

IMPORTANT AND URGENT

Amendment to Regulation 40 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to mandatory dematerialization for transfer of securities

The amendment to Regulation 40 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 vide Gazette notification dated June 8, 2018 has mandated that transfer of securities would be carried out in dematerialized form only. The said amendment shall take effect after the expiry of 180 days from the date of the notification. Accordingly, with effect from 5th December, 2018, transfer of shares shall not be permissible in physical form and hence the shareholders are required to dematerialize their equity shares and then transfer of the same would be permissible either through market trades or in off-market mode.

In order to dematerialize their shares, the shareholders are required to open a demat account with a SEBI authorized Depository Participant (DP) and send their share certificates to the said DP alongwith the demat request form. The SEBI website at www.sebi.gov.in carries a detailed list of SEBI authorized Depository Participants.