



Central Depository Services (India) Limited

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COMMUNIQUÉ TO DEPOSITORY PARTICIPANTS

CDSL/OPS/DP/1424

January 16, 2009

NOMINATION IN BO ACCOUNTS MADE COMPULSORY

DPs are advised to note that SEBI has stipulated new norms with regard to "**Nomination**" in demat accounts and initiate the launching of a special drive to ensure that all existing BO accounts are updated with nominations. New accounts opened would mandatorily record the nomination or dissent to nominate, as the case may be.

In order to ensure suitable implementation of the above, CDSL's DP Operating Instructions – Chapter 3: Account Administration & Maintenance, point 3.4.2 has been amended [see **Annexure-A**] along with the Nomination Form [see **Annexure-B**].

For existing BO accounts that have not yet recorded their nominations, DPs are advised to send a letter to such BOs requesting them to file their nomination at the earliest. A draft-format of the letter is attached [see **Annexure-C**]. If a BO expresses his desire **not to record a nomination**, DPs are advised to ensure that the BO chooses the appropriate option on the nomination form, strikes out what is not applicable and affixes his signature thereon.

An account modification form along with the nomination form (both duly filled and signed by the account holder(s)) should be obtained from existing BOs before the nomination is recorded in the CDSL system.

Queries regarding this communiqué may be addressed to **CDSL-Helpdesk** on telephone no. (022) 2272-3333 (extn. 8642, 8427, 8663, 8624, 8693, 8625, 8639), direct (022) 2272-1261, (022) 32462767, (022) 2272-2075 or email ID: helpdesk@cdslindia.com.

sd/-

Ramkumar K.
Vice President – Operations

3.4.2 Addition of nomination

- This transaction allows the DP to setup a nomination request for a BO.
- The DP ~~may advise~~ should mandatorily obtain ~~the BOs to submit~~ a nomination form (Annexure 3.2) from the BO, duly filled and signed by all the holders.
- The DP shall ensure that the nomination is given by individuals only. Non-individuals including society, trust, corporate body, partnership firm, HUF, holder of POA, cannot appoint a nominee. A minor can nominate through a guardian. An NRI can nominate.
- The DP shall also ensure that the nominees appointed by the BO(s) are individuals. A body corporate, trust, society, partnership firm, HUF or a holder of a POA cannot be appointed as a nominee. An NRI can be appointed as a nominee subject to the Exchange Control Regulations in force from time to time. A minor can be appointed as a nominee represented by a guardian.
- The DPs should maintain a record of the nominees registered in a nomination register. The register can be in physical form or in electronic form. Each nomination entered in the register should be given a serial number. This serial number should be written on the nomination form along with date of entry of the nomination in the nomination register.
- If a BO does not wish to nominate, the option: "I/WE DO NOT WISH TO NOMINATE" in the Nomination Form should be selected. The DP should ensure that the nomination form is duly signed by all the account holders.

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

- a) Nomination Registration Number.
- b) Date of Registration.
- c) BO Account Number for which nomination is being received.
- d) Name of nominee.
- e) Address of nominee.
- f) If Nominee is a minor, then schedule date of attaining majority.
- g) Name/address of the guardian, if nominee is a minor.
- h) Option "not to nominate", if submitted by the BO(s).
- i) Remarks.

3.4.2.2 After verification of the documents for adding/changing nomination, particulars of the

nomination details should be [mandatorily](#) recorded in the CDSL system.

3.4.2.3 In case the DP has not entered the details of nomination in the Nomination Register and in the CDSL system, the BO account will be considered as “without nomination”.

- The modified data is updated and stored at CDSL.

Ref: _____

Date: ___ / ___ / 2009

To:

<BO NAME>

<Address Line 1>

<Address Line 2>

<Address Line 3>

<City> - <Pin Code>

<State>

Dear Sir / Madam,

Ref: **BO Account no.** _____ - _____ **with our Main / Branch DP**

Pursuant to a SEBI directive, CDSL has informed us that demat accounts should mandatorily record the nomination for the said account.

From our records, we find that the referenced account held with us **does not** have a nomination.

You are requested to duly fill in and sign the attached "NOMINATION FORM" and send it to us immediately. Your prompt action and co-operation in the matter would be appreciated.

For further queries or clarifications regarding the NOMINATION FACILITY, kindly contact us at:

DP NAME : _____

DP ADDRESS : _____

Telephone No. : _____

Fax No. : _____

Office Timings : _____

Thanking you,

Your faithfully,
for <DP NAME>

<Signature of Authorized Official>

Encl: Nomination Form