

TRANSFER OF SECURITIES ONLY IN DEMAT FORM - DEADLINE EXTENDED TILL APRIL 1, 2019¹

The Board, on March 28, 2018, decided that except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. This measure was to come into effect from December 5, 2018.

Subsequently, SEBI has received representations from shareholders for extension of the date of compliance. In view of the same, the deadline has been extended and the aforesaid requirement of transfer of securities only in Demat form shall now come into force from April 1, 2019.

CYBER SECURITY & CYBER RESILIENCE FRAMEWORK FOR STOCK BROKERS / DEPOSITORY PARTICIPANTS²

1. Rapid technological developments in securities market have highlighted the need for maintaining robust cyber security and cyber resilience framework to protect the integrity of data and guard against breaches of privacy.
2. Since stock brokers and depository participants perform significant functions in providing services to holders of securities, it is desirable that these entities have robust cyber security and cyber resilience framework in order to provide essential facilities and perform systemically critical functions relating to securities market.
3. Accordingly, after discussions with Exchanges, Depositories and Stock Brokers' and Depository Participants' associations, a framework on cyber security and cyber resilience has been designed, which is placed at Annexure 1, which could be accessed at https://www.sebi.gov.in/legal/circulars/dec-2018/cyber-security-and-cyber-resilience-framework-for-stock-brokers-depository-participants_41215.html

The framework would be required to be complied by all Stock Brokers and Depository Participants registered with SEBI.

4. The guidelines annexed with this circular shall be effective from April 1, 2019.
5. Stock Exchanges and Depositories shall;
 - a) make necessary amendments to the relevant byelaws, rules and regulations for the implementation of the above direction;
 - b) bring the provisions of this circular to the notice of their members/ participants and also disseminate the same on their websites; and
 - c) communicate to SEBI, the status of implementation of the provisions of this circular in their Monthly Report.
6. 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.

Team ICSI

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¹ Available at: https://www.sebi.gov.in/media/press-releases/dec-2018/transfer-of-securities-only-in-demat-form-deadline-extended-till-april-1-2019_41214.html

² Available at: https://www.sebi.gov.in/legal/circulars/dec-2018/cyber-security-and-cyber-resilience-framework-for-stock-brokers-depository-participants_41215.html