

**CHIEF GENERAL MANAGER  
MARKET REGULATION DEPARTMENT  
Email: mdrao@sebi.gov.in**

SEBI/MRD/SE/Dep/Cir- 01/2008  
January 22, 2008

1. The Executive Directors/Managing Directors/Administrators of all Stock Exchanges
2. The Chairman and Managing Director, NSDL
3. The Managing Director & CEO, CDSL

Dear Sir(s),

**Sub: Trading and settlement of trades in dematerialized scrips**

1. Please refer to SEBI Circular No.SMDRP/POLICY/CIR-38/2000 dated August 18, 2000 whereby the following scrips (listed subsidiaries of State Bank of India) were excluded from the list of scrips for compulsory demat trading.
  1. State Bank of Bikaner and Jaipur (SBBJ)
  2. State Bank of Travancore (SBT)
  3. State Bank of Mysore (SBM)
2. Recent amendment to Section 19 of State Bank of India (Subsidiary Banks) Act, 1959, has omitted the restriction on holding more than 200 shares in the above banks by shareholders other than State Bank of India (SBI). In view of the said amendment, in partial modification of SEBI Circular No.SMDRP/POLICY/CIR-38/2000 dated August 18, 2000, it has been decided that the aforementioned three scrips would also be traded and settled in compulsory dematerialized form. Separate intimation regarding the effective date for compulsory trading and settlement by all investors in dematerialised form for these scrips would follow after these banks establish connectivity with the depositories and satisfy other requisite norms. Accordingly, the said 3 banks (i.e. SBBJ, SBT, and SBM) are advised to establish connectivity with both depositories within a period of 3 months from the date of issue of this circular.
3. The Stock Exchanges and the Depositories are advised to :
  - 3.1. bring the provisions of this circular to the notice of their member brokers/clearing members, depository participants, the said three banks, and to disseminate the same on their websites.
  - 3.2. communicate to SEBI, the status of the implementation of the provisions of this circular in the Monthly Development Report.

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4. This circular is being issued in exercise of powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act, 1992, and Section 19 of the Depositories Act, 1996 to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.

Yours faithfully,

**S V MURALI DHAR RAO**