



CIRCULAR

CIR/MRD/DP/ 20 /2015

December 11, 2015

To,

The Depositories

Dear Sir/ Madam,

Subject: Facility for Basic Services Demat Account (BSDA)

1. SEBI vide circular no. CIR/MRD/DP/22/2012 dated August 27, 2012 had introduced the facility of “Basic Services Demat Account” (BSDA) with limited services for eligible individuals with the objective of achieving wider financial inclusion and to encourage holding of demat accounts.
2. Further, vide the aforesaid circular, the Depository Participants (DPs) were advised to provide an option to all the existing eligible individuals to convert their demat account into BSDA. So far, few demat accounts have actually been converted into BSDA during the last three years despite large number of demat accounts being eligible for conversion into BSDA.
3. In order to facilitate the eligible individuals to avail the benefits of BSDA, DPs are advised to convert all such eligible demat accounts into BSDA unless such Beneficial Owners (BOs) specifically opt to continue to avail the facility of a regular demat account.
4. The DPs shall assess the eligibility of the BOs at the end of the current billing cycle and convert eligible demat accounts into BSDA.
5. The Depositories are advised to:-
 - a) make amendments to the relevant bye-laws, rules and regulations for the implementation of the above decision as may be applicable / necessary; and
 - b) communicate to SEBI, the status of implementation of the provisions of this circular by the DPs in the Monthly Development Report.



भारतीय प्रतिभूति और विनिमय बोर्ड
Securities and Exchange Board of India

6. This circular is being issued in exercise of the powers conferred by Section 11 (1) of Securities and Exchange Board of India Act, 1992 and section 19 of the Depositories Act, 1996 to protect the interest of investors in securities and to promote the development of, and to regulate, the securities market.

Yours faithfully,

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