separately guaranteed by _____ (Name of DP). The guarantee shall not be considered as cancelled or in anyway effected on either the transferor ceasing to be our client or on account of any demand being raised by NSDL and shall continue and remain in operation in respect of all subsequent obligations, liabilities or commitments of _____ (Name of DP) on any demand being raised but our liability

there under shall not under any circumstances exceed the sum / amount that NSDL may have to incur in making payments to any person or persons found to have suffered damages / losses on account of the said preventive measures initiated by NSDL or in defending any such Claims, Complaints, Applications, Suit / Case filed by any person before any Court, Tribunal or any Statutory Authority.

4. This guarantee shall not be affected by any change in the constitution of _____ (Name of DP) and it shall remain in force notwithstanding and forbearance or indulgence that may be shown by NSDL to _____ (Name of DP).

5. We, _____ (name of DP), undertake to pay the amount hereby guaranteed within _____ days of being served a written notice at the following address delivered by hand or
registered post or by speed post or courier requiring the payment of the amount guaranteed failing which NSDL may charge interest **@ 24% p.a.** for such period of delay.

6. We, _____ (name of DP) undertake not to revoke this guarantee except with the previous consent of NSDL in writing.

Yours faithfully,

For _____ (name of DP)

( )

Name &
Designation
Compliance Officer/ Company Secretary/ Director/ Managing Director

ANNEXURE M

Participant Name, Address & DP ID.
(Pre-printed)

RECEIPT INSTRUCTION

Serial No. (Pre-printed)

Client ID. (Pre-stamped)

Date _____

I/We hereby request you to **Credit** my/our account as per the following details:

(To be filled in if deliverer is a **Clearing Member**)

CM-BP-ID	I N
CM Name	

(To be filled in for **Market Trades**)

Market Type	
Settlement No.	

(To be filled in if Deliverer is a **Client**)

DP-ID	I N
DP Name	
Client ID	

ISIN	Security Name	Quantity (In Figures)	Instruction No. (to be filled by DP)

Execution Date _____

Participant Stamp, Date & Time **Authorised Signatory(ies)**

Instructions:
1. To be submitted in duplicate for acknowledgement.
2. In case of joint holdings, all holders must sign.

ANNEXURE N

Participant Name, Address & DP ID.
(Pre-printed)

INTER-DEPOSITORY DELIVERY INSTRUCTIONS

Serial No. (Pre-printed)

Date : _____

Client ID. (Pre-stamped)

I/We hereby request you to **debit** my /our account as per the following details :

Market Type :_____
(To be filled if the deliverer is a Clearing Member)

Settlement No. | | | | | | | |

Target Depository - ID :		ISIN	Security Name	Quantity (In Figures)	Quantity (In Words)	Instruction No.	Reason / Purpose (*) (#)	Consideration (*)
Target Client - ID	Target Settlement Details							

Execution Date : _____

Participant Stamp, Date & Time **Authorised Signatory(ies)**

Instructions:
1. To be submitted in duplicate for acknowledgement
2. (*) – This Information is required only if Source Client ID is a Beneficiary Owner.
3. (#) – Like Gift, Donation, etc.

ANNEXURE NA

Participant Name, Address & DP ID.
(Pre-printed)

INTER-DEPOSITORY RECEIPT INSTRUCTIONS

Serial No. (Pre-printed)

Date : _____

Client ID. (Pre-stamped)

I/We hereby request you to **credit** my /our account as per the following details :

Market Type :_____
(To be filled if the receiver is a Clearing Member)

Settlement No. | | | | | | | |

Target Depository - ID :		ISIN	Security Name	Quantity (In Figures)	Quantity (In Words)	Instruction No.	Reason / Purpose (*) (#)	Consideration (*)
Target Client - ID :	Target Settlement Details							

Execution Date : _____

Participant Stamp, Date & Time **Authorised Signatory(ies)**

Instructions:
1. To be submitted in duplicate for acknowledgement
2. (*) – This Information is required only if Target Client ID is a Beneficiary Owner.
3. (#) – Like Gift, Donation, etc.

ANNEXURE O

TRANSMISSION FORM

Date	D	D	M	M	Y	Y	Y	Y

To,
Name of Participant
Address of Participant

(1) I/We, the undersigned, being the

Executor(s) of the Will	☐	Legal heir(s)	☐
Administrator(s) of the Estate	☐	Joint holder(s)	☐
Successor(s) to the Estate	☐	Nominee	☐
Survivors of HUF	☐		

of Mr./Mrs./Ms. _____, Mr./Mrs./Ms. _____ and Mr./Mrs./Ms. _____the deceased, of which *nomination/ probate/letter of administration/succession certificate was duly granted to me/us on the _____ day of _____ of _____ hereby request you to register me/us as the beneficial owner(s) in respect of the securities standing in the name of the said deceased under Client ID _____ DP ID _____, the details of which are as follows:

ISIN	Name of Company	No. of securities

(2) I/We give hereunder the details of my/our account with a Participant to which the security balances are requested to be transmitted:

Name	Client ID	DP ID

(3) List of Documents enclosed *(for Individual accounts) (tick as applicable):*

A For surviving holder(s) in a joint account

☐ Copy of Death Certificate duly attested by a Notary Public or by a Gazetted Officer.

B For nominee of the deceased:

☐ Copy of Death Certificate duly attested by a Notary Public or by a Gazetted Officer

C For legal heir(s)/legal representative(s) where deceased was a sole holder and no nomination in the account - Value of holding not exceeding Rs. 1 lakh on the date of application

☐ Copy of Death Certificate duly attested by a Notary Public or by a Gazetted Officer.

☐ Indemnity *(format given at Annexure OC)*

☐ Affidavit *(format given at Annexure OD)*

☐ No objection certificate(s) *(format given at Annexure OE)*

☐ Family settlement Deed *[as an alternate to No-objection certificate(s)]*

D For legal heir(s)/Legal representative(s) where deceased was a sole holder and no nomination in the account - Value of holding was Rs. 1 lakh or more on the date of application.

☐ Copy of death Certificate duly attested by a Notary Public or by a Gazetted Officer

☐ Succession certificate

☐ Letter of Administration

☐ Probate of the Will

(4) Declaration:

(Applicable only for legal heir(s)legal representative(s) where deceased was a sole holder and no nomination in the account - Value of holding not exceeding Rs. 1 Lakh on the date of application)

We declare that the below mentioned person(s) are the only legal heir(s) of the deceased and there are no other legal heir(s). Of these, as specified below, some/all of them are claimants and some of them have given a No Objection Certificate in favour of other legal heir(s). Details are given below:

Sr. No.	Name of the legal heir(s)	Specify whether a claimant or given a No Objection Certificate

(5) List of Documents enclosed *(for HUF accounts)(tick as applicable):*

A Value of holding not exceeding Rs. 10 lakh on the date of application. [Where there is an objection from any member of HUF, documents mentioned as B below must be submitted]

☐ Copy of death Certificate duly attested by a Notary Public or by a Gazetted Officer

☐ Indemnity (format given at annexure OF)

☐ Affidavit (format given at Annexure OG)

B Vlaue of holding was Rs. 10 lakh or more on the date of application.

☐ Copy of death Certificate duly attested by a Notary Public or by a Gazetted

☐ Officer

☐ Court Decree

☐ Deed of Partition

C Separation / partition of HUF:

- ☐ Copy of death Certificate duly attested by a Notary Public or by a Gazetted Officer
- ☐ Settlement Deed
- ☐ Deed of Partition
- ☐ Court Decree

(6) Signature

Sr. No.	Name of Claimant	Signature of Claimant

Notes:

1. This request form should be signed by the surviving joint holder(s)/legal heir(s)/legal representative(s)/nominee/all surviving members of the HUF, as the case may be.
2. *Strike off whichever is not applicable.

ANNEXURE OA

TRANSPOSITION FORM
(for transposition and demat cases)

Date								

To,

Name of Participant
Address of Participant

We, the undersigned, being the joint holder(s) of securities of (Name of the Company) wish to have our holdings transposed in the following order in which we have an account with you. We are also submitting the certificate(s) alongwith DRF for dematerialisation.

Names on the certificate of security:

Name	Signature(s)

Details of our client account:

DP ID	Client ID	Names of the account holders

Note: Separate Transposition form should be filled by the joint holders for securities having distinct ISINs

ANNEXURE OB

FORM FOR TRANSMISSION ALONGWITH DEMATERIALISATION

To,
Participant's Name, Address & DP ID
(pre-printed)

Date : _____

I/We, the undersigned, being the joint holders of the following securities along with Mr./Mrs./Ms._____ *(name of the deceased)* wish to have the name of the deceased deleted from the security certificates. A copy of the death certificate, duly attested by a Notary Public or by a Gazetted officer and the dematerialisation request form alongwith the physical certificates are enclosed. I/We request you to process the same and advise the Issuer/R & T Agent accordingly. The details are given below:

Client ID								
Company Name								
Type of Security Equity/Others *(please specify)*								
Quantity (in figures)								
Quantity (in words)								

Sr. No.	Name of the survivor(s)	Signature(s)
1.		
2.		
3.		

(to be filled -in by the Participant)

ISIN	I	N										
Dematerialisation Request No. (DRN) of the dematerialisation request												

Instructions :

1. Separate forms should be filled up for each ISIN by the survivor(s).
2. Each form should be accompanied by a copy of the death certificate, duly attested by a Notary Public or by a Gazetted Officer.

Indemnity to be executed on Non-judicial Stamp paper of appropriate value

ANNEXURE OC

LETTER OF INDEMNITY

(to be given by legal heir(s)/legal representative(s) - value of holding not exceeding Rs. 1 lakh on the date of application)

To,
DP and NSDL
Address

Dear Sirs,

Sub : Transmission of securities standing in the name of Late Mr./Mrs._____ .

I/We hereby inform you that Mr./Mrs._____ the deceased, was holding a Client account no. _____ with _____ a Depository Participant having DP ID _____ . The said deceased was holding the following securities :

ISIN	Name of Company	No. of securities

The said deceased died intestate without leaving a Will on the _____ day of _____ .

We further inform you that he/she left behind him/her as his/her only surviving heirs and next of kin, the following persons according to the Law of Intestate Succession applicable to him/her by which he/she was governed at the time of his/her death.

