

SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI")

A. SEBI (Delisting of Equity Shares) Regulations, 2009

SEBI has vide notification dated June 10 2009¹ issued the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 ("Delisting Regulations"). The Delisting Regulations provide for the following:

- circumstances and conditions wherein delisting shall not be permitted;
- voluntary and compulsory delisting;
- exit opportunity required to be given to the shareholders of the company proposing to de-list;
- special provisions for small companies and delisting by operation of law.

¹ No. LAD-NRO/GN/2009-2010/09/165992

For the entire text of the Delisting Regulations, please refer to <http://www.sebi.gov.in/acts/delisting2009.pdf>

B. Amendments to SEBI (Disclosure and Investor Protection) Guidelines, 2000

SEBI has vide circular dated July 9, 2009² amended the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 ("DIP Guidelines"). The amending provisions govern the following:

- initial public offering by an unlisted company;
- sale of equity shares received on conversion of fully paid compulsorily convertible securities including depository receipts; and

² SEBI/CFD/DIL/DIP/36/2009/09/07

- o introduction of the concept of 'anchor investor' in public issues through book building.

For more information please refer to

<http://www.sebi.gov.in/circulars/2009/cfdcir362009.pdf>

C. Amendments to the Equity Listing Agreement

SEBI has vide its circular dated July 21, 2009³ amended the Equity Listing Agreement to prohibit listed companies from issuing shares with superior rights as to voting or dividend vis-à-vis the rights on equity shares that are already listed. The amendment has come into force on the date of issue of the said circular.

For more information please refer to

<http://www.sebi.gov.in/circulars/2009/cir1a2.pdf>

D. Abolition of no-delivery period for all types of corporate actions.

SEBI vide circular dated July 21, 2009⁴ has done away with 'no-delivery period' for all types of corporate actions in respect of

³ SEBI/CFD/DIL/LA/2/2009/21/7

⁴ MRD/DoP/SE/Cir-07/2009

the scrips which are traded in the compulsory dematerialised mode and accordingly, short deliveries, if any, of the shares traded on cum-basis may be directly closed out. In case of such direct close-out, the mark-up price would be as stated in SEBI circular dated April 16, 2002⁵. The amendments have come into effect from August 1, 2009, and accordingly, apply to all corporate actions for which the record date / book closure falls on or after August 10, 2009.

For more information please refer to

<http://www.sebi.gov.in/circulars/2009/mrdcir0709.pdf>

E. Procedure for submission of updations in the offer documents filed with SEBI

In furtherance to the previously issued circular dated February 24, 2009⁶, SEBI has vide circular dated July 31, 2009⁷ classified the changes in offer documents which may call for (i) filing of updated offer document with the Board, along with fees, and (ii) filing of updated offer document with the Board, without fees.

⁵ SMD/POLICY/Cir-08/2002

<http://www.sebi.gov.in/circulars/2002/cir082002.html>

⁶ SEBI/CFD/DIL/DIP/ 34/2009/24/09

<http://www.sebi.gov.in/circulars/2009/dip342009.pdf>

⁷ SEBI/CFD/MB/IS/4/2009/31/07

The amendment has come into force on the date of issue of the said circular.

For more information please refer to

<http://www.sebi.gov.in/circulars/2009/Cir-CFD042009.pdf>

F. Amendments to SEBI (Disclosure and Investor Protection) Guidelines, 2000

SEBI vide circular dated July 31, 2009⁸ has amended Chapter VIA of the SEBI (Disclosure and Investor Protection) Guidelines, 2000 (“DIP Guidelines”). The amendments in the DIP Guidelines mainly relate to the disclosure of financial information pertaining to the issuing company and the extent of applicability of the DIP Guidelines to Indian Depository Receipts (“IDR”) issues. The said circular states that the procedures for rights issue of IDRs will be prescribed in due course. The guidelines in Chapter VIA of the DIP Guidelines are in addition to the provisions of the Companies (Issue of Indian Depository Receipts) Rules, 2004 and not in derogation thereof. The amendment has come into force on the date of issue of the said circular.

⁸ SEBI/CFD/DIL/DIP/37/2009/31/07

For more information please refer to

<http://www.sebi.gov.in/circulars/2009/Cir-CFD-Dip37-2009.pdf>

G. Interpretative circular under Regulation 5 of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997

The SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 was amended on October 30, 2008⁹, whereby, inter alia, the second proviso to Regulation 11(2) was inserted. SEBI vide circular dated August 6, 2009¹⁰ has issued clarifications with respect to the interpretation of the proviso inserted by the aforesaid amendment.

For more information please refer to

<http://www.sebi.gov.in/circulars/2009/cfdcir012009.pdf>

⁹ SEBI(Substantial Acquisition of Shares and Takeovers) (Amendment) Regulations, 2008; No. LAD-NRO/GN/2008/26/142801

<http://www.sebi.gov.in/acts/takeoveramend08.html>

¹⁰ CFD/DCR/TO/Cir-01/2009/06/08

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