

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1002
ANSWERED ON:10.07.2009
EXIT OF MNC S FROM INDIAN BOURSES
Adsul Shri Anandrao Vithoba

Will the Minister of FINANCE be pleased to state:

- (a) whether many multinational companies are planning to exit Indian bourses;
- (b) if so, whether the Union Government has made exit option stringent for listed companies; and
- (c) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE(SHRI NAMO NARAIN MEENA)

(a) to (c) : Securities Law Amendment Act enacted in 2005 incorporated Sec 21 A in the SCRA to allow delisting of securities. In order to provide statutory backing to delisting framework, Rules and Regulations, which are applicable to all listed companies have been notified on June 10, 2009. These aim at streamlining the delisting process by making it more transparent and enforceable in nature. As per the information provided by stock exchanges, presently, applications of three Companies wherein the foreign promoter shareholding is more than 51% are pending for delisting from stock exchanges.