GAZETTE OF INDIA

EXTRA-ORDINARY

PART II - SECTION 3 - SUB-SECTION (ii)

PUBLISHED BY AUTHORITY

SECURITIES AND EXCHANGE BOARD OF INDIA

Mumbai, the 30th August, 2004

NOTIFICATION

SECURITIES AND EXCHANGE BOARD OF INDIA

(SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS)

(AMENDMENT) REGULATIONS, 2004

S.O. 982 (E). In exercise of the powers conferred by Section 30 of the Securities and Exchange Board of India Act, 1992 (15 of 1992), the Board hereby makes the following regulations to amend the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, namely:-

1. (i) These regulations may be called the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) (Amendment) Regulations, 2004.

   (ii) These regulations shall come into force on the date of their publication in the Official Gazette.

2. In the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 -

   (i) in regulation 3, in sub-regulation (1), after clause (j), the following shall be inserted , namely-

   "(ja) change in control by takeover of management of the borrower target company by the secured creditor or by restoration of management to the said target company by the said secured creditor in terms of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (54 of 2002)".

   (ii) in regulation 16, after clause (vi) the following shall be inserted, namely : -

   "(via) the existing shareholding, if any, of the merchant banker in the target company ;"

(iii) in regulation 20,

(a) in sub-regulation (3), for the words "twenty one days" the words "seven days" shall be substituted.

(b) in sub-regulation (4), in clause (c) the word "closing" appearing after the words "the daily high and low of the" and before the words "prices of the shares" shall be omitted.

(iv) in regulation 21, in sub-regulation (5),

(a) the comma bracket and figure ", (2)" shall be omitted.

(b) for the figure and word "30 days" the words "fifteen days" shall be substituted.

(v) in regulation 22,

(a) in sub-regulation (4), for the words "sixtieth day" the words "fifty fifth day shall be substituted.

(b) in sub-regulation (5), for the figure and word "30 days" the words "twenty days" shall be substituted.

(c) in sub-regulation (12) and the proviso thereto, for the figure and word "30 days" wherever they appear the words "fifteen days" shall be substituted.

(vi) in regulation 24,

(a) in sub-regulation (1) after clause (d), the following shall be inserted, namely :-

"(e) his shareholding, if any in the target company is disclosed in the public announcement and the letter of offer".

(b) after sub-regulation (5), the following shall be inserted, namely :-

"(5A) The merchant banker shall not deal in the shares of the target company during the period commencing from the date of his appointment in terms of regulation 13 till the expiry of the fifteen days from the date of closure of the offer."

(vii) in regulation 28, in sub-regulation (6) ,for the figure and word "30 days" the words "twenty days" shall be substituted.

(viii) in regulation 29, in sub-regulation (1), for the figure and word "21 days" the words "seven days" shall be substituted.

(ix) in regulation 34, in sub-regulation (6), for the words "thirty days" the words "twenty days" shall be substituted.

[F. No. SEBI/LAD/DOP/ 18665 /2004]

G.N. BAJPAI

CHAIRMAN

Securities and Exchange Board of India

Footnote:

The SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (the said Regulations) were published in the Gazette of India on 20th February 1997, vide S.O. No. 124(E).

Subsequently a Corrigendum was published in the Gazette of India, Extra- Ordinary on 6th February 1998 vide S.O. No. 106(E).

The said Regulations were subsequently amended by –

1. SEBI (Substantial Acquisition of Shares and Takeovers)(Amendment) Regulations, 1998 published in the Official Gazette vide S.O. 930(E) dated 28th October 1998.

2. SEBI (Appeal to the Securities Appellate Tribunal) (Amendment) Regulations, 2000, published in the Official Gazette vide S.O.278(E) dated 28th March 2000 .

3. SEBI (Substantial Acquisition of Shares and Takeovers) (Amendment) Regulations, 2000 published in the Official Gazette vide S.O. 1178 (E) dated 30th December 2000.

4. SEBI (Substantial Acquisition of Shares and Takeovers) (Amendment) Regulations, 2001 published in the Official Gazette vide S.O. 791 (E) dated 17th August 2001.

5. SEBI (Substantial Acquisition of Shares and Takeovers) (Second Amendment) Regulations, 2001 published in the Official Gazette vide S.O. 875 (E) dated 12th September 2001.

6. SEBI (Substantial Acquisition of Shares and Takeovers) (Third Amendment) Regulations, 2001 published in the Official Gazette vide S.O. 1058 (E) dated 24th October 2001.

7. SEBI (Substantial Acquisition of Shares and Takeovers) (Amendment) Regulations, 2002 published in the Official Gazette vide S.O. 127(E) dated 29th January 2002.

8. SEBI (Substantial Acquisition of Shares and Takeovers) (Second Amendment) Regulations, 2002 published in the Official Gazette vide S.O. 954(E) dated 9th September 2002.

9. SEBI (Substantial Acquisition of Shares and Takeovers) (Third Amendment) Regulations, 2002 published in the Official Gazette vide S.O.1328 (E) dated 18th October, 2002.

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