

**GENERAL MANAGER
MARKET REGULATION DEPARTMENT**

MRD/DoP/SE/Cir- 4/06

April 20, 2006

The Executive Directors/Managing Directors/CEOs/ Administrators of all Stock Exchanges

Dear Sir/Madam,

Sub: Establishment of connectivity with both NSDL and CDSL- Shifting from Trade for Trade Segment (TFTS) to Rolling Segment

1. It is observed from the information provided by the depositories that the companies listed in [Annexure 'A'](#) have established connectivity with both the depositories on or before 28.02.2006.
2. The stock exchanges may consider shifting the trading in these securities to rolling settlement subject to the following :
 - a) At least 50% of non-promoter holdings as per clause 35 of Listing Agreement are in demat mode before shifting the trading in the securities of the company from TFTS to rolling settlement. For this purpose, the listed 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.
 - b) There are no other grounds for continuation of the trading in TFTS.
3. The Stock Exchanges are advised to report to SEBI, the action taken in this regard in Section II, item no. 13 of the Monthly Development Report for the month of April, 2006.

Yours faithfully,

V S SUNDARESAN

Encl: [Annexure A](#)