

“NOTICE TO ALL THE TRADING MEMBERS, VADODARA STOCK EXCHANGE LIMITED

**Subject : Transaction in Equity Shares of Vadodara Stock Exchange Limited
ISIN – INE620I01010**

Trading Members of Vadodara Stock Exchange Limited are informed that Securities and Exchange Board of India (SEBI) has issued a Notification on 09th October, 2007 in the Gazette of India, Extraordinary notifying “**Appointed Date**” for Vadodara Stock Exchange Limited as 13th September, 2007. This notification signifies achieving of Demutualization i.e. at least 51% of equity share capital of the Exchange is held by Public.

In view of the above, steps are now being taken to lift the freeze on the **ISIN – INE620I01010** of the equity shares by informing SEBI and Depositories accordingly.

Attention of the Trading Members is drawn to the Clause 8.2 of the VSE (Corporatisation and Demutualization) Scheme, 2005 (the Scheme), which read as under:

8.2 On and from the Appointed Date, Vadodara Stock Exchange Limited shall ensure that public, other than shareholders having trading rights continuously hold at least 51% of equity shares.

SEBI has also notified Securities Contracts (Regulation) (Manner of increasing and Maintaining Public Shareholding in Recognized Stock Exchange) Regulation, 2006 (SEBI Regulations) regulating amongst other things the transactions in the securities of the Exchange. Besides the Scheme, the said Regulations also require the Stock Exchanges to monitor and ensure **that at least fifty-one per cent of its equity share capital is continuously held by the public.**

Under the said Regulations, no person either individually or together with persons acting in concert with him, acquire and /or hold **more than one per cent** of the paid up equity capital of the Exchange unless he is a fit and proper person as defined under the Regulations and has taken prior approval of the SEBI. Further, no person directly or indirectly acquire or hold **more than five per cent** in the paid up equity capital of the Exchange.

In order to adhere to the conditions stipulated under the Scheme and the SEBI Regulations, it is hereby informed that any Trading Member or an “Associate” of such Trading Member (As defined under the SEBI Regulations) desirous of **buying/acquiring** securities of Vadodara Stock Exchange Limited (upon lifting of the freeze on the ISIN) is advised to obtain **prior approval** of the Exchange by addressing a letter to the Managing Director, Vadodara Stock Exchange Limited, 3rd Floor, Fortune Tower, Sayajigunj, Vadodara – 390 005, mentioning therein the existing number of shares held by the Trading Member and its Associates and the number of shares proposed to be acquired/bought by the Trading Members and its Associates

(Dipak V. Raval)
Managing Director
Date : 13th February, 2008