



Central Depository Services (India) Limited

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COMMUNIQUE TO REGISTRAR & TRANSFER AGENTS

CDSL/OPS/RTA/POLCY/1077

June 08, 2015

SEBI CIRCULAR – DATABASE FOR DISTINCTIVE NUMBER (DN) OF SHARES

RTAs are advised to note the SEBI circular no. **CIR/MRD/DP/10/2015** dated June 05, 2015 regarding **Database for Distinctive Number (DN) of Shares** [see **Annexure-A**] and ensure compliance.

Further, the RTAs are also advised to bring the aforesaid SEBI circular to the notice of their respective listed companies.

Queries regarding this communiqué may be addressed to:

CDSL – Helpdesk on (022) 2272-8642, 2272-8427, 2272-8624, 2272-8693, 2272-8639, 2272-1261 or 2272-2075. Emails may be sent to: helpdesk@cdslindia.com.

sd/-

Nayana Ovalekar
Sr. Vice President – Operations



CIRCULAR

CIR/MRD/DP/ 10 /2015

June 05, 2015

To,

All Stock Exchanges

All Depositories

All Issuers & Registrar & Share Transfer Agents

All Depository Participants

Dear Sir / Madam,

Sub: Database for Distinctive Number (DN) of Shares

1. Share capital reconciliation of the entire issued capital of the company by the issuer or its agent is a mandatory requirement under Regulation 55 of the SEBI (Depositories & Participants) Regulations, 1996.
2. The Depository System Review Committee (DSRC) constituted by SEBI while emphasising on the issuer's responsibility for reconciling records of total issued capital, listed capital and capital held by depositories in dematerialized form, recommended that the depositories may maintain complete reconciled record of total issued and listed capital, including both physical and dematerialized shares.
3. In order to ensure centralised record of all securities, including both physical and dematerialised shares, issued by the company and its reconciliation thereof, it has been decided that the Depositories shall create and maintain a database of distinctive numbers (DN) of equity shares of listed companies with details of DN in respect of all physical shares and overall DN range for dematerialised shares.
4. The DN database shall make available, information in respect of issued capital, such as DN Range, number of equity shares issued, name of stock exchange where the shares are listed, date of in-principle listing / final trading approval / dealing permission, shares held in physical or demat form, date of allotment, shares dematerialized under temporary (frozen) ISIN (International



Securities Identification Number) or Permanent (active) ISIN etc., at one place.

5. Based on consultations with the Depositories and Stock Exchanges, the following guidelines are given for the operationalisation of the DN database -

5.1. Instructions to the Depositories

5.1.1. The depositories shall create and maintain a database to capture DN in respect of all physical equity shares and overall DN range for dematerialised equity shares issued by listed companies.

5.1.2. The depositories shall provide an interface to the Stock Exchange, Issuers/RTAs for online updation and to the DPs for online enquiry. The same shall be released for live updates latest by September 30, 2015.

5.1.3. The database shall include the following information -

i. Distinctive Numbers (From)	vii. Trading start date
ii. Distinctive Numbers (To)	viii. Physical/demat
iii. Number of Equity shares	ix. Date of allotment and date of issue (date of credit to BO account)
iv. Name of stock exchange	x. ISIN along with name of company
v. Date of in-principle listing approval	xi. Nature of ISIN [Temporary (Frozen) or Permanent (Active)]
vi. Date of final trading approval / dealing permission	

5.1.4. The depositories shall ensure that the database maintained by them is continuously updated and synchronised. The initial synchronisation may be in batch mode and shall thereafter shift to online mode.



5.1.5. The Depositories, in co-ordination with the Stock Exchanges, having nationwide trading terminals and the Issuers/RTAs, shall facilitate the process of populating the database with details of equity share capital and the corresponding DN information as on September 30, 2015.

5.2. Instructions to the Stock Exchanges

5.2.1. The Stock Exchanges shall provide the following information of all companies listed on the concerned Stock Exchange as on September 30, 2015 -

- i. Total number of equity shares (A) for which final trading approval / dealing permission has been granted.
- ii. Total number of equity shares (B) for which in-principle listing approval has been granted but final trading approval / dealing permission is pending.
- iii. Total number of equity shares comprising the paid-up capital i.e. (A+B).

5.2.2. The Stock Exchanges shall use the interface provided by the Depositories for the following -

- i. In respect of companies where the final trading approval / dealing permission was awaited as on September 30, 2015, consequent to update of DN information by Issuers/RTAs, the stock exchange shall validate the DN information updated by the Issuer/RTA and update the date of 'in-principle' listing approval, date of final trading approval / dealing permission and trading start date [as per point nos. (v), (vi) and (vii) of 5.1.3], immediately upon granting of such permissions.
- ii. In respect of further issue of shares by listed companies, consequent to update of DN information by Issuers/RTAs, the stock exchange shall validate the DN information updated by the Issuer/RTA and update the date of 'in-principle' listing approval, date of final trading approval / dealing permission and trading start date [as per point nos. (v), (vi) and (vii) of 5.1.3], immediately upon granting of such permissions.



- iii. In respect of companies coming out with initial public offer or new listings on stock exchanges, the stock exchange shall update the DN database with the total number of equity shares for which final trading approval / dealing permission has been granted.
- iv. In respect of companies whose capital is changed/alterd for any reason other than further issuance of shares such as buy-back of shares, forfeiture of shares, capital reduction, etc., the stock exchange shall confirm such change/alteration in the capital as updated by the Issuer/RTA in the DN database.

5.2.3. In case the DN data on listed shares as per the records of Issuers/RTAs does not match with records of the Stock Exchanges, the Stock Exchanges shall coordinate with the Issuer/RTA to reconcile such differences.

5.3. Instructions to the Issuers/RTAs

5.3.1. Issuers/RTAs shall use the interface provided by the Depositories for the following -

- i. To update DN information in respect of all physical share capital and overall DN range for dematerialised share capital for all listed companies.
- ii. Updating the fields (i)-(iv), (viii) and (ix) given in para 5.1.3, on a continuous basis for subsequent changes including changes in case of further issue, fresh issuance / new listing and other change / alteration in capital (such as buy-back of shares, forfeiture of shares, capital reduction, etc.).
- iii. Capturing / updating the DN information on a continuous basis while processing, dematerialisation / rematerialisation requests confirmation, executing corporate action, etc.

5.3.2. Issuers/RTAs shall take all necessary steps to update the DN database. If there is mismatch in the DN information with the data provided / updated by the Stock Exchanges in the DN database, the Issuer/RTA shall take steps to match the records and update the same latest by December 31, 2015.



5.3.3. Failure by the Issuers/RTAs to ensure reconciliation of the records as required in terms of para above shall attract appropriate actions under the extant laws.

5.4. Instructions to the DPs

5.4.1. The DPs shall use the interface provided by the Depositories to check the DNs of certificates of equity shares submitted for dematerialisation and ensure that appropriate ISIN is filled in Dematerialisation Request Form, as applicable, while processing request for dematerialisation.

6. Exchanges and Depositories are advised to
- a) make necessary amendments to the relevant bye-laws, rules and regulations for the implementation of the above decision.
 - b) bring the provisions of this Circular to the notice of the listed companies of the Exchange and DPs and RTAs/Issuers and also to disseminate the same on the website.
 - c) communicate the status of the implementation of this Circular in the Monthly Development Report to SEBI.
7. This circular is being issued in exercise of powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act, 1992 to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.

Yours faithfully,

Maninder Cheema
Deputy General Manager
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