



CIR/MRD/DP/ 07 /2011

June 16, 2011

To,

All Stock Exchanges

Dear Sir/Madam,

Sub: Change of Name by Listed Companies

1. Please refer to SEBI Circulars No. SMDRP/Policy/Cir-8/99 dated April 26, 1999 and No. SEBI/MRD/Policy/AT/Cir-20/2004 dated April 30, 2004 on the captioned subject matter.
2. The aforementioned SEBI circular dated April 30, 2004 required all listed companies seeking change of name to comply inter alia with the following provision:
 - 2.2. At least 50% of its total revenue in the preceding 1 year period should have been accounted for by the new activity suggested by the new name.
3. It is observed from the representations received from few companies and feedback received from the Stock Exchanges that the companies, where the gestation period of the business is usually longer and the revenue stream often delayed, find it difficult to comply with the aforesaid provision.
4. In view of the above, it is decided to modify the para 2.2 of the aforementioned circular as under:
 - 2.2. At least 50% of its total revenue in the preceding 1 year period should have been accounted for by the new activity suggested by the new name

Or

The amount invested in the new activity/project (Fixed Assets + Advances + Works In Progress) is atleast 50% of the assets of the company. The 'Advances' shall include only those extended to contractors and suppliers towards execution of project, specific to new activity as reflected in the new name.



To confirm the compliance of the aforesaid provision 2.2, the company shall submit auditor's certificate to the exchange.

5. All the Stock Exchanges are advised to:-
 - 5.1. implement the above by making necessary amendments to the bye-laws and Listing Agreement, as applicable;
 - 5.2. to bring the provisions of this circular to the notice of the listed companies and member brokers/ clearing members and also to put up the same on the website for easy access to the investors; and
 - 5.3. communicate to SEBI the status of the implementation of the provisions of this circular and the action taken in this regard in the Monthly Development Report.
6. 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.

This circular is available on SEBI website at www.sebi.gov.in.

Yours faithfully,

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