

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:1360  
ANSWERED ON:07.03.2008  
DELISTING OF SHARES  
Veerendra Kumar Shri M.P.

**Will the Minister of FINANCE be pleased to state:**

(a) whether the Government has received complaints from small retail share holders against deiisting of shares from stock exchanges by the promoters causing depletion in the value of their investment; and

(b) if so, the details thereof and the manner in which the Government intend to protect the interests of small shareholders when more and more companies are resorting to deiisting of shares?

**Answer**

MINISTER OF STATE FOR FINANCE (SHRI PAWAN KUMAR BANSAL)

(a): Yes Sir. SEBI has informed that it has received corhplaints from shareholders against deiisting of shares from stock exchanges.

(b): SEBI has received many complaints in respect of three companies, namely, Bharri Healthcare Ltd., Essar Shipping and Essar Steel. The complaints relate to misleading and manipulative way of deiisting the shares, delisting at a price not reflecting the true value of shares, etc. In addition to referring the complaints to stock exchanges, it is examining them for necessary action. Deiisting of a securities from the exchanges is carried out as per the provisions of the SEBI (Deiisting of Securities) Guidelines, 2003 under the oversight of the stock exchanges. These guidelines provide a transparent method of price discovery through the book building process.