



# Central Depository Services (India) Limited

Convenient ⊕ Dependable ⊕ Secure

## COMMUNIQUÉ TO DEPOSITORY PARTICIPANTS

---

CDSL/OPS/DP/POLCY/2024/369

July 03, 2024

### AMENDMENTS TO DP OPERATING INSTRUCTIONS

DPs are advised to note that amendments have been incorporated in CDSL's DP Operating Instructions viz. List of Abbreviations, Chapter 10 – Account Closure, Chapter 11 – Penalties, and Chapter 17 – Miscellanea, substituting the term "Disciplinary Action Committee" (DAC) with "Member Committee" (MC). [refer **Annexure – A**].

The said amendments to the DP Operating Instructions are provided in track changes mode in attached **Annexure – A**

DPs are advised to take note of the same.

Queries regarding this communiqué may be addressed to: **CDSL – Helpdesk** Emails may be sent to: [dprtastupport@cdslindia.com](mailto:dprtastupport@cdslindia.com) and telephone number 022-62343333.

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

sd/-

**Nilesh Shah  
Asst. Vice President – Operations**

<b>List of Abbreviations</b>			
<b>Existing</b>		<b>Proposed Amendments</b>	
<b>Abbreviation</b> (in alphabetical order)	<b>Expansion of Abbreviation</b>	<b>Abbreviation</b> (in alphabetical order)	<b>Expansion of Abbreviation</b>
DAC	Disciplinary Action Committee	<del>DAC</del>	<del>Disciplinary Action Committee</del>
<b>Not available</b>		<del>MC</del>	<del>Member Committee</del>

<b>10 <u>ACCOUNT CLOSURE</u></b>		
<b>Point No.</b>	<b>Existing</b>	<b>Proposed Amendments</b>
<b>10.3.3CDSL Bye Laws</b>		
Bye Law 17.2	Powers of the Disciplinary Action Committee	Powers of the <del>Disciplinary Action</del> <del>Member</del> Committee

<b>11 PENALTIES FOR VIOLATIONS, IRREGULARITIES, NON-COMPLIANCES OR DELAY IN COMPLIANCES</b>		
<b>Point No.</b>	<b>Existing</b>	<b>Proposed Amendments</b>
<b>11.6 Scale of penalty</b>		
11.6.1	The scale of penalty to be levied for non-compliance, irregularity, violation or delay in compliance is furnished in Annexure 11.1 for DPs. The DAC will have the power and authority to impose penalties higher than mentioned in the said annexure depending upon the nature of irregularities observed.	The scale of penalty to be levied for non-compliance, irregularity, violation or delay in compliance is furnished in Annexure 11.1 for DPs. The <del>DAC</del> <u>Member Committee</u> will have the power and authority to impose penalties higher than mentioned in the said annexure depending upon the nature of irregularities observed.
11.6.2	It shall be open to the authority empowered to impose the penalty to refer any violation to the DAC, if he deems it necessary to do so, irrespective of the monetary limits.	It shall be open to the authority empowered to impose the penalty to refer any violation to the <del>DAC</del> <u>Member Committee</u> , if he deems it necessary to do so, irrespective of the monetary limits.
<b>11.7 Procedure for imposition of penalty on DPs</b>		
11.7.2	All instances of complaints / cases involving, or allegation of frauds will be reported to DAC.	All instances of complaints / cases involving, or allegation of frauds will be reported to <del>DAC</del> <u>Member Committee</u> .
<b>11.8 Non-compliances where monetary penalty is levied</b>		
11.8.2	If the DP does not pay the monetary penalty within a month of the due date of the relevant bill, the matter will be reported to DAC.	If the DP does not pay the monetary penalty within a month of the due date of the relevant bill, the matter will be reported to <del>DAC</del> <u>Member Committee</u> .
11.8.3	If penalties are imposed but the DP does not confirm rectification of non-compliance within 60 days of imposition of penalty, the matter will be referred to DAC.	If penalties are imposed but the DP does not confirm rectification of non-compliance within 60 days of imposition of penalty, the matter will be referred to <del>DAC</del> <u>Member Committee</u> .

Point No.	Existing	Proposed Amendments
<b>11.9 Verification of Compliance</b>		
	The compliance reported by the DP will be verified during the subsequent inspection. In case the compliance reported by the DP is found to be false, materially incorrect or misleading, the matter will be referred to the DAC for necessary action	The compliance reported by the DP will be verified during the subsequent inspection. In case the compliance reported by the DP is found to be false, materially incorrect or misleading, the matter will be referred to the <del>DAC</del> <u>Member Committee</u> for necessary action
<b>11.10 Penalties for non-compliances not covered in Annexure 11.1</b>		
	The MD or ED or COO will have the authority to introduce monetary penalty for such types of non-compliances which are not covered in Annexure 11.1, subject to reporting to the DAC for information and review.	The MD or ED or COO will have the authority to introduce monetary penalty for such types of non-compliances which are not covered in Annexure 11.1, subject to reporting to the <del>DAC</del> <u>Member Committee</u> for information and review.

<b>17 MISCELLANEA</b>		
Point No.	Existing	Proposed Amendments
<b>17.9 Manner of service of notice/ communication</b>		
<b>17.9.1 Any notice or communication required to be given by CDSL and Depository Participant interse under Bye Laws / Operating Instructions of CDSL and Agreement between them.</b>		
f	Appeal before CDSL Board against the order passed by Membership Committee/Disciplinary Action Committee	Appeal before CDSL Board against the order passed by <del>Membership Committee/Disciplinary Action Committee</del> <u>Member Committee</u>