Central Depository Services (India) Limited

Convenient Dependable Secure

COMMUNIQUÉ TO DEPOSITORY PARTICIPANTS

CDSL/OPS/DP/266 April 10, 2003

AMENDMENTS TO BYE LAWS

All Depository Participants, Issuers and Registrar and Transfer Agents are hereby notified that Bye law nos.3.1.2.5, 11.2, 11.4, 11.4.3 have been modified, Bye law nos.6.5, 13.9.7, 16.2.10, 16.2.11, 16.2.12 have been added and Bye law no.11.2.1 to 11.2.11 stand deleted. Consequently Bye law nos.6.5, 6.6, 6.7 are renumbered as Bye law nos. 6.6, 6.7 and 6.8 respectively. The revised Bye law nos. 3.1.2.5, 11.2, 11.4, 11.4.3 (Annexure A) and new Bye law nos. 6.5, 13.9.7, 16.2.10, 16.2.11, 16.2.12 (Annexure B) are enclosed.

Depository Participants are advised to take note of these additions / deletions.

Hitendra Patil
Vice-President – Business Development and Operations

Encl : As above

Amendments to Bye laws – Modifications

Bye Law no.	Existing Clause	**Revised Clause**
3.1.2.5	"Securities Committee" to consider and decide on the eligibility and admission into CDS of securities of any issuer, whether existing or proposed to be issued	"Securities Committee" to consider and decide on the eligibility for admission, refusal of admission with CDSL or removal of already admitted security/ies of any issuer, whether existing or proposed to be issued.
11.2.	CDS shall declare and publish from time to time, a list of securities that are admitted to CDS for being held in dematerialized and fungible form in CDS. In admitting any securities to CDS, CDS shall be guided by all or any of the following criteria :	The "Securities Committee" shall determine from time to time, the securities which are eligible for admission with CDSL for being dematerialised and held in dematerialised and fungible form and the same shall be published from time to time.
11.4.	CDS may remove any securities that may have been admitted to CDS, if :	Without prejudice to any other rights, the "Securities Committee" may refuse the admission of any security of an issuer as an eligible security or may remove the same from the list of eligible securities, if:
11.4.3.	it is otherwise in the interest of the Beneficial Owners to do so.	The "Securities Committee" in its absolute discretion is satisfied that circumstances exist which render it necessary in the interest of the investors to do so.

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Amendments to Bye laws – New insertions

6.5 In the event of dispute between the Beneficial Owner and his participant and the participant is not furnishing the statement of account, CDS shall provide directly or cause to provide through such participant a statement of the account of such Beneficial Owner for such period as requested by the Beneficial Owner.

13.9.7 In case the Beneficial Owner declared as lunatic or adjudicated insolvent or otherwise incapable to operate his Beneficial Owner account, CDS shall, on production of the certified copy of the Order passed by the Competent Court, transmit the security balances lying in such account to any other account as may be ordered. In the event of winding up of the Beneficial Owner by the Court, the securities shall be transmitted to such account as directed in the Court order to that effect. However, if the Beneficial Owner undergoes a voluntary winding up (not subject to supervision of the Court) the securities shall be transmitted to such account as provided in the resolution passed for such voluntary winding up.

16.2.10 Every participant shall furnish to CDS such information relating to various obligations to be performed by him from time to time in such format as may be prescribed by CDS to enable CDS to review and monitor his performance and to ascertain the level of compliance with the provisions of the Act, Regulations, these Bye Laws and Operating Instructions issued by CDS from time to time.

16.2.11 CDS may review and monitor the reports received from participants and issue instructions to participants to rectify the discrepancies, irregularities and non-compliances, if any, within such time limit as may be deemed fit.

16.2.12 In case the participant fails to comply with the provisions of the Act, Regulations, these Bye Laws and Operating Instructions, etc., and continues to ignore or disregard the instructions issued by CDS, the matter may be placed before the Disciplinary Action Committee for such action as it may deem fit. Any action taken by the Disciplinary Action committee shall be in addition to action taken by SEBI.

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