Investor Charter – Depository

Circular No.: NSDL/POLICY/2021/0126December 23, 2021

Subject - Publishing Investor Charter and disclosure of Investor Complaints by Depository Participants on their websites

All Participants are hereby informed that SEBI vide its letter no. SEBI/HO/MIRSD/DOP/OW/P/2021/37347/1 dated December 15, 2021 has issued Investor Charter and disclosure of Investor Complaints by Depository Participants on their websites.

In abovementioned letter SEBI has directed that Participants are advised to bring the Investor Charter for Depositories and Depository Participants (copy placed at Annexure A) along with the information to be provided in the links of the charter (Copy placed at Annexure B), to the notice of their clients (existing as well as new clients) through publishing the Investor Charter on their respective websites, making them available at prominent places in the office, provide a copy of Investor Charter as a part of account opening kit to the clients, through e-mails/ letters etc.

Furthermore, NSDL has uploaded the Investor Charter on the NSDL website. The same is available on link https://nsdl.co.in under news section.

Additionally, in order to bring about transparency in the Investor Grievance Redressal Mechanism, it has been decided that all the DPs shall disclose on their respective websites, the data on complaints received against them or against issues dealt by them and redressal thereof, latest by 7th of succeeding month, as per the format enclosed at Annexure 'C'

The provisions of this circular shall come into effect from January 01, 2022.

Participants are requested to take note of the above and ensure compliance.

For and on behalf of

National Securities Depository Limited

Gayak Jalan Manager

FORTHCOMING COMPLIANCE			
Particulars	**Deadline**	**Manner of sending**	**Reference**
Investor Grievance Report (Monthly)	By 10th of the following month.	Through e- PASS	Circular No. NSDL/POLICY/2015/0096 dated October 29, 2015

INVESTOR CHARTER

Annexure A

1. Vision

Towards making Indian Securities Market - Transparent, Efficient, & Investor friendly by providing safe, reliable, transparent and trusted record keeping platform for investors to hold and transfer securities in dematerialized form.

2. Mission

- To hold securities of investors in dematerialised form and facilitate its transfer, while ensuring safekeeping of securities and protecting interest of investors.
- To provide timely and accurate information to investors with regard to their holding and transfer of securities held by them.
- To provide the highest standards of investor education, investor awareness and timely services so as to enhance Investor Protection and create awareness about Investor Rights

3. Details of business transacted by the Depository and Depository Participant (DP)

A Depository is an organization which holds securities of investors in electronic form. Depositories provide services to various market participants - Exchanges, Clearing Corporations, Depository Participants (DPs), Issuers and Investors in both primary as well as secondary markets. The depository carries out its activities through its agents which are known as Depository Participants (DP). Details available on the link [https://nsdl.co.in/dpsch.php]

4. Description of services provided by the Depository through Depository Participants (DP) to investors

(1) Basic Services

Sr. no	Brief about the Activity / Service	Expected Timelines for processing by the DP after receipt of proper documents
1.	Dematerialization of securities	7 days
2.	Rematerialization of securities	7 days
3.	Mutual Fund Conversion / Destatementization	5 days
4.	Re-conversion / Restatementisation of Mutual fund units	7 days

Sr. no	Brief about the Activity / Service	Expected Timelines for processing by the DP after receipt of proper documents
5.	Transmission of securities	7 days
6.	Registering pledge request	15 days
7.	Closure of demat account	30 days
8.	Settlement Instruction	Depositories to accept physical DIS for pay-in of securities upto 4 p.m and DIS in electronic form upto 6 p.m on T+1 day

(2) Depositories provide special services like pledge, hypothecation, internet based services etc. in addition to their core services and these include

Sr. no	Type of Activity /Service	Brief about the Activity / Service
1.	Value Added Services	Depositories also provide value added services such as a. Basic Services Demat Account (BSDA)[1] b. Transposition cum dematerialization[2] c. Linkages with Clearing System[3] d. Distribution of cash and non-cash corporate benefits (Bonus, Rights, IPOs etc.)
2.	Consolidated Account statement (CAS)	CAS is issued 10 days from the end of the month (if there were transactions in the previous month) or half yearly (if no transactions).
3.	Digitalization of services provided by the depositories	Depositories offer below technology solutions and e-facilities to their demat account holders through DPs: e. E-account opening[4] f. Online instructions for execution[5] g. e-DIS / Demat Gateway[6] h. e-CAS facility[7] i. Miscellaneous services[8]

