



CIRCULAR

CIR/MRD/DP/12/2015

June 26, 2015

To
All Stock Exchanges

Dear Sir / Madam,

Sub: Review of Offer for Sale (OFS) of Shares through Stock Exchange Mechanism

1. Comprehensive guidelines on sale of shares through Offer for Sale mechanism were issued vide circular no CIR/MRD/DP/18/2012 dated July 18, 2012. The OFS framework has been modified subsequently from time to time on the basis of representation/suggestion received from market participants.
2. SEBI has been taking steps to encourage retail investors to participate in the OFS. In order to enhance more retail participation in the OFS process and to simplify the bidding process for retail investors, it has been decided that:
 - 2.1. OFS notice shall continue to be given latest by 5 pm on T-2 days. However T-2 days shall be reckoned from banking day instead of trading day.
 - 2.2. It would be mandatory for sellers to provide the option to retail investors to place their bids at cut off price in addition to placing price bids.
3. Accordingly, para 3.9 of OFS circular dated August 08, 2014 and para 2 of OFS circular dated December 01, 2014 stands modified as above. All other conditions for sale of shares through OFS framework contained in the circulars CIR/MRD/DP/18/2012 dated July 18, 2012, CIR/MRD/DP/04/2013 dated January 25, 2013, CIR/MRD/DP/17/2013 dated May 30, 2013, CIR/MRD/DP/ 24 /2014 August 08, 2014 and CIR/MRD/DP/32 /2014 December 01, 2014 remain unchanged.
4. Stock Exchanges are advised to:
 - 4.1. take necessary steps and put in place necessary systems for implementation of above immediately.
 - 4.2. make necessary amendments to the relevant bye-laws, rules and regulations for the implementation of the above decision.



भारतीय प्रतिभूति और विनिमय बोर्ड
Securities and Exchange Board of India

- 4.3. bring the provisions of this circular to the notice of the member brokers of the stock exchange to also to disseminate the same on their website.
5. 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.

Yours faithfully,

Manoj Kumar
General Manager
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