(a) _____

(b) _____

(c) _____

We have, therefore, approached you with a request to transfer the aforesaid securities in the name of the undersigned Mr./Mrs./Ms. _____ on my/our behalf without insisting of production of a succession certificate or an order of the court of competent jurisdiction and you have kindly agreed to do so on my/our executing an indemnity as is herein contained and on relying on the information herein given by us believing the same to be true.

In consideration therefore of your having at our request agreed to transfer securities to the name of the undersigned _____ I/we hereby jointly and severally agree and undertake to indemnify and keep indemnified, saved, defended, harmless you and your successors and assigns for all time hereafter against all losses, costs, claims, actions, demands, risks, charges, expenses, damages etc., whatsoever which you may suffer and/or incur by reason of your, at my/ our request, transferring the said securities as herein above mentioned, to the undersigned _____ without insisting on production of a succession certificate or an order of the court of competent jurisdiction.

IN WITNESS WHEREOF THE said _____ [name(s) of applicant(s)] have here unto set their respective hands and seals this _____ day of _____ of _____.

Signed, sealed and delivered by the said applicant(s)

_____

Signature(s) of applicant(s)

SURETY

I the undersigned certify that the above facts are true to the best of my knowledge and bind myself as surety to make good all claims, charges, costs, damages, demands, expenses and losses which the Participant/NSDL, its successors and assigns may sustain, incur or be liable for in consequence of complying with the request contained above of the applicant(s) herein and the Participant/ NSDL and its successors, assigns will be entitled to claim and realise all claims, charges, costs, damages, demands, expenses and losses from me or from my properties, as the case may be.

Signature of Surety

Name :_____

Address _____

_____

Date : _____

Place : _____

(Signature of Magistrate/Notary)

Full Name and : _____

Address of _____

Magistrate/_____

Notary_____

PIN

Regd.No. _____

Use space below to affix:

Notarial/Court Fee Stamp	Official Seal of Magistrate/Notary

Note: This indemnity is to be executed in the presence of a first class Judicial or stipendiary Magistrate/Public notary.

This affidavit is to be executed on Non-judicial Stamp paper of appropriate value.

ANNEXURE OD

A F F I D A V I T

(to be given by legal heir(s)/legal representative(s) - value of holding not exceeding Rs. 1 lakh on the date of application)

I _____ son/daughter/spouse of _____ residing at _____ do hereby solemnly affirm on oath and state as under :-

1. That Mr./Mrs. _____ the deceased, was holding an account having Client ID _____ with _____ a Depository Participant having DP ID _____ . The said deceased was holding the following securities :

ISIN	Name of Company	No. of securities

2. That the deceased had died intestate on _____ at _____.
3. That the following are the only legal heir(s) of late Mr./Mrs. _____ .

	Name	Address	Age	Relationship with the deceased
1				
2				
3				
4				

4. That out of aforesaid legal heirs Master/Kum. _____ aged _____ years is a minor and he/she is being represented by his/her father/mother and natural guardian Mr./Mrs. _____ .
5. That all the legal heirs of my deceased _____ have applied to _____ **(DP name)** to register the aforesaid securities in my/our individual/ joint beneficial owner account and have executed a Letter of Indemnity in favour of the Participant/NSDL holding the Participant/NSDL indemnified against any loss, cost, expenses or damages which may be caused to them in consequence of any claim which may be made by or on behalf of any person claiming any interest in the said shares.

_____

DEPONENT

V E R I F I C A T I O N

I hereby solemnly affirm and say that what is stated herein above are true to my knowledge and nothing has been concealed therein and that I am competent to contract and entitled to rights and benefits of the above securities.

Solemnly affirmed at _____ on the _____ day of _____ of ____ .

Signed in the presence of

Full Name and :_____

Address of _____

Magistrate/ _____

Notary _____

Pin :

Regd. No _____

_____

(Signature of Magistrate/Notary)

Use space below to affix:

Notorial /Court Fee Stamps	Official Seal of Magistrate/Notary

Notes: 1. This affidavit is to be executed in the presence of a first class Judicial or stipendiary Magistrate/Public notary.

2. This affidavit should be signed by each deponent separately

ANNEXURE OE

NO OBJECTION CERTIFICATE

(to be given by legal heir(s)/legal representative(s) - value of holding not exceeding Rs. 1 lakh on the date of application)

Date	D	D	M	M	Y	Y	Y	Y

To,
Name of Participant
Address of Participant

Dear Sirs,

Re : Transmission of security balances standing in the name of late _____ under Client ID_____ DP ID _____ .

1. In connection with the above, I wish inform you that Mr./Mrs._____ expired on _____ and was holding the following securities under the Client ID _____ and DP ID _____.

ISIN	Name of Company	No. of securities

2. I the undersigned, residing at _____, am a legal heir of the said deceased.
3. I do not desire to make any claim of title of the said securities and have no objection whatsoever in transmitting the said securities in the name(s) of Mr./Mrs._____ who has/ have opened a beneficial owner account(s) under Client ID _____ and DP ID _____ .
4. In consideration of registration of the aforesaid securities in the client account of Mr./Mrs. _____ under DP ID _____ Client ID _____ at my request, I hereby agree to renounce all my rights existing as well as they may accrue to me in future in respect of the aforesaid securities.

Signed in the presence of

_____ Bank Manager

_____ Signature of the legal heir

Full Name and Address of Bank Manager

_____

_____

Note: This No Objection Certificate should be signed by each legal heir separately.

Deed of Indemnity provided by each of the surviving members of the HUF indemnifying NSDL from and against all losses, liability, costs and expenses, including legal fees

(Rs. 200 stamp paper)

ANNEXURE OF

DEED OF INDEMNITY

(Value of holding not exceeding Rs. 10 lakh on the date of application)

THIS DEED OF INDEMNITY is made at _____ this _____ day of _____ of ____:

By:

Sr. No.	Name of Applicant	Age	Gender	Address

(Collectively, **"Surviving Members"**)

IN FAVOUR OF:

_____ (Name of Participant), and having its registered address at _____ and acting as a duly registered Participant under the provisions of The Depositories Act, 1996, Regulations and Bye Laws made thereunder (hereinafter referred to as "Participant", which expression shall, unless it be repugnant or contrary to the context thereof, mean and include its successors and permitted assigns)

AND

National Securities Depository Limited (NSDL), and having its registered address at 4th Floor, Trade World, "A" Wing, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013 and acting as a duly registered Depository under the provisions of The Depositories Act, 1996, Regulations and Bye Laws made thereunder (hereinafter referred to as "NSDL", which expression shall, unless it be repugnant or contrary to the context thereof, mean and include its successors and permitted assigns)

WHEREAS:

A. The Surviving Members are members of Hindu Undivided Family ("HUF"), which holds a beneficial owner account in the name of _____ , the Deceased Karta, with the Participant bearing Client ID _____ **("the said beneficial owner account")**, with Participant having DP ID _____ ;

B. _____ **("the Deceased Karta")** was named as the account holder in the said beneficial owner account.

C. The Deceased Karta passed away on _____ .

D. _____ is the new Karta of our HUF and shall hold the securities lying to the credit of the said Demat Account.

E. The surviving members have requested the Participant to transmit the securities held in the said beneficial owner account held in the name of the Deceased Karta to the beneficial owner account opened in the name of the new Karta and bearing Client ID _____ held with _____ (Name of Participant) DP ID_____ and to effect the change in beneficial ownership.

F. The surviving members have requested the Participant to effect the foregoing change by transmitting the securities held in the said beneficial owner account held by the Deceased Karta to the beneficial owner account held in the name of the new Karta, who has been solemnly affirmed on oath to be the newly elected Karta, without insisting on production of a succession certificate or an order of the court of competent jurisdiction, which we undertake to file with the Participant no sooner than the same is available to us, and which we shall pursue in right earnest.

THIS DEED WITNESSTH that in consideration of _____ the Participant agreeing to process the aforesaid request for change of account holder by transmitting the securities held in the said beneficial owner account held in the name of the Deceased Karta to the beneficial owner account held in the name of the new Karta (Client ID _____ ; DP ID _____), that we hereby jointly and severally indemnify _____ the Participant and NSDL and agree to keep indemnified and hold the Participant and NSDL saved, harmless and defended for all time hereafter from and against all losses, claims, legal proceedings, actions, demands, risks, charges, taxes, duties, damages, costs, expenses, including attorney and legal fees and penalties whatsoever which may be initiated against the Participant or NSDL by reason of the Participant having agreed at our request to change the name of the account holder of the said beneficial owner account from the Deceased Karta to the new Karta as aforesaid without insisting on production of a succession certificate or an order of the court of competent jurisdiction. If called upon by the Participant or NSDL to do so, we shall join any proceedings that may be initiated against the Participant and or NSDL and we shall defend at our cost any such proceedings. Further, we shall initiate such proceedings as may be considered necessary by the Participant and or NSDL, if called upon by the Participant and or NSDL to do so, in order to protect the Participant's and or NSDL's interests and to further and perfect the indemnity granted hereby in favour of NSDL.

IN WITNESS WHEREOF:

Dated this_____ day of _____ of _____

Signed and delivered by the Surviving Members:

Name of Surviving Member(s)	**Signature(s)**

Before me
Notary Public

SURETY

I the undersigned certify that the above facts are true to the best of my knowledge and bind myself as surety to make good all claims, charges, costs, damages, demands, expenses and losses which the Participant/NSDL, its successors and assigns may sustain, incur or be liable for in consequence of complying with the request contained above of the applicant(s) herein and the Participant/ NSDL and its successors, assigns will be entitled to claim and realise all claims, charges, costs, damages, demands, expenses and losses from me or from my properties, as the case may be.

Signature of Surety

Name :_____

Address _____

_____

Date : _____

Place : _____

(Signature of Magistrate/Notary)

Full Name and : _____

Address of _____

Magistrate/_____

Notary_____

PIN

Regd.No. _____

Use space below to affix:

Notarial/Court Fee Stamp	Official Seal of Magistrate/Notary

Note: This indemnity is to be executed in the presence of a first class Judicial or stipendiary Magistrate/Public notary.

