



Central Depository Services (India) Limited

Convenient + Dependable + Secure

COMMUNIQUÉ TO DEPOSITORY PARTICIPANTS

CDSL/L&CS/DP/POLCY/2021/126

March 19, 2021

AMENDMENT TO BYE LAWS

DPs are hereby informed that the following amendment has been carried out in CDSL Bye Laws:

Clause	Existing provision	Amended provision
13.11	<p>RECORDING OF NON-DISPOSAL UNDERTAKING/NON-DISPOSAL AGREEMENT:</p> <p>¹⁸¹[If the Beneficial Owner wishes to create a negative lien on the securities held by him in demat account for Non-Disposal Undertaking / Non-Disposal Agreement, he shall make an application to the Depository through depository participant in the manner as stated in the Operating Instructions. Till the said lien is released, no transfer, pledge, hypothecation, lending, rematerialisation, or alienation of securities in any manner shall be permitted in respect of those securities.]</p>	<p>¹⁸²[RECORDING OF NON-DISPOSAL UNDERTAKING/NON-DISPOSAL AGREEMENT/ANY OTHER ENCUMBRANCE (OTHER THAN PLEDGE & HYPOTHECATION):</p> <p><i>Other than a pledge or hypothecation,</i></p> <p>¹⁸³[<i>if</i> the Beneficial Owner wishes to create <i>any of the following encumbrances:</i></p> <p><i>(a) any restriction on the free and marketable title to shares, by whatever name called, whether executed directly or indirectly;</i></p> <p><i>(b) lien, negative lien, non-disposal undertaking; or</i></p> <p><i>(c) any covenant, transaction, condition or arrangement in the nature of encumbrance, by whatever name called, whether executed directly or indirectly</i> on the securities held by him in <i>his</i> demat account, he shall make an application to the Depository through <i>the concerned</i> depository participant in the manner as stated in the Operating Instructions. Till the said <i>encumbrance</i> is released, <i>any transfer of the said securities, encumbrance of any nature (including a pledge or hypothecation),</i> lending, rematerialisation, or alienation of securities in any manner shall <i>not</i> be permitted in respect of those securities.] <i>Releasing of any of the aforesaid encumbrances will be as per the procedure laid down in the Operating Instructions.]</i></p>
	<p>¹⁸¹Inserted vide SEBI's letter no. MRD/DoP1/DSA1/OW/12237/1 dated 23.04.2018.</p>	<p>¹⁸²[Amended vide SEBI's letter no. MRD2DDAP/OW/2021/5148/1 dated February 26, 2021.</p>



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		¹⁸³ [Inserted vide SEBI's letter no. MRD/DoP1/DSA1/OW/12237/1 dated 23.04.2018.

DPs are advised to note that, the abovementioned amendment will come into immediate effect.

Queries regarding this communiqué may be addressed to CDSL – (Legal) Ms. Shilpita Sahoo (022) 2305-8564. Emails may be sent to: shilpitas@cDSLindia.com

Amita Paunikar
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