



CHAPTER 7 - Establishment of Connectivity with both the Depositories NSDL and CDSL - Companies eligible for shifting from Trade for Trade to Rolling Settlement

1. Based on the information provided by the depositories for the companies that have established connectivity with both the depositories, stock exchanges are advised to consider shifting the trading in these securities to normal Rolling Settlement. List of companies (till March 23, 2015) which have established connectivity with both the Depositories is given in **Annexure A**.
2. With effect from March 24, 2015 the following procedure shall be followed for the purpose of shifting of trading in securities from TFTS to Normal Rolling Settlement:
 - a) A company, after establishment of connectivity with both the Depositories, shall approach the stock exchange(s) having nationwide terminals for shifting the trading of its securities from TFTS to Rolling settlement.
 - b) The stock exchange(s) shall verify the establishment of connectivity of the company with both the Depositories.
 - c) The stock exchange upon verification of status of establishment of connectivity by the company with both the Depositories may consider shifting the trading in these securities to Rolling Settlement subject to the following:
 - i. At least 50% of other than promoter holdings as per clause 35 of Listing Agreement are in dematerialized mode before shifting the trading in the securities of the company from TFTS to Rolling Settlement. For this purpose, the companies shall obtain a certificate from its Registrar and Transfer Agent (RTA) and submit the same to the stock exchange/s. However, if an issuer-company does not have a separate RTA, it may obtain a certificate in this regard from a practicing Company Secretary/Chartered Accountant and submit the same to the stock exchange/s.
 - ii. There are no other grounds/reasons for continuation of the trading in TFTS.
 - d) The stock exchanges shall inform the market of the names of companies which have been shifted from TFTS to Rolling Settlement.