Affidavit from the surviving members of the HUF declaring that the person designated by them is indeed the new Karta of the HUF and as to completeness and accuracy of the information provided.

ANNEXURE OG

AFFIDAVIT

(Value of holding not exceeding Rs. 10 lakh on the date of application)

We, the applicants listed below, residing at the respective addresses set out below,

Sr. No.	Name of Applicant	Age	Gender	Address

do hereby solemnly affirm on oath and state that as under:

1. _____ ("the Deceased Karta") was holding a beneficial owner account bearing Client ID _____ ; DP ID _____ ("the said beneficial owner account") with _____, (Name of the Participant), as the Karta for and on behalf of our HUF.
2. The Deceased Karta passed away on _____.
3. We are all the surviving members of a Hindu Undivided Family ("HUF").
4. We state and declare that the aforesaid list of surviving members is complete and exhaustive, and does not leave out any member of the HUF. We affirm that this list is accurate in all respects whatsoever.
5. The said Deceased Karta was holding the following securities in the said Demat Account: (Applicants to reproduce from the latest Transaction Statement or Statement of Holdings)
6. _____ is the new Karta for our HUF and shall hold the securities lying to the credit of the said beneficial owner account. We confirm to _____ (Name of the Participant) that the new Karta is indeed the new Karta of our HUF.
7. We have requested that the securities be transmitted from the said beneficial owner account held by the Deceased Karta to the beneficial owner account opened in the name of the Designated Karta (Client ID _____ ; DP ID _____) and have filed a Transmission Form on _____ (date). We state that all the information provided therein and in this Affidavit is complete and accurate in all respects and that all the members of the HUF are fully aware of the above request made to the Participant and there is no pending dispute, difference, objection or claim to the same among any of the members of the HUF in this regard.

V E R I F I C A T I O N

We hereby solemnly affirm and say that what is stated herein above are true to my knowledge and nothing has been concealed therein.

Solemnly affirmed at _____ , this _____ day of _____ of _____:

Sr. No.	Name of Applicant (s)	Signature

Before me
Notary Public

ANNEXURE P

APPLICATION FOR FREEZING/UNFREEZING OF AN ACCOUNT AND/OR ISIN AND/OR SPECIFIC NUMBER OF SECURITIES

To	**Date**	DD	MM	YYYY

DP Name (Pre printed)
DP ID (Pre printed)
DP Address (Pre printed)

	Type of Instruction (Please tick any one)	
1. I/ we request you as follows:	Freeze	☐
	Unfreeze	☐

2. Client ID								

3. Execution date *(date of freeze/ unfreeze)*	DD	MM	YYYY

4. Account level	Tick any one		Instruction No. *(To be filled by DP)*
	For debit only	For debit and credit	
☐	☐	☐	

5. ISIN Level ☐	Sr. No.	ISIN	Security Description	Tick any one		Instruction No. *(To be filled by DP)*
				For debit only	For debit and credit	
				☐	☐	
				☐	☐	
				☐	☐	

6. Quantity Level *(For debit only)* ☐	Sr. No.	ISIN	Security Description	Quantity	Instruction No. *(To be filled by DP)*

1_____, 2_____, 3_____

Authorised Signatory(ies)

Participant Stamp, Date & Time

Instructions:
1. Tick at 4, 5 and/or 6 above, as may be applicable
2. Separate forms should be filled-in for freeze and unfreeze.
3. Please strike off as N.A. wherever not applicable

ANNEXURE Q

APPLICATION FOR CLOSING AN ACCOUNT

Date (dd-mm-yy)								

To

DP Name (Pre printed)
DP Address (Pre printed)
DP ID (Pre printed)

(For Beneficiary Account only)

I / We hereby request you to close my/our account with you .
I / We request you to transfer the balances of securities to my/our account with DP Name _____ bearing my client-ID _____

Client-ID.	
	Name(s) of the holders
First/Sole Holder	
Second Holder	
Third Holder	
	Signature(s)
First/Sole Holder	
Second Holder	
Third Holder	

(For Clearing Member Account only)

I / We hereby request you to close my/our account with you .

Client Name	
Client ID	
CM-BP-ID	
CC-CM-ID	

Authorised Signatories	
Name	**Signature(s)**

Instructions:
1. Relevant portions to be filled in
2. Please strike off as N.A. whatever is not applicable

To be submitted in duplicate.

ANNEXURE R

AGREEMENT BETWEEN THE CLEARING CORPORATION AND NATIONAL SECURITIES DEPOSITORY LIMITED

This Agreement made and entered into at Mumbai on this _____ day of _____ between _____ , a company registered under the Companies Act, 1956 and having its Registered Office at _____ herein after called the "Clearing Corporation"(which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assignees) of the ONE PART and the National Securities Depository Limited a company registered under the Companies Act, 1956 and having its Registered Office at 4th Floor 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400013 hereinafter called the "NSDL" (which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assignees) of the OTHER PART

Witnesseth

WHEREAS

1. The Clearing Corporation is in the process of establishing a settlement mechanism by which deals by its clearing members in securities held through NSDL are settled through NSDL and for this purpose desires to establish an interface with NSDL.

2. NSDL is willing to establish an interface with the Clearing Corporation to undertake the job of settlement as envisaged on the terms and conditions mutually agreed upon by the Clearing Corporation and NSDL and the Parties thereto are desirable of entering into an agreement to record the terms and conditions so agreed upon.

NOW THEREFORE in consideration of NSDL and Clearing Corporation having agreed to establish interface and give mutually agreed services, both the parties to this Agreement hereby covenant and agree as follows :

1. The Clearing Corporation shall not be an agent of NSDL and NSDL shall not be responsible for any act of omission or commission of the Clearing Corporation except as provided under this agreement

2. The Clearing Corporation agrees to comply with the provisions of the Depositories Act, 1996, Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 Bye Laws and Business Rules of NSDL and any orders, notices or directions issued thereunder to the extent applicable.

3. The Clearing Corporation shall be bound by any amendment to the Bye Laws and Business Rules of NSDL with respect to any transaction occurring subsequent to the time of such amendment. NSDL shall give reasonable notice of any such amendments, orders, notices or directions issued thereunder to the Clearing Corporation prior to the implementation. Such amendments shall take effect as if it were originally a part of the Bye Laws and Business Rules of NSDL, provided however that no such amendments shall affect the rights of the Clearing Corporation to terminate this agreement.

4. The Clearing Corporation shall be solely responsible for all instructions to NSDL to debit or

credit the account of the members of Clearing Corporation (herein after called the clearing member) and the Clearing Corporation. NSDL shall be responsible to give effect to such instructions of debit and credit in such accounts in such form and manner as may be mutually agreed upon.

Provided further that such instructions shall be issued in conformity with the provisions of the Bye Laws and Business Rules. NSDL shall have no liabilities for errors made by the Clearing Corporation.

5. The Clearing Corporation shall be solely responsible to confirm payments, wherever applicable, for any securities transferred by NSDL on the basis of instructions from the Clearing Corporation. NSDL shall not be liable for losses as a result of failure of the Clearing Corporation to make payment to the clearing members or the failure of the clearing members to make payments to its clients.

6. The Clearing Corporation and NSDL shall establish a continuous electronic means of communication with each other, and NSDL shall provide necessary manuals and procedural guidelines if any from time to time to the Clearing Corporation, as is necessary for effective, and prompt conduct of the business relating to depository operations. The Clearing Corporation shall maintain such systems, procedures, means of communication, adequate infrastructure, hardware, software security devices, and back-up facilities for the purpose of operation of the depository system as may be prescribed by NSDL.

7. The Clearing Corporation shall pay such fees and charges, if any, as may be mutually agreed between NSDL and the Clearing Corporation.

8. NSDL shall intimate the Clearing Corporation of the list of securities admitted to the Depository to be held in dematerialised form and any additions or deletions made to such list on a timely basis in such form and manner as may be mutually agreed upon.

9. NSDL shall allocate unique identity codes to the Clearing Corporation to facilitate identification of the Clearing Corporation in respect of the transactions on the depository system.

10. The Clearing Corporation shall allocate identity codes to the clearing members to facilitate interface with NSDL which shall be used by NSDL for effecting settlement as per instructions of the Clearing Corporation.

11. The Clearing Corporation shall intimate NSDL of the settlement schedule and any changes therein on a timely basis in such form and manner as may be mutually agreed upon which shall be adhered to by NSDL for effecting settlement of transactions as per the instructions of the Clearing Corporation.

12. The Clearing Corporation and NSDL shall from time to time mutually draw up a time schedule for data transfer between each other and shall comply with the time schedule.

13. The Clearing Corporation shall maintain records of all transactions effected through NSDL and shall provide on demand to NSDL any information relating to transaction that the clearing members may have under the depository system.

14. NSDL shall maintain records of all transactions effected through NSDL and shall provide on demand to Clearing Corporation any information relating to transaction that the clearing members may have under the depository system.

15. The Clearing Corporation shall maintain suitable internal control measures in order to maintain the integrity of the data transmitted to NSDL and shall preserve the records for a minimum period of five years.

16. NSDL shall maintain suitable internal control measures in order to maintain the integrity of the data transmitted to Clearing Corporation and shall preserve the records for a minimum period of five years.

17. The Clearing Corporation shall notify NSDL forthwith :
    a) when it is being wound up;
    b) upon its becoming aware of the admission of any petition for its winding up or attachment of its property;
    c) on the convening of any meeting to consider a resolution for the winding up.

18. NSDL shall indemnify the Clearing Corporation and keep the Clearing Corporation fully and effectively indemnified on demand and without demur against any loss or damages to the securities, money, property and persons caused by negligence, act of omission or commission by NSDL or its employees and agents.

19. The Clearing Corporation shall indemnify NSDL and keep NSDL fully and effectively indemnified on demand and without demur against any loss or damages to the securities, money, property and persons caused by negligence, act of omission or commission by Clearing Corporation or its employees and agents.

20. Any declaration or other notice given by one party of this agreement to another in pursuance of this agreement shall be in writing and shall be legally effective only when it is delivered to the addressee by Registered letter, fax or telegram or by personal delivery duly acknowledged to the other party at the address first specified above.

