

**Deputy General Manager  
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MRD/DoP/SE/Cir-07/2009  
July 21, 2009

**The President/Executive Director/  
Managing Director of all the Stock Exchanges**

Dear Sir/Madam,

**Sub: Abolition of no-delivery period for all types of corporate actions.**

1. SEBI vide circular no. SEBI/CFD/DIL/LA/1/2009/24/04 dated April 24, 2009 has reduced the notice period from companies to stock exchanges to atleast 7 working days for all types of corporate actions.
2. Pursuant to the recommendations made by the Secondary Market Advisory Committee of SEBI at its meeting held on June 30, 2009, it is decided to do away with 'no-delivery period' for all types of corporate actions in respect of 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 no. SMD/POLICY/Cir-08/2002 dated April 16, 2002.
3. The Stock Exchanges are also advised to:
  - a. make necessary amendments to the relevant bye-laws, rules and regulations for the implementation of the above decision.
  - b. bring the provisions of this circular to the notice of the member brokers/clearing members of the Exchange and also to disseminate the same on the website.
  - c. communicate to SEBI, the status of the implementation of the provisions of this circular in the Monthly Development Report.
4. This circular is being issued in exercise of powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act, 1992 to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.
5. The circular will come into effect from August 1, 2009, and accordingly will apply to all corporate actions for which the record date / book closure falls on or after August 10, 2009.

Yours faithfully,

**Harini Balaji**