



CIRCULAR

SEBI/HO/CFD/DIL/CIR/P/2016/26

January 21, 2016

To
Recognized Stock Exchanges
Depositories
Registered Stock Brokers
Registered Merchant Bankers
Registered Registrars to an Issue and Share Transfer Agents
Registered Depository Participants
Registered Bankers to an Issue

Dear Sir / Madam,

Sub.: Clarification Circular on Streamlining the Process of Public Issue of Equity Shares and Convertibles

1. SEBI vide Circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued operational details to, inter-alia, reduce the time taken for listing after the closure of the issue to 6 working days and enhancing the points of submission of applications by the investors.
2. With an endeavor to make the public issue process more efficient and robust, in discussion with market participants, following issues are hereby clarified:
 - 2.1. Stock exchange(s) may validate the electronic bid details with depository's records for DP ID, Client ID and PAN, at periodic intervals throughout the bidding day during the bidding period and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.
 - 2.2. Syndicate members, registered brokers of stock exchanges, depository participants (DPs) and registrars to an issue and share transfer agents (RTAs) registered with SEBI, may also forward the physical application forms received by them on day-to-day basis during the bidding period to designated branches of the respective self certified syndicate banks (SCSBs) for blocking of funds. Such applications should be with value not more than ₹ 2 lakh and shall be forwarded along with the schedule specified in SEBI Circular dated November 10, 2015.



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Securities and Exchange Board of India

- 2.3. Stock exchanges may share the electronic bid file for applications with value not more than ₹ 2 lakh with RTA to the issue on daily basis who in turn may share the same with each SCSB. SCSBs may carry out the blocking of funds on a daily basis during the bidding period for such physical application forms received. Revised electronic bid file / final bid file shall be shared by the stock exchanges with RTA to the issue. SCSBs to ensure blocking of funds is based on final electronic bid file received from RTA to the issue.
- 2.4. Working days shall be all trading days of stock exchanges excluding Sundays and bank holidays.
- 2.5. The instruction for publication of basis of allotment may be given by T+5 day so that basis of allotment is published in all the newspapers, where issue opening/closing advertisements have appeared earlier, on T+6 before the commencement of trading.
3. All intermediaries are advised to cooperate with each other and take necessary steps to ensure compliance with this circular.
4. This circular shall be applicable with immediate effect.
5. This Circular is issued in exercise of the powers conferred under Section 11 and Section 11A of the Securities and Exchange Board of India Act, 1992.
6. 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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