21. NSDL shall keep strictly confidential any and all technical and business information including, but not limited to that which may be disclosed or confided to it by the Clearing Corporation, or which it may obtain from the Clearing Corporation in the course of performance of this agreement, and shall not disclose the same to any third party without prior approval of the Clearing Corporation.

22. The Clearing Corporation shall keep strictly confidential any and all technical and business information including, but not limited to that which may be disclosed or confided to it by NSDL, or which it may obtain from the Clearing Corporation in the course of performance of this agreement, and shall not disclose the same to any third party without prior approval of NSDL.

23. The Clearing Corporation and NSDL shall abide by the arbitration and conciliation procedure prescribed under the Byelaws of NSDL and that such procedure shall be applicable to any disputes between the Clearing Corporation and NSDL.

24. The Clearing Corporation and NSDL further agree that all claims, differences and disputes, arising out of or in relation to dealings on the Depository including any agreements, contracts and transactions made subject to the Bye-Laws or Business Rules of the Depository or with reference to anything incidental thereto or in pursuance thereof or relating to their validity, construction, interpretation, fulfillment or the rights, obligations and liabilities of the parties thereto and including any question of whether such dealings, transactions, agreements and

contracts have been entered into or not, shall be subject to the exclusive jurisdiction of the courts at Mumbai only.

25. The agreement may not be assigned by either party without the express prior written consent to the other party. Any purported assignment in contravention of the terms of this agreement shall be null and void.

26. The terms and provisions of this agreement are intended solely for the benefit of each party hereto and their respective successors or permitted assignees and it is not the intention of the parties to confer third party beneficiary rights upon any other person, including without limitation any clearing member or participant of NSDL.

27. The exercise of any right, remedy or option by a party to this agreement shall not be construed as a waiver of the right to exercise at the same time or thereafter any other right, remedy or any other option.

28. This agreement shall be effective as of the date it is executed by or on behalf of both parties.

29. This agreement may be terminated by either party by giving notice in writing to the other party of such intent to terminate the agreement at least six months prior to the planned date of such termination.

30. Not withstanding such termination of such agreement the representations, rights and obligations under the clauses pertaining to the indemnification, secrecy records and arbitration shall survive and continue to be binding on the parties in respect of transactions effected during the period when such agreement was effective.

IN WITNESS WHEREOF the Clearing Corporation and the Depository has caused these presents to be executed as of the day and year first above written.

Signed and delivered by

(for and on behalf of the Clearing Corporation)	Witness

Signed and delivered by

(for and on behalf of the Depository)	Witness

ANNEXURE RR

TRIPARTITE AGREEMENT BETWEEN THE CLEARING HOUSE, THE EXCHANGE AND NATIONAL SECURITIES DEPOSITORY LIMITED

This Tripartite Agreement made and entered into at Mumbai on this _____ day of _____

BETWEEN

_____, having its registered office at _____ hereinafter called "the Clearing House"(which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assignees) of the FIRST PART ;

AND

_____ , a stock exchange recognised under the provisions of the Securities Contracts (Regulation) Act, 1956, having its registered office at _____ hereinafter called "the Exchange"(which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assignees) of the SECOND PART ;

AND

The National Securities Depository Limited, a company registered under the Companies Act, 1956 and having its registered office at 4th Floor 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013 hereinafter called "NSDL" (which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assignees) of the THIRD PART

Witnesseth

WHEREAS

1. The Clearing House has been engaged by the Exchange for conducting the activity of clearing and settlement of trades done on the Exchange.

2. The Clearing House is in the process of establishing a settlement mechanism by which deals by its Clearing Members in securities held through NSDL are settled through NSDL and for this purpose desires to establish an interface with NSDL.

3. NSDL is willing to establish an interface with the Clearing House to undertake the job of settlement as envisaged on the terms and conditions mutually agreed upon by the Clearing House, the Exchange and NSDL and the parties thereto are desirous of entering into an agreement to record the terms and conditions so agreed upon.

NOW THEREFORE in consideration of the Clearing House, the Exchange and NSDL having agreed to establish interface and give mutually agreed services, all the parties to this Agreement hereby covenant and agree as follows :

1. The Clearing House not being an agent of NSDL, NSDL shall not be responsible for any act of omission or commission of the Clearing House, save and except the obligations of NSDL to the Clearing House under this agreement.

2. The Clearing House agrees to comply with the provisions of the Depositories Act, 1996, Securities and Exchange Board of India (Depositories and Participants) Regulations,1996, Bye-laws and Business Rules of NSDL and any orders, notices or directions issued thereunder to the extent applicable.

3. The Clearing House shall be bound by any amendment to the Bye-laws and Business Rules of NSDL with respect to any transaction occurring subsequent to the time of such amendment. NSDL shall give reasonable notice of any such amendments, orders, notices or directions issued thereunder to the Clearing House prior to the implementation. Such amendments shall take effect as if it were originally a part of the Bye-laws and Business Rules of NSDL. The Bye-laws and Business Rules of NSDL shall always prevail.

4. Any amendments to the Rules, Bye-laws and Regulations of the Exchange shall not be contrary to or inconsistent with NSDL's Bye-laws, Business Rules, notices and directions as may be in force from time to time and no such amendments shall affect any rights of NSDL under this agreement.

5. The Clearing House shall be solely responsible for all instructions to NSDL to debit or credit the accounts of the members of Clearing House (hereinafter called "the Clearing Member") and the Clearing House. The instructions given by the Clearing House shall be deemed to be given by the Exchange. NSDL shall be responsible to give effect to such instructions of debit and credit in such accounts in such form and manner as may be mutually agreed upon. The instructions given by the Clearing House shall be deemed to be given by the Exchange. Such instructions shall imply that all necessary payments or other operating guidelines for all transfer instructions have been complied with and it is made clear that the Exchange guarantees that such payments have been effected before such instructions are given. The Exchange guarantees clearance and payments of all transactions in regard to which instructions have been given.

   Provided further that such instructions shall be issued in conformity with the provisions of the Bye-laws and Business Rules of NSDL. NSDL shall have no liabilities for errors made by the Clearing House. The Exchange and the Clearing House shall indemnify and keep indemnified NSDL harmless from all claims and consequences of NSDL's compliance with such instructions.

6. The Clearing House and the Exchange shall be solely responsible to confirm payments, wherever applicable, in accordance with the Exchange's Rules, Bye-laws and Regulations, for any securities transferred by NSDL on the basis of instructions from the Clearing House. The confirmations given by the Clearing House shall be deemed to be given by the Exchange. NSDL shall not be liable for losses as a result of failure of the Clearing House or the Exchange to make payment to the Clearing Members or the failure of the Clearing Members to make payments to its clients and the Exchange shall indemnify and keep indemnified NSDL harmless for any claims or consequences of such failure.

7. All instructions given by the Clearing House for debit and credit of accounts of the Clearing Members shall be deemed to have been given under the authority of the Exchange and on behalf of the Clearing Members.

8. The Clearing House and the Exchange agree that under no circumstances unwinding of transactions effected for debit or credit of accounts of the Clearing Members shall be asked for once the instructions for credit of accounts of the Clearing Members are given.

9. The Clearing House and NSDL shall establish a continuous electronic means of communication with each other, and NSDL shall provide necessary manuals and procedural guidelines, if any, from time to time to the Clearing House , as is necessary for effective, and prompt conduct of the business relating to depository operations. The Clearing House shall maintain such systems, procedures, means of communication, adequate infrastructure, hardware, software, security devices and back-up facilities for the purpose of operation of the depository system as may be prescribed by NSDL.

10. The Clearing House shall pay such fees and charges, if any, as may be mutually agreed between NSDL and the Clearing House from time to time. Such agreement shall be deemed to be confirmed by the Exchange.

11. NSDL shall intimate the Clearing House of the list of securities admitted to the Depository to be held in dematerialised form and any additions or deletions made to such list on a timely basis in such form and manner as may be mutually agreed upon.

12. NSDL shall allocate unique identity codes to the Clearing House to facilitate identification of the Clearing House in respect of the transactions on the depository system.

13. The Clearing House shall allocate unique identity codes to the Clearing Members to facilitate interface with NSDL which shall be used by NSDL for effecting settlement as per instructions of the Clearing House.

14. The Clearing House shall intimate NSDL of the settlement schedule and any changes therein on a timely basis in such form and manner as may be mutually agreed upon which shall be adhered to by NSDL for effecting settlement of transactions as per the instructions of the Clearing House.

15. The Clearing House and NSDL shall from time to time mutually draw up a time schedule for data transfer between each other and shall comply with the time schedule.

16. The Clearing House shall maintain records of all transactions effected through NSDL and shall provide on demand to NSDL any information relating to transaction that the Clearing Members may have under the depository system.

17. NSDL shall maintain records of all transactions effected through NSDL and shall provide on demand to the Clearing House any information relating to transaction that the Clearing Members may have under the depository system.

18. The Clearing House and NSDL shall preserve the records of all data for a period of five years.

19. The Clearing House shall notify NSDL forthwith :
    a) when it is being wound up;
    b) upon its becoming aware of the admission of any petition for its winding up or attachment of its property;
    c) on the convening of any meeting to consider a resolution for the winding up.

20. NSDL shall indemnify the Clearing House and keep the Clearing House fully and effectively indemnified on demand and without demur against any loss or damages to the securities, money, property and persons caused by negligence, act of omission or commission by NSDL or its employees and agents.

21. The Clearing House and the Exchange shall indemnify NSDL and keep NSDL fully and effectively indemnified on demand and without demur against any loss or damages to the securities, money, property and persons caused by negligence, act of omission or commission by them or their employees and agents.

22. Any declaration or other notice given by one party of this agreement to another in pursuance of this agreement shall be in writing and shall be legally effective only when it is delivered to the addressee by Registered letter, fax or telegram or by personal delivery duly acknowledged to the other party at the address first specified above or by electronic data transfer.

23. NSDL shall keep strictly confidential any and all technical and business information including, but not limited to that which may be disclosed or confided to it by the Clearing House and/ or the Exchange, or which it may obtain from the Clearing House and/or the Exchange in the course of performance of this agreement, and shall not disclose the same to any third party without prior approval of the Clearing House and the Exchange save and except as may be required (i) by law, (ii) by any order of a court, tribunal, board or other Governmental or statutory authority, (iii) in order to protect its interests and/or (iv) to such of its employees, officers, directors and lawyers as may be required in order to enable them to effectively perform their functions.

