



Central Depository Services (India) Limited

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COMMUNIQUE TO DEPOSITORY PARTICIPANTS

CDSL/OPS/DP/POLCY/2025/818

December 12, 2025

HINDU UNDIVIDED FAMILY (HUF) WITH JOINTLY WITH INDIVIDUAL(S)

SEBI vide their letter dated August 13, 2025 has allowed opening of HUF demat account jointly with individual joint holder/s basis on the representation received from investors.

In view of the above SEBI letter, DPs are advised to note that the functionality has been released in CDSL system for opening of HUF demat accounts jointly with maximum two individual joint holder/s, DPs have to ensure to follow the below mentioned guidelines at the time of opening of the such demat account:

1. HUF exists in perpetuity and is not allowed to nominate, nomination facility is not provided in such joint demat accounts
2. HUF demat account shall be allowed to be opened with maximum two individual joint holders only. The first holders i.e. the fourth alphabet of the PAN shall be "H" and the Joint holders' fourth letter of the PAN shall be "P" i.e. individual in such demat account.
3. On the demise of the Karta of the HUF, the new Karta will be appointed and the demat account will continue. In the event of demise of the third-party joint holder, the HUF will hold the account as surviving holder.
4. In the event of partition of HUF (full or partial), new demat accounts can be opened (i.e. one per partitioned coparcener) and the securities can be transferred in such demat accounts as per the share of each coparcener upon partition.
5. In each of these demat accounts, the other joint holder (i.e. individual joint holder of HUF) will remain the joint holder with such respective partitioned coparcener.
6. In case the individual joint holder is not interested in opening multiple joint demat accounts, the partitioned coparcener(s) and the individual (joint holder) can amicably decide to open a joint account or apportion their share into their respective partitioned coparcener and the other joint holder separately.
7. In case of full partition, the existing demat account of HUF will be closed as after partition, the HUF would cease to exist.

DP are advised to note that the said functionality will be released to live with effect from Saturday , December 13, 2025.



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DPs are advised to take note of the same and ensure compliance.

Queries regarding this communiqué may be addressed to: **CDSL – Helpdesk** Emails may be sent to: dptasupport@cdslindia.com and telephone number 022-62343333.

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

sd/-

**Nilesh Shah
Vice President – Operations**