



# Central Depository Services (India) Limited

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## COMMUNIQUÉ TO DEPOSITORY PARTICIPANTS

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CDSL/OPS/DP/POLCY/2017/176

April 05, 2017

### LINKING OF DEMAT ACCOUNTS OF INDIVIDUALS WITH AADHAR

DPs may refer to Union Budget 2017-18 announcement under 'Other measures in the Financial Sector' that "Steps will be taken for linking of individual demat accounts with Aadhar ". Accordingly, SEBI in consultation with depositories, has decided that steps should be taken for smooth implementation of the said announcement.

DPs may note that the 'Additional KYC Form for opening a Demat Account – For Individuals' ( Annexure 2.1 of the DP Operating Instructions) provides for obtaining the Aadhar number (UID) from all holders. Similarly, there is a provision to incorporate the said details in CDSL system through online entry as well as upload.

In view of the above, DPs are hereby advised as follows:-

- (a) Encourage individual clients to submit Aadhar number at the time of account opening
- (b) Verify the authenticity of Aadhar number with the Aadhar Card (copy to be kept on record). Alternatively, if you are a AUA or Sub-AUA, you may validate the details with the UIDAI database and keep such verification on record.
- (c) Exercise abundant caution while capturing the Aadhar number in CDSL database. Ensure that wrong data is not populated in the UID field.
- (d) Promote linking of Aadhar number with demat account through investors' education programmes.
- (e) Inform the existing individual demat account holders to submit details of Aadhar number along with copy of Aadhar Card. The DPs should endeavor to convey the same to all existing individual demat account holders using all possible modes like email, SMS, ticker on website, appropriate footer/ message in regular communications to BOs (e.g. transaction statements / bills), alerts to the users at the time of log-in to online portals, brochures, posters, etc.
- (f) Mode of acceptance of requests for update of Aadhar number
  - a. On the basis of copy of Aadhar Card duly signed by the investor with a request to update demat account.
  - b. On the basis of authentication with UIDAI database -
    - i. A letter / modification form signed by the respective account holder.
    - ii. An email received from the registered email id of the demat account stating the Aadhar number



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- iii. Document duly signed by the first holder mentioning Aadhar number submitted to the DP for trading account or bank account
- iv. Aadhar number submitted by the holder through online DP or trading or banking portal of the DP

Although currently it is not mandatory to link Aadhar with individual demat account, DPs should make maximum efforts to get all existing individual demat accounts linked with Aadhar and to obtain Aadhar number at the time of new account opening. If any DP chooses to make Aadhar mandatory for opening of new demat accounts, it may do so.

It may be noted that CDSL may also communicate with individual demat account holders to urge them to link their Aadhar with demat account.

Queries regarding this communiqué may be addressed to:

**CDSL – Helpdesk** (022) 2272-8642, 2272-8427, 2272-8624, 2272-8693, 2272-8639, 2272-8625, 2272-1261 or 2272-8663. Emails may be sent to: [helpdesk@cdslindia.com](mailto:helpdesk@cdslindia.com)

**Nayana Ovalekar**  
**Sr. Vice President – Operations**