24. The Clearing House and the Exchange shall keep strictly confidential any and all technical and business information including, but not limited to that which may be disclosed or confided to it by NSDL, or which it may obtain from the NSDL in the course of performance of agreement, and shall not disclose the same to any third party without prior approval of NSDL save and except as may be required (i) by law, (ii) by any order of a court, tribunal, board or other Governmental or statutory authority, (iii) in order to protect its interests and/ or (iv) to such of its employees, officers, directors and lawyers as may be required in order to enable them to effectively perform their functions.

25. The Clearing House and NSDL shall abide by the arbitration and conciliation procedure prescribed under the Bye-laws of NSDL and that such procedure shall be applicable to any disputes between the Clearing House and NSDL.

26. The Clearing House and NSDL further agree that all claims, differences and disputes, arising out of or in relation to dealings on the Depository including any agreements, contracts and transactions made subject to the Bye-laws or Business Rules of the Depository or with reference to anything incidental thereto or in pursuance thereof or relating to their validity, construction, interpretation, fulfilment of the rights, obligations and liabilities of the parties thereto and including any question of whether such dealings, transactions, agreements and contracts have been entered into or not, shall be subject to the above arbitration clause and exclusive jurisdiction of the courts at Mumbai only.

27. The agreement may not be assigned by any party without the express prior written consent of the other parties. Any purported assignment in contravention of the terms of this agreement shall be null and void.

28. The terms and provisions of this agreement are intended solely for the benefit of each party hereto and their respective successors or permitted assignees and it is not the intention of the parties to confer any third party beneficiary rights upon any other person, including without limitation any Clearing Member or Participant of NSDL.

29. The exercise of any right, remedy or option by a party to this agreement shall not be construed as a waiver of the right to exercise at the same time or thereafter any other right, remedy or any other option.

30. This agreement shall be effective as of the date it is executed by or on behalf of all parties.

31. This agreement may be terminated by any party by giving notice in writing to the other parties of such intent to terminate the agreement at least six months prior to the planned date of such termination.

32. Notwithstanding such termination of such agreement the representations, rights and obligations accrued under this agreement and those pertaining to the indemnification, secrecy records and arbitration shall survive and continue to be binding on the parties in respect of transactions effected during the period when such agreement was effective.

33. Notwithstanding anything contained in this agreement, it is hereby agreed by and between the parties that it shall be the responsibility of the Exchange to ensure that all payments by and between the Clearing Members, or their agents, clients are effected and neither NSDL nor the Clearing House shall be liable in this regard.

IN WITNESS WHEREOF the Clearing House, the Exchange and NSDL has caused these presents to be executed as of the day and year first above written.

Signed and delivered by

_____ _____

(for and on behalf of the Clearing House) Witness

Signed and delivered by

_____ _____

(for and on behalf of the Exchange) Witness

Signed and delivered by

_____ _____

(for and on behalf of NSDL) Witness

ANNEXURE RRA

TRIPARTITE AGREEMENT BETWEEN THE CLEARING HOUSE, THE EXCHANGE AND NATIONAL SECURITIES DEPOSITORY LIMITED

This Tripartite Agreement made and entered into at Mumbai on this _____ day of _____.

BETWEEN

_____ , having its registered office at _____ _____ hereinafter called "the Clearing House" (which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assignees) of the FIRST PART;

AND

_____, a stock exchange recognised under the provisions of the Securities Contracts (Regulation) Act, 1956, having its registered office at _____ hereinafter called "the Exchange" (which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assignees) of the SECOND PART;

AND

National Securities Depository Limited, a company registered under the Companies Act, 1956 and having its registered office at Trade World, 4th Floor, 'A' Wing, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013 hereinafter called "NSDL" (which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assignees) of the THIRD PART

Witnesseth

WHEREAS

1. The Clearing House has been engaged by the Exchange for conducting the activity of clearing and settlement of trades done on the Exchange.

2. The Clearing House is in the process of establishing a settlement mechanism by which deals by the Members/Dealers of the Exchange (hereinafter referred to as "Clearing Members") in securities held through NSDL are settled through NSDL and for this purpose desires to establish an interface with NSDL.

3. NSDL is willing to establish an interface with the Clearing House to undertake the job of settlement as envisaged on the terms and conditions mutually agreed upon by the Clearing House, the Exchange and NSDL and the parties thereto are desirous of entering into an agreement to record the terms and conditions so agreed upon.

NOW THEREFORE in consideration of the Clearing House, the Exchange and NSDL having agreed to establish interface and give mutually agreed services, all the parties to this Agreement hereby covenant and agree as follows:

1. The Clearing House not being an agent of NSDL, NSDL shall not be responsible for any act

of omission or commission of the Clearing House, save and except the obligations of NSDL to the Clearing House under this agreement.

2. The Clearing House and the Exchange agrees to comply with the provisions of the Depositories Act, 1996, Securities and Exchange Board of India (Depositories and Participants) Regulations,1996, Bye-laws and Business Rules of NSDL and any orders, notices or directions issued thereunder to the extent applicable.

3. The Clearing House and the Exchange shall be bound by any amendment to the Bye-laws and Business Rules of NSDL with respect to any transaction occurring subsequent to the time of such amendment. NSDL shall give reasonable notice of any such amendments, orders, notices or directions issued thereunder to the Clearing House and the Exchange prior to the implementation. Such amendments shall take effect as if it were originally a part of the Bye-laws and Business Rules of NSDL. The Bye-laws and Business Rules of NSDL shall always prevail.

4. Any amendments to the Rules, Bye-laws and Regulations of the Exchange shall not be contrary to or inconsistent with NSDL's Bye-laws, Business Rules, notices and directions as may be in force from time to time and no such amendments shall affect any rights of NSDL under this agreement.

5. The Clearing House shall be solely responsible for all instructions to NSDL to debit or credit the accounts of the Clearing Members and the Clearing House. NSDL shall be responsible to give effect to such instructions of debit and credit in such accounts in such form and manner as may be mutually agreed upon. The instructions given by the Clearing House shall be deemed to be given by the Exchange. Such instructions shall imply that all necessary payments or other operating guidelines for all transfer instructions have been complied with and it is made clear that the Exchange guarantees that such payments have been effected before such instructions are given. The Exchange guarantees clearance and payments of all transactions in regard to which instructions have been given.

   Provided further that such instructions shall be issued in conformity with the provisions of the Bye-laws and Business Rules of NSDL. NSDL shall have no liabilities for errors made by the Clearing House. The Exchange and the Clearing House shall indemnify and keep indemnified NSDL harmless from all claims and consequences of NSDL's compliance with such instructions.

6. The Clearing House and the Exchange shall be solely responsible to confirm payments, wherever applicable, in accordance with the Exchange's Rules, Bye-laws and Regulations, for any securities transferred by NSDL on the basis of instructions from the Clearing House. The confirmations given by the Clearing House shall be deemed to be given by the Exchange. NSDL shall not be liable for losses as a result of failure of the Clearing House or the Exchange to make payment to the Clearing Members or the failure of the Clearing Members to make payments to its clients and the Exchange shall indemnify and keep indemnified NSDL harmless for any claims or consequences of such failure.

7. All instructions given by the Clearing House for debit and credit of accounts of the Clearing Members shall be deemed to have been given under the authority of the Exchange and on behalf of the Clearing Members.

8. The Clearing House and the Exchange agree that under no circumstances unwinding of

transactions effected for debit or credit of accounts of the Clearing Members shall be asked for once the instructions for credit of accounts of the Clearing Members are given.

9. The Clearing House and NSDL shall establish a continuous electronic means of communication with each other, and NSDL shall provide necessary manuals and procedural guidelines, if any, from time to time to the Clearing House, as is necessary for effective and prompt conduct of the business relating to depository operations. The Clearing House shall maintain such systems, procedures, means of communication, adequate infrastructure, hardware, software, security devices and back-up facilities for the purpose of operation of the depository system as may be prescribed by NSDL.

10. The Clearing House shall pay such fees and charges, if any, as may be mutually agreed between NSDL and the Clearing House from time to time. Such agreement shall be deemed to be confirmed by the Exchange.

11. NSDL shall intimate the Clearing House of the list of securities admitted to the Depository to be held in dematerialised form and any additions or deletions made to such list on a timely basis in such form and manner as may be mutually agreed upon.

12. NSDL shall allocate unique identity codes to the Clearing House to facilitate identification of the Clearing House in respect of the transactions on the depository system.

13. The Clearing House shall allocate unique identity codes to the Clearing Members to facilitate interface with NSDL which shall be used by NSDL for effecting settlement as per instructions of the Clearing House.

14. The Clearing House shall intimate NSDL of the settlement schedule and any changes therein on a timely basis in such form and manner as may be mutually agreed upon which shall be adhered to by NSDL for effecting settlement of transactions as per the instructions of the Clearing House.

15. The Clearing House and NSDL shall from time to time mutually draw up a time schedule for data transfer between each other and shall comply with the time schedule.

16. The Clearing House and the Exchange shall maintain records of all transactions effected through NSDL and shall provide on demand to NSDL any information relating to transaction that the Clearing Members may have under the depository system.

17. NSDL shall maintain records of all transactions effected through NSDL and shall provide on demand to the Clearing House and the Exchange any information relating to transaction that the Clearing Members may have under the depository system.

18. The Clearing House and the Exchange and NSDL shall preserve the records of all data for a period of five years.

19. The Clearing House shall notify NSDL forthwith :
    a) when it is being wound up;
    b) upon its becoming aware of the admission of any petition for its winding up or attachment of its property;
    c) on the convening of any meeting to consider a resolution for the winding up.

20. NSDL shall indemnify the Clearing House and the Exchange and keep the Clearing House and the Exchange fully and effectively indemnified on demand and without demur against any

loss or damages to the securities, money, property and persons caused by negligence, act of omission or commission by NSDL or its employees and agents.

21. The Clearing House and the Exchange shall indemnify NSDL and keep NSDL fully and effectively indemnified on demand and without demur against any loss or damages to the securities, money, property and persons caused by negligence, act of omission or commission by them or their employees and agents.