5. **Details of Grievance Redressal Mechanism**

(1) The Process of investor grievance redressal

Sr. no	Type of Activity /Service	Brief about the Activity / Service
1.	Investor Complaint/ Grievances	Investor can lodge complaint/ grievance against the Depository/DP in the following ways: a. Electronic mode - i. SCORES (a web based centralized grievance redressal system of SEBI) [https://www.scores.gov.in/scores/Welcome.html] ii. Respective Depository's web portal dedicated for the filing of compliant [https://www.epass.nsdl.com/complaints/websitecomplaints.aspx] iii. Emails to designated email IDs of Depository [relations@nsdl.co.in] The complaints/ grievances lodged directly with the Depository shall be resolved within 30 days.
2.	Investor Grievance Redressal Committee of Depository	If no amicable resolution is arrived, then the Investor has the option to refer the complaint/ grievance to the Grievance Redressal Committee (GRC) of the Depository. Upon receipt of reference, the GRC will endeavor to resolve the complaint/ grievance by hearing the parties, and examining the necessary information and documents.
3.	Arbitration proceedings	The Investor may also avail the arbitration mechanism set out in the Byelaws and Business Rules/Operating Instructions of the Depository in relation to any grievance, or dispute relating to depository services. The arbitration reference shall be concluded by way of issue of an arbitral award within 4 months from the date of appointment of arbitrator(s).

(2) For the Multi-level complaint resolution mechanism available at the Depositories[9]

6. **Guidance pertaining to special circumstances related to market activities: Termination of the Depository Participant**

Sr. no	Type of special circumstances	Timelines for the Activity/ Service
1.	o Depositories to terminate the participation in case a participant no longer meets the eligibility criteria and/or any other grounds as mentioned in the bye laws like suspension of trading member by the Stock Exchanges. o Participant surrenders the participation by its own wish.	Client will have a right to transfer all its securities to any other Participant of its choice without any charges for the transfer within 30 days from the date of intimation by way of letter/email.

7. **Dos and Don'ts for Investors[10]**

8. **Rights of investors[11]**

9. **Responsibilities of Investors[12]**

Annexure B

INFORMATION CONTAINED IN LINKS TO THE INVESTOR CHARTER

This document contains the contents in main Charter mapped with the same superscript

Para 4 (2) of Investor Charter

Point 1: Value Added Services

a. **Basic Services Demat Account (BSDA)[1]:**

The facility of BSDA with limited services for eligible individuals was introduced with the objective of achieving wider financial inclusion and to encourage holding of demat accounts. No Annual Maintenance Charges (AMC) shall be levied, if the value of securities holding is upto Rs. 50,000. For value of holdings between Rs 50,001- 2,00,000, AMC not exceeding Rs 100 is chargeable. In case of debt securities, there are no AMC charges for holding value upto Rs 1,00,000 and a maximum of Rs 100 as AMC is chargeable for value of holdings between Rs 1,00,001 and Rs 2,00,000.

b. **Transposition cum dematerialization[2]:**

In case of transposition-cum dematerialisation, client can get securities dematerialised in the same account if the names appearing on the certificates match with the names in which the account has been opened but are in a different order. The same may be done by submitting the security certificates along with the Transposition Form and Demat Request Form.

c. **Linkages with Clearing System[3]:**

for actual delivery of securities to the clearing system from the selling brokers and delivery of securities from the clearing system to the buying broker.

Point 3: Digitization of services provided by the depositories

a. **E-account opening[4]:**

Account opening through digital mode, popularly known as "On-line Account opening", wherein investor intending to open the demat account can visit DP website, fill in the required information, submit the required documents, conduct video IPV and demat account gets opened without visiting DPs office.

b. **Online instructions for execution[5]:**

internet-enabled services like Speed-e (NSDL) & Easiest (CDSL) empower a demat account holder in managing his/her securities 'anytime-anywhere' in an efficient and convenient manner and submit instructions online without the need to use paper. These facilities allow Beneficial Owner (BO) to submit transfer instructions and pledge instructions including margin pledge from their demat account. The instruction facilities are also available on mobile applications through android, windows and IOS platforms.

c. **e-DIS / Demat Gateway[6]:**

Investors can give instructions for transfer of securities through e-DIS apart from physical DIS. Here, for on-market transfer of securities, investors need to provide settlement number along with the ISIN and quantity of securities being authorized for transfer. Client shall be required to authorize each e-DIS valid for a single settlement number / settlement date, by way of OTP and PIN/password, both generated at Depositories end. Necessary risk containment measures are being adopted by Depositories in this regard.

d. **e-CAS facility[7]:**

Consolidated Account Statements are available online and could also be accessed through mobile app to facilitate the investors to view their holdings in demat form.

e. **Miscellaneous services[8]:**

Transaction alerts through SMS, e-locker facilities, chatbots for instantaneously responding to investor queries etc. have also been developed.

