

**MEMBERSHIP DEPARTMENT
Circular No. 744**

Ref. No: NSE/MEM/18010

June 8, 2011

Dear Members,

Sub: Grant of Prior approval to members of the Stock Exchanges / Sub Brokers

This is with reference to Exchange circular download ref no. NSE/MEM/4299 dated July 25, 2003 wherein SEBI had clarified the circumstances which require prior approval from SEBI for change in status and constitution under rule 4 (c) of SEBI (Stock Brokers & Sub Brokers) Rules and Regulations, 1992.

In this regard all members are hereby informed that SEBI vide circular no. CIR/MIRSD/2/2011 dated June 03, 2011 has informed that the requirement of members of the Stock Exchanges and sub brokers to obtain prior approval from SEBI for change in status or constitution has been done away with. However, the members of the Stock Exchanges would be required to take prior approval from SEBI for change in control.

In view of the above SEBI circular, the Exchange would grant prior approval to members and sub brokers for change in status or constitution which would include the following:

- (a) in case of a body corporate —
 - (i) amalgamation, demerger, consolidation or any other kind of corporate restructuring falling within the scope of section 391 of the Companies Act, 1956 (1 of 1956) or the corresponding provision of any other law for the time being in force;
 - (ii) change in its managing director, whole-time director or director appointed in compliance with clause (v) of sub-rule (4A) of rule 8 of the Securities Contracts (Regulation) Rules, 1957; and
 - (iii) any change in control over the body corporate;
- (b) any change between the following legal forms - individual, partnership firm, Hindu undivided family, private company, public company, unlimited company or statutory corporation and other similar changes;

(c) in case of a partnership firm any change in partners not amounting to dissolution of the firm;

(d) any other purpose as may be considered appropriate by the stock exchanges

All members are requested to continue to apply as per the formats available on the website.

Members are requested to kindly take note of the same and in case of any clarifications, kindly contact Membership Dept. on 022-26598249 or on email id minward@nse.co.in.

Copy of the SEBI circular has been attached for reference.

Yours faithfully,

For National Stock Exchange of India Ltd

Sd/-
Rehana D'Souza
Asst. Vice President