22. Any declaration or other notice given by one party of this agreement to another in pursuance of this agreement shall be in writing and shall be legally effective only when it is delivered to the addressee by Registered letter, fax or telegram or by personal delivery duly acknowledged to the other party at the address first specified above or by electronic data transfer.

23. NSDL shall keep strictly confidential any and all technical and business information including, but not limited to that which may be disclosed or confided to it by the Clearing House and/ or the Exchange, or which it may obtain from the Clearing House and/or the Exchange in the course of performance of this agreement, and shall not disclose the same to any third party without prior approval of the Clearing House and the Exchange save and except as may be required (i) by law, (ii) by any order of a court, tribunal, board or other Governmental or statutory authority, (iii) in order to protect its interests and/or (iv) to such of its employees, officers, directors and lawyers as may be required in order to enable them to effectively perform their functions.

24. The Clearing House and the Exchange shall keep strictly confidential any and all technical and business information including, but not limited to that which may be disclosed or confided to it by NSDL, or which it may obtain from the NSDL in the course of performance of agreement, and shall not disclose the same to any third party without prior approval of NSDL save and except as may be required (i) by law, (ii) by any order of a court, tribunal, board or other Governmental or statutory authority, (iii) in order to protect its interests and/ or (iv) to such of its employees, officers, directors and lawyers as may be required in order to enable them to effectively perform their functions.

25. The Clearing House, the Exchange and NSDL shall abide by the arbitration and conciliation procedure prescribed under the Bye-laws of NSDL and that such procedure shall be applicable to any disputes between the Clearing House and NSDL.

26. The Clearing House, the Exchange and NSDL further agree that all claims, differences and disputes, arising out of or in relation to dealings on the Depository including any agreements, contracts and transactions made subject to the Bye-laws or Business Rules of the Depository or with reference to anything incidental thereto or in pursuance thereof or relating to their validity, construction, interpretation, fulfilment of the rights, obligations and liabilities of the parties thereto and including any question of whether such dealings, transactions, agreements and contracts have been entered into or not, shall be subject to the above arbitration clause and exclusive jurisdiction of the courts at Mumbai only.

27. The agreement may not be assigned by any party without the express prior written consent of the other parties. Any purported assignment in contravention of the terms of this agreement shall be null and void.

28. The terms and provisions of this agreement are intended solely for the benefit of each party hereto and their respective successors or permitted assignees and it is not the intention of the

parties to confer any third party beneficiary rights upon any other person, including without limitation any Clearing Member or Participant of NSDL.

29. The exercise of any right, remedy or option by a party to this agreement shall not be construed as a waiver of the right to exercise at the same time or thereafter any other right, remedy or any other option.

30. This agreement shall be effective as of the date it is executed by or on behalf of all parties.

31. This agreement may be terminated by any party by giving notice in writing to the other parties of such intent to terminate the agreement at least six months prior to the planned date of such termination.

32. Notwithstanding such termination of such agreement the representations, rights and obligations accrued under this agreement and those pertaining to the indemnification, secrecy records and arbitration shall survive and continue to be binding on the parties in respect of transactions effected during the period when such agreement was effective.

IN WITNESS WHEREOF the Clearing House, the Exchange and NSDL has caused these presents to be executed as of the day and year first above written.

Signed and delivered by

_____ _____

(for and on behalf of the Clearing House) Witness

Signed and delivered by

_____ _____

(for and on behalf of the Exchange) Witness

Signed and delivered by

_____ _____

(for and on behalf of NSDL) Witness

ANNEXURE RRR

AGREEMENT BETWEEN THE EXCHANGE AND NATIONAL SECURITIES DEPOSITORY LIMITED

This Agreement made and entered into at Mumbai on this _____ day of _____

BETWEEN

_____ , a stock exchange recognised under the provisions of the Securities Contracts (Regulation) Act, 1956, having its registered office at _____ hereinafter called "the Exchange"(which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assignees) of the PART ONE;

AND

National Securities Depository Limited, a company registered under the Companies Act, 1956 and having its registered office at 4th Floor 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013 hereinafter called "NSDL" (which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assignees) of the OTHER PART

Witnesseth

WHEREAS

1. The Exchange conducts the activity of clearing and settlement of trades done on the Exchange.
2. The Exchange is in the process of establishing a settlement mechanism by which deals by its Clearing Members in securities held through NSDL are settled through NSDL and for this purpose desires to establish an interface with NSDL.
3. NSDL is willing to establish an interface with the Exchange to undertake the job of settlement as envisaged on the terms and conditions mutually agreed upon by the Exchange and NSDL and the parties thereto are desirous of entering into an agreement to record the terms and conditions so agreed upon.

NOW THEREFORE in consideration of the Exchange and NSDL having agreed to establish interface and give mutually agreed services, both the parties to this Agreement hereby covenant and agree as follows:

1. The Exchange not being an agent of NSDL, NSDL shall not be responsible for any act of omission or commission of the Exchange, save and except the obligations of NSDL to the Exchange under this agreement.
2. The Exchange agrees to comply with the provisions of the Depositories Act, 1996, Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, Bye-laws and Business Rules of NSDL and any orders, notices or directions issued thereunder to the extent applicable.
3. The Exchange shall be bound by any amendment to the Bye-laws and Business Rules of NSDL with respect to any transaction occurring subsequent to the time of such amendment. NSDL shall give reasonable notice of any such amendments, orders, notices or directions

issued thereunder to the Exchange prior to the implementation. Such amendments shall take effect as if it were originally a part of the Bye-laws and Business Rules of NSDL. The Bye-laws and Business Rules of NSDL shall always prevail.

4. Any amendments to the Rules, Bye-laws and Regulations of the Exchange shall not be contrary to or inconsistent with NSDL's Bye-laws, Business Rules, notices and directions as may be in force from time to time and no such amendments shall affect any rights of NSDL under this agreement.

5. The Exchange shall be solely responsible for all instructions to NSDL to debit or credit the accounts of the members of Exchange (hereinafter called "the Clearing Member") and the Exchange. NSDL shall be responsible to give effect to such instructions of debit and credit in such accounts in such form and manner as may be mutually agreed upon. Such instructions shall imply that all necessary payments or other operating guidelines for all transfer instructions have been complied with and it is made clear that the Exchange guarantees that such payments have been effected before such instructions are given. The Exchange guarantees clearance and payments of all transactions in regard to which instructions have been given.

   Provided further that such instructions shall be issued in conformity with the provisions of the Bye-laws and Business Rules of NSDL. NSDL shall have no liabilities for errors made by the Exchange. The Exchange shall indemnify and keep indemnified NSDL harmless from all claims and consequences of NSDL's compliance with such instructions.

6. The Exchange shall be responsible to confirm payments, wherever applicable, in accordance with the Exchange's Rules, Bye-laws and Regulations, for any securities transferred by NSDL on the basis of instructions from the Exchange. NSDL shall not be liable for losses as a result of failure of the Exchange to make payment to the Clearing Members or the failure of the Clearing Members to make payments to their clients and the Exchange shall indemnify and keep indemnified NSDL harmless for any claims or consequences of such failure.

7. All instructions given by the Exchange for debit and credit of accounts of the Clearing Members shall be deemed to have been given under the authority of and on behalf of the Clearing Members.

8. The Exchange agrees that under no circumstances unwinding of transactions effected for debit or credit of accounts of the Clearing Members shall be asked for once the instructions for credit of accounts of the Clearing Members are given.

9. The Exchange and NSDL shall establish a continuous electronic means of communication with each other, and NSDL shall provide necessary manuals and procedural guidelines, if any, from time to time to the Exchange, as is necessary for effective and prompt conduct of the business relating to depository operations. The Exchange shall maintain such systems, procedures, means of communication, adequate infrastructure, hardware, software, security devices and back-up facilities for the purpose of operation of the depository system as may be prescribed by NSDL.

10. The Exchange shall pay such fees and charges, if any, as may be mutually agreed between NSDL and the Exchange from time to time.

11. NSDL shall intimate the Exchange of the list of securities admitted to the Depository to be held in dematerialised form and any additions or deletions made to such list on a timely basis in such form and manner as may be mutually agreed upon.

12. NSDL shall allocate unique identity codes to the Exchange to facilitate identification of the Exchange in respect of the transactions on the depository system.

13. The Exchange shall allocate unique identity codes to the Clearing Members to facilitate interface with NSDL which shall be used by NSDL for effecting settlement as per instructions of the Exchange.

14. The Exchange shall intimate NSDL of the settlement schedule and any changes therein on a timely basis in such form and manner as may be mutually agreed upon which shall be adhered to by NSDL for effecting settlement of transactions as per the instructions of the Exchange.

15. The Exchange and NSDL shall from time to time mutually draw up a time schedule for data transfer between each other and shall comply with the time schedule.

16. The Exchange shall maintain records of all transactions effected through NSDL and shall provide on demand to NSDL any information relating to transaction that the Clearing Members may have under the depository system.

17. NSDL shall maintain records of all transactions effected through NSDL and shall provide on demand to the Exchange any information relating to transaction that the Clearing Members may have under the depository system.

18. The Exchange and NSDL shall preserve the records of all data for a period of five years.

19. The Exchange shall notify NSDL forthwith :
    a) when it is being wound up;
    b) upon its becoming aware of the admission of any petition for its winding up or attachment of its property;
    c) on the convening of any meeting to consider a resolution for the winding up.

20. NSDL shall indemnify the Exchange and keep the Exchange fully and effectively indemnified on demand and without demur against any loss or damages to the securities, money, property and persons caused by negligence, act of omission or commission by NSDL or its employees and agents.

21. The Exchange shall indemnify NSDL and keep NSDL fully and effectively indemnified on demand and without demur against any loss or damages to the securities, money, property and persons caused by negligence, act of omission or commission by them or their employees and agents.

22. Any declaration or other notice given by one party of this agreement to another in pursuance of this agreement shall be in writing and shall be legally effective only when it is delivered to the addressee by Registered letter, fax or telegram or by personal delivery duly acknowledged to the other party at the address first specified above or by electronic data transfer.

