

29<sup>th</sup> August 2019

## **NOTICE**

### **Sub: Database for Distinctive Number (DN) of Shares - Action against non-compliant companies**

To all Listed Companies

Attention of such aforesaid listed companies are drawn to SEBI Circular Ref. No. [SEBI/HO/MRD/DOP2DSA2/CIR/P/2019/87](#) dated August 01, 2019 (copy available at CSE web-site at [www.cse-india.com](http://www.cse-india.com) and SEBI web-site at [www.sebi.com](http://www.sebi.com)) wherein

“Regulation 75 of the SEBI (Depositories and Participants) Regulations, 2018 mandates issuer or its agent to daily reconcile the records of dematerialized securities with all securities issued by them.”

The said Circular also states as follows:

“despite follow-ups by Depositories, certain companies are yet to comply with aforementioned circular no. CIR/MRD/DP/10/2015 dated June 05, 2015. Hence, in order to protect the interest of investors.

Depositories are hereby directed that, with effect from August 01, 2019:-

- i. They shall freeze all the securities held by the promoters and directors of the listed companies that are not in compliance with the provisions of SEBI circular no. CIR/MRD/DP/10/2015 dated June 05, 2015 [i.e. Beneficiary Owner a/c level freezing].
- ii. They shall not effect any transfer, by way of sale, pledge, etc., of any of the securities, held by the promoters and directors of such non-compliant companies.
- iii. They shall freeze all related corporate benefits on the Beneficiary Owner a/c frozen as above.
- iv. They shall retain the freeze on the securities held by promoters and directors of non-compliant companies till such time the company complies with the directions provided in SEBI circular dated June 05, 2015.”

The concerned Stock Exchanges and Depositories shall coordinate with each other and take necessary steps to implement this circular.

This is for information and necessary action.

CS Chandrani Datta  
Executive-Listing