



# The Calcutta Stock Exchange Limited

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Dated: 21<sup>st</sup> July, 2023

## NOTICE

All Entities are hereby informed that the Exchange has received a Circular from **SEBI Vide Ref. No. [SEBI/HO/ISD/ISD-PoD-2/P/CIR/2023/124](#)** dated **July 19, 2023**, regarding Model Tripartite Agreement between the Issuer Company, Existing Share Transfer Agent and New Share Transfer Agent as per Regulation 7(4) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015. The contents of the said circular are reproduced hereunder for your information.

**Quote: CIRCULAR**

**SEBI/HO/ISD/ISD-PoD-2/P/CIR/2023/124**

**July 19, 2023**

**To**

**All Recognized Stock Exchanges**

**All Depositories**

**All Listed Companies**

Dear Sir/Madam,

**Sub: Trading Window closure period under Clause 4 of Schedule B read with Regulation 9 of SEBI (Prohibition of Insider Trading) Regulations, 2015 (“PIT Regulations”) – Extending framework for restricting trading by Designated Persons (“DPs”) by freezing PAN at security level to all listed companies in a phased manner.**

1. Clause 4 (1) of Schedule B read with Regulation 9 of PIT Regulations, inter-alia, states that *“Designated persons may execute trades subject to compliance with these regulations. Towards this end, a notional trading window shall be used as an instrument of monitoring the trading by the designated persons. The trading window shall be closed when the compliance officer determines that a designated person or class of designated persons can reasonably be expected to have possession of UPSI. Such closure shall be imposed in relation to such securities to which such UPSI relates. Designated persons and their immediate relatives shall not trade in securities when the trading window is closed”*.
2. One of the instances of closure of trading window is provided in Clause 4 (2) of Schedule B read with Regulation 9 of PIT Regulations, which inter-alia states that *“trading restriction*

*period shall be made applicable from the end of every quarter till 48 hours after the declaration of financial results.....”.*

3. In order to rationalize the compliance requirement under Clause 4 of Schedule B read with Regulation 9 of PIT Regulations, to improve ease of doing business and to prevent inadvertent non-compliances of provisions of PIT Regulations by DPs, SEBI issued Circular SEBI/HO/ISD/ISD-SEC-4/P/CIR/2022/107 dated August 05, 2022, laying down a framework for developing a system to restrict the trading by Designated Persons (DPs) by way of freezing the PAN at security level during Trading Window closure period.
4. Accordingly, a system has been developed and framework put in place by the Depositories and the Stock Exchanges. The framework was initially made applicable for those listed companies that were part of benchmark indices i.e. NIFTY 50 and SENSEX. The aforesaid Circular was rescinded and superseded vide section 3.4.2 of Master Circular on Surveillance of Securities Market SEBI/HO/ISD/ISD-PoD2/P/CIR/2023/039 dated March 23, 2023.
5. Considering the satisfactory implementation of the framework for the listed companies forming part of benchmark indices and the consultations held with the Stock Exchanges and Depositories, the above framework is hereby extended to all the listed companies.
6. To ensure smooth implementation of the framework, glide path is being prescribed as under:

**Table 1: Timelines for phase wise implementation of the framework**

Sr.No.	Companies to be covered	PAN freeze start date
1	Listed companies that are part of benchmark indices i.e. NIFTY 50 and SENSEX	Already applicable as on date
2	Top 1,000 companies in terms of BSE Market Capitalization as of June 30, 2023 (excluding companies part of benchmark indices)	October 1, 2023
3	Next 1,000 companies in terms of BSE Market Capitalization as of June 30, 2023	January 1, 2024
4	Remaining companies listed on BSE, NSE & MSEI	April 1, 2024
5	Companies getting listed on Stock Exchanges post issuance of this circular	1 <sup>st</sup> day of the second quarter from the quarter in which the company gets listed <sup>#</sup>

# Illustration: For a company getting listed during January 01 to March 31, 2023, PAN of DPs should be frozen at security level as per prescribed framework latest from July 01, 2023.

7. The procedure for implementation of the system is enclosed at **Annexure- A**. The flowchart for the same is enclosed at **Annexure- B**.
8. This circular shall come into force as per the glide path prescribed above.
9. The Depositories and Stock Exchanges are directed to:
  - 9.1. take necessary steps to implement this circular.
  - 9.2. bring the provisions of this circular to the notice of all listed companies and also disseminate the same on their websites.
10. The Depositories shall submit the quarterly report to SEBI in the format placed at **Annexure- C**.
11. This circular is issued in exercise of the powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992, read with Regulations 4(3) and 11 of the PIT Regulations, to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.
12. A copy of this circular is available on SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in) under the Category "Legal→Circulars".

Yours faithfully,

**A Vijayan**  
**Deputy General Manager**  
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**Unquote: -**

All Entities are requested to take note of the aforesaid guidelines of SEBI and act accordingly.

**Chandrani Datta**  
**Company Secretary**