Depositories have shared information about activation of red flag and FDI limit breach related to 12 companies, including HDFC Bank, with the BSE and the NSE, according to notices.

As per the separate notices issued by the two bourses, a red flag has been activated in HDFC Bank, Wonderla Holidays, IndusInd Bank, Ashapura Minechem, Cyient Ltd and S H Kelkar and Company.

Among the companies in which the foreign investment has reached its permissible limit are Abbott India, Delta Corp, Shanti Educational Initiatives, Sai Baba Investment and Commercial Enterprises, Trent Ltd and JVL Agro Industries.

Based on information received from the depositories NSDL and CDSL -- regarding red flag activation and limit breach, institutional trading series (6 lakh series) for the 12 companies will be available for trading from June 18, the BSE said in a notice dated June 16.

In Institutional trading series (6 lakh series), which is going to be discontinued by the BSE from July 1in equity segment, only foreign institutional investors are permitted to trade among themselves.

In a circular, the NSE noted that in relation to Sebi framework regarding monitoring of foreign investment limits in listed Indian companies, the information relating to red flag and breaches have been furnished by the depositories for dissemination.

The Securities and Exchange Board of India (Sebi), in April, had put in place a framework for the depositories -- NSDL and CDSL -- to monitor the foreign investment limits in listed Indian companies.

Under the framework, the depositories have to provide information to the exchanges regarding activation of red flag in a company whenever the foreign investment is within 3 per cent or less than 3 per cent of the aggregate NRI/FPI limits or the sectoral cap is reached.

Also, the details of breach of foreign investment limits in a company need to be furnished to the bourses.

In the event of a breach of the sectoral cap or the aggregate FPI/NRI limit, the foreign investor has to divest its excess holding within five trading days from the date of settlement of the trades, by selling shares only to domestic investor.