



भारतीय प्रतिभूति
और विनियम बोर्ड
**Securities and Exchange
Board of India**

GENERAL MANAGER
DIVISION OF CORPORATE RESTRUCTURING
CORPORATION FINANCE DEPARTMENT

CFD/DCR/TO/ SKS/ EB/ 8394 /2010
June 10, 2010

M/s. Enam Securities Pvt Ltd
801/802, Dalamal Tower,
Nariman Tower,
Mumbai – 400001

Madam,

Sub: Request for "Interpretive Letter" under the SEBI (Informal Guidance) Scheme, 2003 regarding SEBI (Delisting of Securities) Guidelines, 2003 and SEBI (Delisting of Equity shares) Regulations, 2009.

Reference: Your letters dated April 19, 2010 and May 21, 2010 on the captioned subject

- 1.0 Please refer to your application dated April 19, 2010 and further clarification made by e-mail dated June 02, 2010 on the captioned subject on behalf of M/s. Arch Pharmed Labs Ltd., (the company) seeking interpretive letter under SEBI (Informal Guidance) Scheme, 2003.
- 2.0 You have sought the interpretation of regulation 31 and clarification on applicability of regulation 30 (1) (a) of SEBI (Delisting of Equity Shares) Regulations, 2009 (Delisting Regulations) requesting whether the equity shares of the company are eligible for re-listing, in the year 2010, considering the company is eligible to re-list after September 2008 as per the 2 year cooling period conditions in the SEBI (Delisting of Securities) Guidelines, 2003, (Delisting Guidelines).
- 3.0 In this regard, you have made the following submissions :
 - 3.1 The equity shares of the company were listed with the Bombay Stock Exchange Limited (BSE), Hyderabad Stock Exchange Limited (HSE) and Madras Stock Exchange Limited (MSE). The equity shares of the company were listed with all 3 stock exchanges on 4th January, 1995.
 - 3.2 Due to reduction of capital and issuance of shares through a scheme of arrangement in terms of BIFR order dated August 25, 2003, the company was not able to meet its minimum public holding requirement of the stock exchanges. The company made an application for listing its restructured capital as per the direction of BIFR. In this regard, BSE, vide its letter dated April 23, 2004 gave the following options to the company:



अनुवर्ती:
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- i. To make an open offer for sale such that non promoter holding is raised to 25% of the restructured capital and / or
- ii. Fresh issue such that non-promoter holding is raised to 25% of post issue capital

In addition to the above, BSE also suggested that the company may make a voluntary delisting offer under the Delisting Guidelines.

- 3.3 The company has opted to delist itself from all 3 stock exchanges by way of voluntary delisting through Reverse Book Building Process in accordance with the provisions of the Delisting Guidelines. The shareholders of the company had accorded approval for the delisting of the shares at the AGM held on December 09, 2005 and subsequently, the equity shares of the company were delisted from BSE, MSE and HSE.
 - 3.4 The equity shares of the company were delisted with effect from August 14, 2006 pursuant to the Delisting Guidelines prior to the introduction of SEBI (Delisting of Equity Shares) Regulations which came into effect on June 10, 2009.
 - 3.5 The eligibility criterion and other terms applied for delisting were as per the Delisting Guidelines; hence the company is eligible for being re-listed with a cooling period of 2 years as specified in clause 18 of Delisting Guidelines as against the cooling period of 5 years as specified in Delisting Regulations.
 - 3.6 Vide your e-mail dated June 02, 2010 you have further confirmed that the company proposes to re-list its equity shares by way of an Initial Public Offer and will issue as many equity shares to the public as is required to comply with the requirements of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009(ICDR Regulations), SCRA and the listing agreement.
- 4.0 Without necessarily agreeing with your analysis, our views on the issues raised by you are as follows:
- a. As per regulation 30(1)(a) of the Delisting Regulations no application shall be made in respect of any equity shares which have been de-listed under chapter III of the Regulations (voluntary delisting) for a period of 5 years.
 - b. Regulation 31 of the Delisting Regulations provides that any act done or omitted to be done, or a right, privilege, obligation or liability accrued under the Delisting Guidelines prior to commencement of the Delisting Regulations, shall be governed by the Delisting Guidelines. As per this regulation any right or privilege available to the company under the Delisting Guidelines (since rescinded) is saved and shall be governed by the Delisting Guidelines.
 - c. In this case, the equity shares of the company were de-listed on August 14, 2006 in compliance with Delisting Guidelines prior to the commencement of



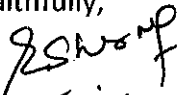
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the Delisting Regulations on 10.06.2009. In terms of clause 18 of the Delisting Guidelines re-listing of equity shares of the company could be done after expiry of two years cooling period. Thus, the right to re-list its equity shares accrued to the company on expiry of two years from August 14, 2006 and it is saved by regulation 31 of the Delisting Regulations.

- d. Therefore, the company can apply for re-listing of its equity shares on the concerned stock exchanges at any time after expiry of the cooling period of 2 years from 14.08.06 as provided in clause 18 of the Delisting Guidelines subject to complying with the requirements of initial listing of equity shares.
- 5.0 This position is based on the representation made to the Division in your above referred letters. Different facts or conditions might require a different result. This letter does not express decision of the Board on the questions referred.
- 6.0 Please note that this position is only with respect to applicability of the regulation 30 (1) (a) and clarification of regulation 31 of SEBI (Delisting of equity shares) Regulations, 2009 and it does not affect applicability of any law and other Regulations, Guidelines and circulars administered by SEBI or any other authority.

Yours faithfully,


Santosh Kumar Sharma