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SEBI/CFD/DCR/DL/01/2009/14/09
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All Stock Exchanges and Merchant Bankers

Dear Sirs,

Sub: Applicability of Delisting Regulations- Transitional Provisions

As you are aware, the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Delisting Regulations) were notified by SEBI on June 10, 2009.

SEBI has since been receiving queries from various market participants, listed companies etc regarding the 'transitional provisions' contained in regulation 31 of the Delisting Regulations.

Regulation 31 of the Delisting Regulations outlines certain situations under which the provisions of the earlier Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2003 (Delisting Guidelines) would still be applicable to a particular delisting transaction.

In this regard, it is hereby clarified that in cases where a special resolution has already been passed under the Delisting Guidelines prior to commencement of the Delisting Regulations, the delisting process shall be governed by the provisions of the Delisting Guidelines, provided the said resolution is acted upon within a period of three months from the date of this circular. Otherwise, the company would be required to pass a fresh special resolution in terms of Delisting Regulations and proceed for delisting in terms of Delisting Regulations.

For this purpose, the words "acted upon" shall mean that the implementation of activities including the opening of the book building process for determination of the exit price in terms of Clause 8.1 of the Delisting Guidelines, should be done within three months from the date of this circular.

You are advised to take note of the above for future compliance and for guidance to the listed companies.

Yours faithfully,

Neelam Bhardwaj