Nodal Co-ordination Cell

Informal Guidance

Issue No: I/16666/2026

July 17, 2026

Integrated Enterprises (India) Private Limited,
No. 5A, 5th Floor, Kences Towers,
No. 1 Ramakrishna Street,
T. Nagar, Chennai-600017, Tamil Nadu

Madam,

Kind Attention: Mrs. Prabha V, Compliance Officer- Integrated Enterprises (India) Private Limited

Sub: Request for Informal Guidance by way of an Interpretive Letter under the Securities and Exchange Board of India (Informal Guidance) Scheme, 2025 in relation to provisions of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, SEBI Circular dated January 28, 2005 and SEBI Master Circular for Depositories dated December 03, 2024.

1. This is with reference to your letter dated May 08, 2026 ("**application**") seeking guidance by way of an interpretive letter under the Securities and Exchange Board of India (Informal Guidance) Scheme, 2025 ("**Informal Guidance Scheme**").

2. In your application under reference, you have, *inter alia*, represented that Integrated Enterprises (India) Private Limited ("**the applicant**") is registered as a Depository Participant ("**DP**") and facilitates the holding and transfer of securities in dematerialised form for its clients and levies charges in accordance with its tariff sheet as agreed with its clients. In your application, you have sought clarifications on the interpretation and applicability of certain provisions of the SEBI (Depositories and Participants) Regulations, 2018, SEBI Circular dated January 28, 2005 and SEBI Master Circular for Depositories dated December 03, 2024 ("**Master Circular**"), in relation to the levy of charges by DPs on their clients.

3. In view of the same, you have sought guidance in the form of an interpretive letter under the Informal Guidance Scheme on the following queries:

3.1. Whether a DP, not being registered as a custodian, is permitted to levy any form of "custodial charge" on investors for holding securities in dematerialised form, in light of SEBI Circular dated January 28, 2005.

3.2. Whether a DP may levy charges on investors which are computed with reference to the value of securities held in demat account (for instance, as a percentage of the value of holdings), where such charges are not expressly termed as "custodial charges".

3.3. Whether Annual Maintenance Charges or any similar recurring charges levied by a DP may be structured or charged based on the value of securities held by the clients.

3.4. Whether, under the current regulatory framework for DPs, there are any prohibitions or restrictions, on the basis or manner in which a DP may structure its tariff or charge its clients, based on the value of securities held by the clients in their DP account with the DP.

4. We have considered the submissions made by you in your application. Without necessarily agreeing with your analysis, our response on the queries raised in your letter, are as under:

4.1. In response to Query at Para 3.1 above, it may be noted that in terms of Para 1.10.1(iii) of Master Circular, *no custody charge shall be levied on any investor who is opening a Beneficial Owner ("**BO**") Account.* Hence, a DP is not permitted to levy any form of custodial charge on investors.

4.2. In response to Query at Para 3.2 to 3.4 above, it may be noted that Para 5 of Annexure-3 of Master Circular *inter alia* specifies that *the BO shall pay such charges to the DP for the purpose of holding and transfer of securities in dematerialized form and for availing depository services as may be agreed to from time to time between the DP and the BO as set out in the Tariff Sheet provided by the DP.* Further, DP shall not levy charges on BO in cases where specific provisions prohibit the imposition of such charges.

5. This letter has been issued with the approval of the competent authority and the guidance is based on the representation made in your application. Different facts or conditions would require a different result. This letter expresses the relevant Department's position on enforcement action only. It does not express the decision of the Board on the questions presented and does not preclude you from taking any other opinion, as deemed appropriate.

6. You may also note that the above position is expressed only with respect to the guidance sought in your letter under reference in respect of the provisions as referred above and does not affect the applicability of any other law or requirement of any other SEBI Regulation, Guidelines and Circulars administered by SEBI or the laws administered by any other authority.

Yours faithfully,

Anamika Shripat