



Central Depository Services (India) Limited

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COMMUNIQUE TO DEPOSITORY PARTICIPANTS

CDSL/OPS/DP/POLCY/2023/259

April 27, 2023

AMENDMENTS TO DP OPERATING INSTRUCTIONS CHAPTER-2

DPs are advised to note that amendments have been incorporated in CDSL's DP Operating Instructions Chapter Chapter 2-Account Opening , sub clause 2.3.4.2 based on SEBI Circular no. SEBI/HO/MRD/MRD-POD-2/P/CIR/2022/114 dated August 26, 2022 that is "In the event of the death of the Karta of HUF, the name of the deceased Karta in the Beneficial Owner (BO) account shall be replaced by the new Karta of the HUF who in such a case shall be eldest coparcener in the HUF or a coparcener who is appointed as Karta by an agreement reached amongst all the coparceners of the HUF".

The proposed amendments to the DP Operating Instructions are given in track changes mode [**Refer Annexure - A**].

Queries regarding this communiqué may be addressed to: CDSL – Helpdesk Emails may be sent to: helpdesk@cdslindia.com and telephone no. 08069144800.

Sd/-

Nilesh Shah
Asst. Vice President – Operations

<u>2. ACCOUNT OPENING</u>		
Point No.	Existing	Proposed Amendments
2.3.4 2.3.4.2	<p><u>HUF</u></p> <p>Procedure to be adopted in the event of death of Karta is as follows:</p> <p>a) HUF does not come to an end in the event of death of the Karta.</p> <p>b) HUF, being a Hindu Undivided Family, the property of the family is managed by the Karta.</p> <p>c) In the event of death of the Karta of HUF, the name of the deceased Karta in the Beneficial Owner (BO) account shall be replaced by the new Karta appointed by the members of the HUF who in such a case shall be the senior most member of the family.</p> <p>d) The new karta shall submit the new list of members signed by all the members along with the declaration in the list stating that "we state that the list of surviving members is complete and exhaustive and does not leave out any members of the HUF. Further, we confirm that the list provided is correct in all respect and also the information provided herein is complete and correct in all respect. All the members of the HUF are fully</p>	<p><u>HUF</u></p> <p>Procedure to be adopted in the event of death of Karta is as follows:</p> <p>a) HUF does not come to an end in the event of death of the Karta.</p> <p>b) HUF, being a Hindu Undivided Family, the property of the family is managed by the Karta.</p> <p><u>c) In the event of death of the Karta of HUF, the name of the deceased Karta in the Beneficial Owner (BO) account shall be replaced by the new Karta <u>of HUF, who in such case shall be eldest coparcener in the HUF or a coparcener who is appointed as Karta by an agreement reached amongst all the existing coparceners of the HUF.</u></u></p> <p><u>e)d)The new karta shall submit the new list of members signed by all the members along with the declaration in the list stating that "we state that the list of surviving members is complete and exhaustive and does not leave out any members of the HUF. Further, we confirm that the list provided is correct in all respect and also the information provided herein is complete and correct in all respect. All the members of the HUF are fully</u></p>

	<p>perceptive of the request made to the participant and also there is no pending dispute or claim for the same among the members of HUF with reference to this.</p> <p>e) Original or a copy of the death certificate of the deceased Karta duly notarized / attested by Gazetted Officer and a no objection from the surviving members of the HUF for him/her to act as Karta of the HUF.</p> <p>f) The existing BO account need not be closed and the same account may continue.</p> <p>g) The death of the Karta shall not mean that the securities lying in the BO account of the HUF is deemed to have divided among the coparceners as if the partition has taken place.</p> <p>The new Karta will submit to the DP the account modification form and record change in signature of the new Karta to operate the account. DP will make necessary modifications in the name of Karta after verifying all the documents and record change in signature of the new Karta to operate the account.</p> <p>The previous account need not be closed and the same account can continue.</p>	<p>perceptive of the request made to the participant and also there is no pending dispute or claim for the same among the members of HUF with reference to this.</p> <p>e) Original or a copy of the death certificate of the deceased Karta duly notarized / attested by Gazetted Officer and a no objection from the surviving members of the HUF for him/her to act as Karta of the HUF.</p> <p>e)f) The existing BO account need not be closed and the same account may continue.</p> <p>f)g) The death of the Karta shall not mean that the securities lying in the BO account of the HUF is deemed to have divided among the coparceners as if the partition has taken place.</p> <p>The new Karta will submit to the DP the account modification form and record change in signature of the new Karta to operate the account. DP will make necessary modifications in the name of Karta after verifying all the documents and record change in signature of the new Karta to operate the account.</p> <p>The previous account need not be closed and the same account can continue.</p>
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