23. NSDL shall keep strictly confidential any and all technical and business information including, but not limited to that which may be disclosed or confided to it by the Exchange, or which it may obtain from the Exchange in the course of performance of this agreement, and shall not disclose the same to any third party without prior approval of the Exchange save and except as may be required (i) by law, (ii) by any order of a court, tribunal, board or other Governmental or statutory authority, (iii) in order to protect its interests and/or (iv) to such of its employees, officers, directors and lawyers as may be required in order to enable them to effectively perform their functions.

24. The Exchange shall keep strictly confidential any and all technical and business information including, but not limited to that which may be disclosed or confided to it by NSDL, or which it may obtain from the NSDL in the course of performance of agreement, and shall not disclose the same to any third party without prior approval of NSDL save and except as may

be required (i) by law, (ii) by any order of a court, tribunal, board or other Governmental or statutory authority, (iii) in order to protect its interests and/or (iv) to such of its employees, officers, directors and lawyers as may be required in order to enable them to effectively perform their functions.

25. The Exchange and NSDL shall abide by the arbitration and conciliation procedure prescribed under the Bye-laws of NSDL and that such procedure shall be applicable to any disputes between the Exchange and NSDL.

26. The Exchange and NSDL further agree that all claims, differences and disputes, arising out of or in relation to dealings on the Depository including any agreements, contracts and transactions made subject to the Bye-laws or Business Rules of the Depository or with reference to anything incidental thereto or in pursuance thereof or relating to their validity, construction, interpretation, fulfilment of the rights, obligations and liabilities of the parties thereto and including any question of whether such dealings, transactions, agreements and contracts have been entered into or not, shall be subject to the above arbitration clause and exclusive jurisdiction of the courts at Mumbai only.

27. The agreement may not be assigned by any party without the express prior written consent of the other party. Any purported assignment in contravention of the terms of this agreement shall be null and void.

28. The terms and provisions of this agreement are intended solely for the benefit of each party hereto and their respective successors or permitted assignees and it is not the intention of the parties to confer any third party beneficiary rights upon any other person, including without limitation any Clearing Member or Participant of NSDL.

29. The exercise of any right, remedy or option by a party to this agreement shall not be construed as a waiver of the right to exercise at the same time or thereafter any other right, remedy or any other option.

30. This agreement shall be effective as of the date it is executed by or on behalf of both parties.

31. This agreement may be terminated by either party by giving notice in writing to the other party of such intent to terminate the agreement at least six months prior to the planned date of such termination.

32. Notwithstanding such termination of such agreement the representations, rights and obligations accrued under this agreement and those pertaining to the indemnification, secrecy records and arbitration shall survive and continue to be binding on the parties in respect of transactions effected during the period when such agreement was effective.

IN WITNESS WHEREOF the Exchange and NSDL has caused these presents to be executed as of the day and year first above written.

Signed and delivered by

_____ _____

(for and on behalf of the Exchange) Witness

Signed and delivered by

_____ _____

(for and on behalf of NSDL) Witness

ANNEXURE S

Participant Name, Address & DP ID.
(Pre-printed)

DELIVERY-OUT INSTRUCTIONS BY CLEARING MEMBERS FOR PAY-IN

Serial No. (Pre-printed)

Date : _____

Client ID. (Pre-stamped)

I/We request you to **debiit** my /our CM account as per the following details :

Name of Clearing Corporation	
Instruction Type	☐ Reversible ☐ Irreversible (Please tick in only **one** of the boxes as may be applicable)

ISIN	Security Name	Quantity (In Figures)	Quantity (In Words)	Instruction No. (To be filled by DP)

Market Type : _____ Settlement No. : ☐☐☐☐☐☐☐ Execution Date : _____

Participant Stamp, Date & Time **Authorised Signatory (ies)**

Instructions:

1. To be submitted in duplicate for acknowledgement
2. Irreversible delivery-out instructions are instructions which cannot be cancelled once effected.
3. Use separate forms for reversible delivery-out instructions and irreversible delivery-out instructions.
4. In case it is not explicitly mentioned that it is an irreversible delivery-out instruction, it will be assumed to be a reversible delivery-out instruction

ANNEXURE SS

Participant Name, Address & DP ID.
(Pre-printed)

INTER-SETTLEMENT INSTRUCTIONS

Serial No. (Pre-printed)

Date : _____

Client ID. (Pre-stamped)

I/We hereby request you to move securities in my/our account as per the following details :

From								
Market Type								
Settlement No.								

To								
Market Type								
Settlement No.								

ISIN	Security Name	Quantity (In Figures)	Quantity (In Words)	Instruction No. (To be filled by DP)

Name of Clearing Corporation : _____

Execution Date : _____

Participant Stamp, Date & Time

Authorised Signatory (ies)

Instructions: To be submitted in duplicate for acknowledgement

ANNEXURE ST

Participant Name, Address & DP ID.
(Pre-printed)

CM POOL TO CM POOL DELIVERY INSTRUCTIONS BY CLEARING MEMBERS

Serial No. (Pre-printed)

Date : _____

Client ID. (Pre-stamped)

I/We hereby request you to debit my/our account as per the following details :

From	
Market Type	
Settlement No.	

To	
Market Type	
Settlement No.	
CM-BP-ID	

ISIN	Security Name	Quantity (In Figures)	Quantity (In Words)	Instruction No. (To be filled by DP)

Execution Date : _____

Participant Stamp, Date & Time **Authorised Signatory (ies)**

Instructions: To be submitted in duplicate for acknowledgement

ANNEXURE SU

Participant Name, Address & DP ID.
(Pre-printed)

CM POOL TO CM POOL RECEIPT INSTRUCTIONS BY CLEARING MEMBERS

Serial No. (Pre-printed)

Date : _____

Client ID. (Pre-stamped)

I/We hereby request you to credit my/our account as per the following details :

To	
Market Type	
Settlement No.	

From	
Market Type	
Settlement No.	
CM-BP-ID	

ISIN	Security Name	Quantity (In Figures)	Quantity (In Words)	Instruction No. (To be filled by DP)

Execution Date : _____

Participant Stamp, Date & Time

Authorised Signatory (ies)

Instructions: To be submitted in duplicate for acknowledgement

ANNEXURE T

Participant Name, Address & DP ID.
(Pre-printed)

DELIVERY INSTRUCTIONS BY CLEARING MEMBERS ON PAY-OUT

Serial No. (Pre-printed)

Date : _____

Client ID. (Pre-stamped)

I/We hereby request you to **debit** my/our CM account as per the following details of the **receiving** clients :

Client ID	Client Name	DP ID	DP Name	ISIN	Security Name	Quantity (In Figures)	Quantity (In Words)	Instruction No. (To be filled by DP)

Market Type : _____ Settlement No. : ☐☐☐☐☐☐☐ Execution Date : _____

Participant Stamp, Date & Time **Authorised Signatory(ies)**

Instructions: To be submitted in duplicate for acknowledgement

ANNEXURE U

Participant's Name, Address & DP ID
(pre-printed)

DEMATERIALISATION REQUEST FORM FOR GOVERNMENT SECURITIES

Serial No. (Pre Printed) Date : _____

DRN : _____

I/We request you to dematerialise Government Securities into my/our account as per the details given below:

Tick (✓) whichever is applicable

A	Submit Physical Government Securities to NSDL	
B	Value Free Transfer of Government Securities to NSDL SGL II	

Client ID												
Sole/First Holder Name												
Second Holder Name												
Third Holder Name												
Face Value of Securities to be Dematerialised / Transfered (in words)												
(in figures)												
Nomenclature of the Security												
Loan Code*												
ISIN*	I	N										
Issued by PDO												
Date of Registration and registration number of authorised signatories												

*To be filled by the DP / in consultation with the DP

Details of Securities :

Sr. No.	Certificate No.	Face Value

(In case the space is found to be insufficient, an annexure containing the certificate details in the same format may be attached.

Declaration

Part A: Applicable when Physical Securities are submitted

I/We hereby declare that the above mentioned person(s) are the bonafide beneficial owners of the above mentioned securities. I/We also hereby declare that the securities submitted by me/us for dematerialisation are free from any lien or charge or encumbrance and represent bonafide Government Securities to the best of my/our knowledge and belief.

I/We am/are also submitting an attested **Form of Transfer** favouring "National Securities Depository Limited". This is being done to facilitate a credit in the SGL Constituent Account of NSDL and should not in anyway be construed as an intention of the person(s) mentioned below to sell the securities to NSDL.

Part B: Applicable for Value Free Transfer of Government Securities to NSDL SGL II

I/We hereby declare that the above mentioned person(s) are the bonafide beneficial owners of the above mentioned securities.

I/We am/are submitting Form iii / Letter Of Authority for collection of Form iii. This is being done to facilitate a credit in the SGL Constituent Account of NSDL and does not in anyway constitute a sale of the securities to NSDL.

Authorised Signature(s)

Holder(s)	***Signature(s)***
Sole/First Holder	
Second Holder	
Third Holder	

Participant Authorisation

The application form is verified with the certificates surrendered for dematerialisation / Form iii / Letter of Authority for collection of Form iii and we certify that the application form is in accordance with the details mentioned in the enclosed certificates / Form iii / Letter of Authority for collection of Form iii. It is also certified that the holders of the securities have beneficiary account with us in the same name(s).

Name of the Executive :

Signature : **Participant's Stamp & Date**

Acknowledgment

Participant's Name, Address & DP ID
(pre-printed)

Serial No. (pre-printed)

We hereby acknowledge the receipt of certificate(s) / Form iii / Letter of Authority for collection of Form iii of _____ Face Value of _____ _____ (description of securities) surrendered for dematerialisation by Mr/Ms/M/s _____ _____ having Client ID _____ .

Date :

Participant's Stamp & Signature

ANNEXURE UA

FORM OF TRANSFER

Transfer Index Regn. No	

I / We $ _____

_____

do hereby assign and transfer my/our $ interest or share in the Inscribed Stock No.
BDC No. By _____ of the _____

_____

Loan (Loan Code No .....)
amounting to Rs. _____ being the
amount / a portion $ of the Stock of Rs. _____
as specified on the face of this instrument together with the accrued interest thereon unto

_____

his/her/their $ executors, Administrators or assigns, and I/We $ _____
_____ do freely accept the above Stock_____ transferred $_____
to the extent it has been transferred $ to me/us. $

I / We $ _____

[Transferee (s)]

_____

hereby request that on my / our $ being registered as the holder/s $ of the stock hereby transferred to me/ us $ the aforesaid Stock Certificate to the extent it has been transferred to me / us $ may be renewed in my / our $ name(s) / coverted in my/our $ name(s).

