



CIRCULAR

CIR/CFD/POLICYCELL/3/2014

June 27, 2014

To

All Stock Exchanges
All Registered Merchant Bankers

Dear Sir/Madam,

Sub: SEBI Circulars No. CIR/CFD/DIL/3/2013 dated January 17, 2013, CIR/CFD/DIL/7/2013 dated May 13, 2013 and CIR/CFD/POLICYCELL/14/2013 dated November 29, 2013 - Extension of time line for alignment

1. SEBI vide circular No. CIR/CFD/DIL/3/2013 dated January 17, 2013, *inter alia*, made certain amendments to the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 {"SEBI (ESOS and ESPS) Guidelines, 1999"} and employee benefit schemes involving securities of the company were required to be aligned with the SEBI (ESOS and ESPS) Guidelines, 1999. The time line for alignment was subsequently extended vide aforesaid circulars dated May 13, 2013 and November 29, 2013.
2. Meanwhile, following a consultative process, SEBI Board has approved certain proposals for framing a new set of regulations concerning employee benefit schemes dealing in shares of the company. The new regulations shall come into force as and when notified.
3. In view of the above, it has been decided to modify the said circular dated November 29, 2013 to extend the time line for aligning existing employee benefit schemes with the SEBI (ESOS and ESPS) Guidelines, 1999 till the new regulations are notified. However, it is reiterated that prohibition on acquiring securities from the secondary market shall continue till the existing schemes are aligned with the new regulations to be notified.
4. This circular is being issued in exercise of the powers under Section 11 read with Section 11A of the Securities and Exchange Board of India Act, 1992.
5. This circular is available on SEBI website at www.sebi.gov.in under the categories "Legal Framework" and "Issues and Listing".

Yours faithfully,

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