Para 5(2) of Investor Charter

Complaint Resolution process at Depositories[9]

Investor Helpline Details of Depositories

Para 7 of Investor Charter

Dos and Don'ts for Investor[10]

Sr. no	Guidance
1.	Always deal with a SEBI registered Depository Participant for opening a demat account.
2.	Read all the documents carefully before signing them.
3.	Before granting Power of attorney to operate your demat account to an intermediary like Stock Broker, Portfolio Management Services (PMS) etc., carefully examine the scope and implications of powers being granted.
4.	Always make payments to registered intermediary using banking channels. No payment should be made in name of employee of intermediary.
5.	Accept the Delivery Instruction Slip (DIS) book from your DP only (preprinted with a serial number along with your Client ID) and keep it in safe custody and do not sign or issue blank or partially filled DIS slips. Always mention the details like ISIN, number of securities accurately. In case of any queries, please contact your DP or broker and it should be signed by all demat account holders. Strike out any blank space on the slip and Cancellations or corrections on the DIS should be initialed or signed by all the account holder(s). Do not leave your instruction slip book with anyone else. Do not sign blank DIS as it is equivalent to a bearer cheque.
6.	Inform any change in your Personal Information (for example address or Bank Account details, email ID, Mobile number) linked to your demat account in the prescribed format and obtain confirmation of updation in system
7.	Mention your Mobile Number and email ID in account opening form to receive SMS alerts and regular updates directly from depository.
8.	Always ensure that the mobile number and email ID linked to your demat account are the same as provided at the time of account opening/updation.
9.	Do not share password of your online trading and demat account with anyone
10.	Do not share One Time Password (OTP) received from banks, brokers, etc. These are meant to be used by you only.
11.	Do not share login credentials of e-facilities provided by the depositories such as e-DIS/demat gateway, SPEED-e/easiest etc. with anyone else.
12.	Demat is mandatory for any transfer of securities of Listed public limited companies with few exceptions.

Sr. no	Guidance
13.	If you have any grievance in respect of your demat account, please write to designated email IDs of depositories or you may lodge the same with SEBI online at https://scores.gov.in/scores/Welcome.html
14.	Keep a record of documents signed, DIS issued and account statements received.
15.	As Investors you are required to verify the transaction statement carefully for all debits and credits in your account. In case of any unauthorized debit or credit, inform the DP or your respective Depository.
16.	Appoint a nominee to facilitate your heirs in obtaining the securities in your demat account, on completion of the necessary procedures.
17.	Register for Depository's internet based facility or download mobile app of the depository to monitor your holdings.
18.	. Ensure that, both, your holding and transaction statements are received periodically as instructed to your DP. You are entitled to receive a transaction statement every month if you have any transactions.
19.	Do not follow herd mentality for investments. Seek expert and professional advice for your investments
20.	Beware of assured/fixed returns.

Para 8 of Investor Charter

Rights of investors[11]

- Receive a copy of KYC, copy of account opening documents.
- No minimum balance is required to be maintained in a demat account.
- No charges are payable for opening of demat accounts.
- If executed, receive a copy of Power of Attorney. However, Power of Attorney is not a mandatory requirement as per SEBI / Stock Exchanges. You have the right to revoke any authorization given at any time.
- You can open more than one demat account in the same name with single DP/ multiple DPs.
- Receive statement of accounts periodically. In case of any discrepancies in statements, take up the same with the DP immediately. If the DP does not respond, take up the matter with the Depositories.
- Pledge and /or any other interest or encumbrance can be created on demat holdings.
- Right to give standing instructions with regard to the crediting of securities in demat account.
- Investor can exercise its right to freeze/defreeze his/her demat account or specific securities / specific quantity of securities in the account, maintained with the DP.

