

Dynamic Equities Pvt Ltd

Updated Rights and Obligations of Beneficial Owner and Depository Participant

(As prescribed by SEBI, NSDL/CDSL and updated with latest applicable circulars till May 2026)

General Clause

1. The Beneficial Owner (BO) and Dynamic Equities Pvt Ltd, acting as Depository Participant (DP), shall be bound by the provisions of the Depositories Act, 1996, SEBI (Depositories and Participants) Regulations, applicable SEBI Master Circulars, NSDL/CDSL Bye-laws, Business Rules, Operating Instructions and all circulars, notifications and guidelines issued from time to time.
 2. The DP shall open/activate demat accounts only after obtaining complete Account Opening Form (AOF), KYC documents, IPV compliance, FATCA/CRS declaration and other documents as prescribed by SEBI and Depositories.
 3. The DP shall maintain confidentiality of client information and shall disclose the same only where required under law, regulatory directions, court orders or instructions from statutory authorities.
 4. The Beneficial Owner shall immediately intimate any change in address, mobile number, e-mail ID, bank details, nomination details, PAN, KYC status or any other material information.
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Fees / Charges / Tariff

1. The Beneficial Owner shall pay charges as agreed in the tariff sheet provided by the DP for demat services, transaction processing and other depository services.
 2. No charges shall be levied for opening of demat accounts as per prevailing SEBI guidelines.
 3. In case of BSDA accounts, the DP shall follow the revised charge structure and eligibility criteria prescribed by SEBI and Depositories from time to time.
 4. The DP shall provide prior written notice of minimum thirty (30) days before revising any tariff/ charges.
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Dematerialisation and Transfer of Securities

1. The Beneficial Owner shall have the right to dematerialise securities admitted with Depositories in the prescribed manner.
 2. The DP shall maintain separate demat accounts for each Beneficial Owner and ensure segregation of client securities from its own holdings.
 3. The DP shall execute debit/transfer instructions only on the basis of valid authorization, DIS instruction, e-DIS, DDPI or any other mode permitted by SEBI/Depositories.
 4. The Beneficial Owner may provide standing instructions for automatic credit of securities into the demat account.
 5. Pledge / hypothecation / invocation of securities shall be carried out strictly in accordance with SEBI circulars and Depository procedures including updated pledge invocation and notice requirements applicable from 2026.
 6. In line with latest SEBI circulars issued during 2026, eligible investor service requests including transmission, transposition, duplicate securities and related corporate actions may be processed through direct credit mechanism into demat accounts without issuance of Letter of Confirmation (LOC), wherever applicable.
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Statement of Account

1. The DP shall provide periodic transaction statements and holding statements in physical or electronic mode as prescribed by SEBI and Depositories.
 2. Electronic statements may be sent to the registered e-mail ID with digital authentication.
 3. Annual statement of holdings shall be provided where there are no transactions and balance is Nil, in accordance with applicable regulations.
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Closure / Freezing / Defreezing of Demat Account

1. The Beneficial Owner may close the demat account subject to settlement of dues and submission of closure request.
2. The DP may close the account after giving prior notice as per Depository rules.
3. Transfer of balances to another demat account or rematerialisation shall be processed within the timelines prescribed by Depositories.

4. The Beneficial Owner may freeze or defreeze the demat account in accordance with Depository procedures.
 5. The DP or Depository may freeze/defreeze accounts pursuant to regulatory, court or statutory authority directions.
 6. Revised procedures regarding closure and shifting of demat accounts shall apply as per NSDL business rule amendments notified during 2026.
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Default in Payment

1. In case of default in payment of dues by the Beneficial Owner, the DP may charge interest as permitted by Depository guidelines.
 2. The DP may suspend processing of instructions after due notice till outstanding dues are cleared.
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Liability and Investor Grievance Redressal

1. Any loss caused due to negligence of the Depository or Participant shall be governed by Section 16 of the Depositories Act, 1996.
 2. The DP shall redress investor grievances within timelines prescribed by SEBI and Depositories.
 3. The Beneficial Owner may approach SCORES platform, Depositories or Arbitration mechanism for grievance resolution where applicable.
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Authorized Representatives

1. In case of body corporate / partnership / trust / legal entity accounts, authorized signatories and representatives shall be communicated to the DP along with supporting board resolution/ authorization documents.
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Law and Jurisdiction

1. The rights and obligations contained herein shall always be subject to amendments issued by SEBI, NSDL, CDSL, Government Authorities and other regulators from time to time.
2. Any amendment/modification in SEBI Regulations, Master Circulars, Depository Bye-laws, Business Rules or Operating Instructions shall automatically form part of this document.

3. The DP and Beneficial Owner shall abide by arbitration and conciliation mechanisms prescribed under Depository Bye-laws.

Important Regulatory Updates Incorporated

- SEBI and Depository circulars applicable till May 2026.
 - Revised BSDA eligibility and operational framework.
 - Updated pledge invocation and notice mechanism.
 - Direct credit of securities in demat accounts without LOC in eligible cases.
 - Amendments relating to closure and shifting of demat accounts.
 - Updated compliance framework under SEBI Master Circular for Depositories.
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Dynamic Equities Pvt Ltd

Depository Participant – NSDL/CDSL

This document shall be read in conjunction with latest SEBI circulars, NSDL/CDSL Operating Instructions and applicable regulatory framework.