* I / We $ _____

_____

hereby request that on the above transferee (s) $ being registered as the holder/s $ of the Stock hereby transferred to him/them $ the aforesaid Stock Certificate to the extent it has not been transferred to him / them $ may be renewed in my/our $ name(s).

Interest is Payable at _____

As Witness our hand the _____ day of _____
Two Thousand _____

Signed by the above named transfer in the presence of # _____ (Signature)
Name & Occupation _____
Address _____
_____

(Transferor) _____
Address _____
_____
P.D.O. Regdn. No. _____

Signed by the above named transferee in the presence of # _____ (Signature)
Name & Occupation _____
Address _____
_____

(Transferee) _____
Address _____
_____
P.D.O. Regdn. No. _____

$ Omit the alternative which does not apply.
* This paragraph is to be used only when a portion of the Certificate is transferred.
# Signature, occupation and address of witness.

Transferred
S/c. Issued No/s. _____ dated _____ C.G.M., Reserve Bank of India, P.D.O.

ANNEXURE UB

PROFORMA OF GOVERNMENT SECURITIES CERTIFICATE

Lion Capital

GOVERNMENT OF INDIA

INSCRIBED STOCK
OF THE
13.85 PER CENT. GOVERNMENT STOCK, 2001

BOOK DEBT CERTIFICATE No. BY34 OF *Mumbai*
for Rs. 70,000/-

REPAYABLE ON THE 25TH DAY OF MARCH, 2001

I hereby certify that ABC Ltd.
is the registered proprietor of Rupees Seventy Thousand only
Government Stock of the 13.85 per cent. Government Stock, 2001
which will bear interest at 13.85 per cent per anum, payable half-yearly from the 25th March 1996.

Sd/-
Governor, Reserve Bank of India

Public Debt Office
Reserve Bank of India
Date

Sd/-
for Chief General Manager

Not transferable by endorsement

Rules regarding Inscribed Stock (Book Debt) of Government of India Loans .....

PRE-PRINTED RULES

MEMORANDUM OF TRANSFERS

Number	Date of Transfer	Name(s) of Transferee(s)	Initials	Signature of Manager/ Asst. Gen, Manager
	DD MM YYYY	Tendered for Cancellation and credit to SGL A/c No. SG020196 of National Securities Depository Limited, Mumbai		

ANNEXURE UC

Participant's Name, Address & DP ID
(pre-printed)

REMATERIALISATION REQUEST FORM FOR GOVERNMENT SECURITIES

Serial No. (Pre Printed) Date : _____

RRN : _____

I/We request you to rematerialise Government Securities from my/our account as per the details given below:

Tick (✓) whichever is applicable

A	Convert to Physical Government Securities	
B	Transfer of Government Securities from NSDL SGL II	

Part A : I/We hereby declare that the below mentioned account may be debited to the extent of my/our rematerialisation request and equivalent certificates be issued for the same. I/We hereby declare that the below mentioned person(s) are the beneficial owners of the securities mentioned.

Part B: I/We hereby declare that the below mentioned account may be debited to the extent of my/our rematerialisation request and equivalent securities be credited to my SGL account maintained with another eligible entity. I/We hereby declare that the below mentioned person(s) are the beneficial owners of the securities mentioned .

I/We am/are submitting Form iii with Transferee details duly filled in. This is being done to facilitate a debit in my SGL Constituent Account of NSDL.

Client ID												
Sole/First Holder												
Second Holder Name												
Third Holder Name												
Face Value of Securities to be Dematerialised / Transferred (in words)												
(in figures)												
Nomenclature of the Security												
Loan Code*												
ISIN*	I	N										
Date of Registration and registration number of authorised signatories												

*To be filled by the DP / in consultation with the DP

(For Part A only)
Total No. of Certificates _____

No. of Certificates	Denomination	Amount (Rs.)
_____	_____	_____
_____	_____	_____
_____	_____	_____
	GRAND TOTAL	_____

Authorised Signature(s)

Holder(s)	***Signature(s)***
Sole/First Holder	
Second Holder	
Third Holder	

Participant Authorisation

The application form is verified with the details of the beneficial owner's account and certify that the application form is in order. The account has sufficient balances to accept the rematerialisation as requested. It is also certified that the beneficial owners signatures are verified and found in order.

The other details of the beneficial owners as extracted from the records are enclosed.

Name of the Executive :
Signature : Participant's Stamp & Date

==========

Acknowledgment

Participant's Name, Address & DP ID
(pre-printed)

Serial No. (pre-printed)

We hereby acknowledge the receipt of a rematerialisation request (Part A/ Part B) for _____ Face Value of _____ (description of securities) from Mr/Ms/M/s _____ _____ having Client ID _____.

Date : **Participant's Stamp & Signature**

ANNEXURE UD

Participant's Name, Address & DP ID
(pre-printed)

INTER SGL TRADES (Sale Instruction)
Government Securities debited from NSDL SGL-II
(To be used for sale of Government Securities to other eligible SGL entity)

Serial No. (Pre Printed) Date : _____

*RRN : _____

Client ID												
Sole/First Holder												
Second Holder Name												
Third Holder Name												
Face Value of Securities Sold (in words)												
(in figures)												
Nomenclature of the Security												
Loan Code*												
ISIN*	I	N										

* To be filled by the DP / in consultation with the DP

Buyer SGL Name :
Buyer 's SGL A/C Number :
RBI Current A/C No. of the Buyer :

Transaction Details

(i) Sale date as per contract :
(ii) Sale price of the security in percent :
(iii) Total cost of Security sold :
[(ii)/100 x Face value]
(iv) (+) Accrued interest on securities :
(v) (-) Income -tax :
(vi) Other payments, if any (+/-) :
(vii) For Buyer : Broker Code _____ Brokerage Amount _____
(viii) For Seller : Broker Code _____ Brokerage Amount _____

Amount of consideration to be transferred (in words) **Amount in figures**
Rupees_____ Rs. _____

Authorised Signature(s)

Holder(s)	***Signature(s)***
Sole/First Holder	
Second Holder	
Third Holder	

DP Authorisation
Name of the Executive :
Signature : Participant's Stamp & Date
To be filled in duplicate for acknowledgement

ANNEXURE UE

Participant's Name, Address & DP ID
(pre-printed)

INTER SGL TRADES (Purchase Instruction)
Government Securities credited to NSDL SGL-II
(To be used for Purchase of Government Securities from other eligible SGL entity)

Serial No. (Pre Printed) Date : _____

*DRN : _____

Client ID												
Sole/First Holder												
Second Holder Name												
Third Holder Name												
Face Value of Securities Purchased (in words)												
(in figures)												
Nomenclature of the Security												
Loan Code*												
ISIN*	I	N										

* To be filled by the DP / in consultation with the DP

Seller SGL Name :
Seller's SGL A/C Number :
RBI Current A/C No. of the Seller :

Transaction Details

(i) Sale date as per contract :
(ii) Sale price of the security in percent :
(iii) Total cost of Security sold :
[(ii)/100 x Face value]
(iv) (+) Accrued interest on securities :
(v) (-) Income -tax :
(vi) Other payments, if any (+/-) :
(vii) For Buyer : Broker Code _____ Brokerage Amount _____
(viii) For Seller : Broker Code _____ Brokerage Amount _____

Amount of consideration to be transferred (in words) **Amount in figures**
Rupees_____ Rs. _____
Mode of Payment_____ Rs. _____

Authorised Signature(s)

Holder(s)	***Signature(s)***
Sole/First Holder	
Second Holder	
Third Holder	

DP Authorisation
Name of the Executive :
Signature : Participant's Stamp & Date
To be filled in duplicate for acknowledgement

ANNEXURE V

TRANSACTION STATEMENT

Depository Participant's Name [DP ID :]
DP Address

Date : | | | |

Transactions	*From Date :*	*To Date :*

Client ID		**Category**		**Status**	
Name(s) of holders					
Address					
Pin Code					

ISIN		**Security Name**	

Transactions Type					
Date	**Transactions No.**	**Description**	**Credit**	**Debit**	**Balance**
xxxxxx	Opening balance				xxxxxx
xxxxxx	Closing balance				xxxxxx

Depository Participant's Seal & Initials

ANNEXURE W

Pre-printed Serial No.

PLEDGE/HYPOTHECATION FORM
Participant Name
Participant ID
Participant Address

Please tick in any **one** of the boxes as may be applicable

☐ Create the pledge/hypothecation ☐ Close the pledge/hypothecation ☐ Invoke the pledge/hypothecation ☐ Unilateral closure of pledge/hypothecation	☐ Confirm the creation of pledge/hypothecation ☐ Confirm the closure of pledge/hypothecation ☐ Confirm the invocation of hypothecation

Date		Instruction Type (Pledge/Hypothecation)	
Client ID	**Prestamped**	Counterparty Pledgor/pledgee Client ID	
Client Name		Counterparty Pledgor/pledgee Name	
Agreement No. (as provided by pledgee)		Counterparty Pledgor/pledgee DP ID	
Closure date		Counterparty Pledgor/pledgee DP Name	

Sr. No.	ISIN	Security Name	Reasons & release date for locked-in securities (if any)	Quantity (in figures) (Refer Instruction No. 2)	Quantity (in words) (Refer Instruction No. 2)	Pledge Order No. (Refer Instruction No. 3)	Reasons for rejections (if any) (To be filled in at the time of confirmation)

Execution Date : **Authorised Signatory (ies)**

Instructions:

1. To be submitted in duplicate for acknowledgement.
2. Pledged Quantity, Closure Quantity or the Invoked Quantity to be mentioned as the case may be.
3. Pledge Order No. to be filled in by the client (except at the time of creation of pledge to be filled in by the participant).
4. Locked-in securities cannot be invoked before the lock-in release date.
5. Strike out whichever is not applicable.