- In case of any grievances, Investor has right to approach Participant or Depository or SEBI for getting the same resolved within prescribed timelines.
- Every eligible investor shareholder has a right to cast its vote on various resolutions proposed by the companies for which Depositories have developed an internet based 'e-Voting' platform.
- Receive information about charges and fees. Any charges/tariff agreed upon shall not increase unless a notice in writing of not less than thirty days is given to the Investor.

Para 9 of Investor Charter

Responsibilities of Investors[12]

- Deal with a SEBI registered DP for opening demat account, KYC and Depository activities.
- Provide complete documents for account opening and KYC (Know Your Client). Fill all the required details in Account Opening Form / KYC form in own handwriting and cancel out the blanks.
- Read all documents and conditions being agreed before signing the account opening form.
- Accept the Delivery Instruction Slip (DIS) book from DP only (preprinted with a serial number along with client ID) and keep it in safe custody and do not sign or issue blank or partially filled DIS.
- Always mention the details like ISIN, number of securities accurately.
- Inform any change in information linked to demat account and obtain confirmation of updation in the system.
- Regularly verify balances and demat statement and reconcile with trades / transactions.
- Appoint nominee(s) to facilitate heirs in obtaining the securities in their demat account.
- Do not fall prey to fraudsters sending emails and SMSs luring to trade in stocks / securities promising huge profits.

Annexure C

Data for Month ending –Aug -2025

S. No	Received from	Carried forward from previous month	Received during the month	Total Pending	Resolved*	Pending at the end of the month**		Average Resolution time^ (in days)
						Pending for less than 3 months	Pending for more than 3 months	
1	2	3	4	5	6	7		8

S. No	Received from	Carried forward from previous month	Received during the month	Total Pending	Resolved*	Pending at the end of the month**		Average Resolution time^ (in days)
1	Directly from Investors	0	0	0	0	0	0	0
2	SEBI (SCORES)	0	0	0	0	0	0	0
3	Depositories	0	0	0	0	0	0	0
4	Other Sources (if any)	0	0	0	0	0	0	0
5	**Grand Total**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Trend of monthly disposal of complaints

S. No	Month	Carried forward from previous month	Received	Resolved*	Pending**
1	**2**	**3**	**4**	**5**	**6**
1	Sep- 2023	0	0	0	0
2	Oct- 2023	0	0	0	0
3	Nov- 2023	0	0	0	0
4	Dec- 2023	0	0	0	0
5	Jan- 2024	0	0	0	0
6	Feb- 2024	0	0	0	0
7	Mar- 2024	0	0	0	0
8	Apr- 2024	0	0	0	0
9	May- 2024	0	0	0	0
10	Jun- 2024	0	0	0	0
11	Jul- 2024	0	0	0	0

S. No	Month	Carried forward from previous month	Received	Resolved*	Pending**
12	Aug- 2024	0	0	0	0
13	Sep- 2024	0	0	0	0
14	Oct- 2024	0	0	0	0
15	Nov- 2024	0	0	0	0
16	Dec- 2024	0	0	0	0
17	Jan - 2025	0	0	0	0
18	Feb- 2025	0	0	0	0
19	Mar- 2025	0	0	0	0
20	Apr- 2025	0	0	0	0
21	May- 2025	0	0	0	0
22	June- 2025	0	0	0	0
23	July- 2025	0	0	0	0
24	Aug- 2025	0	0	0	0
25	Sep- 2025	0	0	0	0
26	Oct- 2025	0	0	0	0
27	Nov- 2025	0	0	0	0
28	Dec- 2025	0	0	0	0
29	Jan- 2026	0	0	0	0
30	Feb-2026	0	0	0	0
31	Mar-2026	0	0	0	0
32	Apr- 2026	0	0	0	0
33	May- 2026	0	0	0	0
34	June- 2026	0	0	0	0
35	July- 2026	0	0	0	0

S. No	Month	Carried forward from previous month	Received	Resolved*	Pending**
36	Aug- 2026	**0**	**0**	0	0
37	Sep- 2026				
Grand Total	**0**	**0**	**0**	0	0

*Should include complaints of previous months resolved in the current month, if any. **Should include total complaints pending as on the last day of the month, if any. ^Average resolution time is the sum total of time taken to resolve each complaint in the current month divided by total number of complaints resolved in the current month.

Trend of annual disposal of complaints

S. No	Year	Carried forward from previous year	Received during the year	Resolved during the year	Pending at the end of the year
1	2023-24	0	0	0	0
2	2024-25	0	0	0	0
3	2025-26	0	0	0	0
	Grand Total	**0**	**0**	**0**	**0**