

Circular No.: NSDL/POLICY/2022/123

September 01, 2022

**Subject: Corrigendum to Master Circular for Depositories dated February 05, 2021 on Opening of demat account in case of HUF**

Attention of Participants is invited to SEBI Circular No. SEBI/HO/MRD/MRD-POD-2/P/CIR/2022/114 dated August 26, 2022 (Copy enclosed) regarding Corrigendum to Master Circular for Depositories dated February 05, 2021 on opening of demat account in case of HUF. In abovementioned circular, SEBI stated as below:

In partial modification, Subsection 1.2 (a) of Section 1.4 of the Master Circular for Depositories dated February 05, 2021 shall be replaced with the following:

*“In the event of death of 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”*

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

For and on behalf of

**National Securities Depository Limited**

**Arockiaraj**

**Manager**

Enclosed: One

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
Networth Certificate and Audited Financial Statements.	September 30th every year	By hard copy to Inspection Department	Circular No. NSDL/PI/98/414 dated September 1, 1998



CIRCULAR

SEBI/HO/MRD/MRD-POD-2/P/CIR/2022/114

August 26, 2022

To  
All Depositories

Dear Sir/Madam,

**Sub: Corrigendum to Master Circular for Depositories dated February 05, 2021 on Opening of demat account in case of HUF**

1. Please refer to SEBI Master Circular for Depositories No. SEBI/HO/MRD2/DDAP/CIR/P/2021/18 dated February 05, 2021 and Corrigendum to Master Circular for Depositories dated February 05, 2021 on Opening of demat account in case of HUF dated February 17, 2021.
2. In partial modification, Subsection 1.2 (a) of Section 1.4 of the Master Circular for Depositories dated February 05, 2021 shall be replaced with the following:  
  
*“In the event of death of 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”*
3. It may be noted that the other provisions of the Master Circular for Depositories SEBI/HO/MRD2/DDAP/CIR/P/2021/18 dated February 05, 2021 shall remain unchanged.



4. The Depositories are advised to:
  - i. make amendments to the relevant bye-laws, rules and regulations for the implementation of the above decision, as may be applicable/necessary;
  - ii. to carry out system changes, if any, to implement the above;
  - iii. disseminate the provisions of this circular on their website;
  - iv. communicate to SEBI, the status of implementation of the provisions of this circular in their Monthly Development Report.
  
5. This circular is issued in exercise of powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act, 1992, to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.
  
6. The circular is available on SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in) at "Legal > Master Circulars".

**Yours faithfully,**

**Vishal Shukla**  
**General Manager**  
**Market Regulation Department**  
**Email: vishals@sebi.gov.in**