

21 May 2025

To: The CEOs of Depository Participants

CIRUCLAR NO: 07/05/2025

Dear Sir/Madam,

IMPLEMENTATION OF FEES FOR CENTRALLY HANDLED OPERATIONS AND NATIONAL IDENTITY CARD (NIC) IMAGE VERIFICATION

The Central Depository Systems Private Limited (CDS) has empowered Depository Participants in February 2020 through the decentralization of key operations, including account opening and intra-transfer of securities, to Depository Participants (DPs). This strategic move aligns the CDS with regional best practices, aiming to enhance efficiency and effectiveness within the securities market.

The CDS has also streamlined the account opening process for Depository Participants (DPs) by integrating with the Department of Registration of Persons (DRP) online system. This integration through CDS eConnect and utilized for applications initiated via the CSE mobile app, allows for efficient digital Know Your Customer (KYC) checks, aligning with FIU guidelines.

The CDS has also successfully implemented digital channels for opening of margin accounts, individual accounts, own account transfers and master file changes (client profile updates) ensuring maximum empowerment of the DPs and currently more than 97% of such services are processed via digital channels.

However, with a view to encouraging the full usage of digital channels as opposed to reliance to manual channels the Board of the CDS has decided to introduce the following fees, for Centrally handled operations by the CDS via non digital channels with effect from 1st September 2025.

1. Fees for Centrally handled operations by the CDS via non digital channels

Centralized Operation Type	Fee (Rs.)*
CDS account opening – LI	2,500.00
CDS account opening – FI	3,500.00
CDS account opening – LC (institutional account)	5,000.00
CDS account opening – LC (margin trading account)	5,000.00
Client master file change	1,500.00
E-mail & Mobile number update	1,500.00
Transfer of securities between own accounts (not applicable for **genuine account number changes)	Up to 10 transfers 1,500.00. From 11th transfer onwards 150.00 each

* All fees mentioned here are subjected to applicable taxes.

**doesn't exclude any transfer of securities that happens to rectify incorrect account openings due to DP's negligence.

2. DRP verifications

Furthermore in order to defray part of the expenses in connection with maintaining connectivity with the Department of Registrar of Persons (DRP) , the CDS has also decided to introduce a fee for record verification with the DRP as follows .

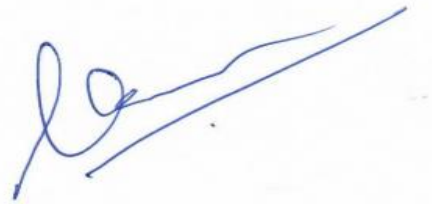
Centralized Operation Type	Fee (Rs.)*
Per record verified with the DRP for every successful account opened	Rs. 65.00

* All fees mentioned here are subjected to applicable taxes.

The above fees will be invoiced on a quarterly basis

The CDS strongly advocates that DPs use digital channels for accounts opening, Masterfile changes and own account transfers. This will provide customer convenience and also improve efficiency and reduce the operational costs of DPs.

Yours faithfully,



Nadeera Athukorale
Head – Central Depository Systems

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