

SEBI streamlines the process of issuance of debt securities

Streamlining the process of public issue under the SEBI (Issue and Listing of Debt Securities) Regulations, 2008 (SEBI ILDS), SEBI (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013 (SEBI NCRPS), SEBI (Public Offer and Listing of Securitised Debt Instruments) Regulations, 2008 (SEBI SDI) and SEBI (Issue and Listing of Debt Securities by Municipalities) Regulations, 2015 (SEBI ILDM).

In order to make the existing process of issuance of debt securities, NCRPS and SDI easier, simpler and cost effective for both issuers and investors under the SEBI ILDS, SEBI ILDM, SEBI NCRPS and SEBI SDI regulations respectively, it has been decided to reduce the time taken for listing after the closure of the issue to 6 working days as against the present requirement of 12 working days.

Submission of application form:

- All the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment i.e. writing their bank account numbers and authorising the banks to make payment in case of allotment by signing the application forms.
- An investor, intending to subscribe to a public issue, shall submit a completed bid-cum-application form to Self-Certified Syndicate Banks (SCSBs), with whom the bank account to be blocked is maintained or any of the specified intermediaries.

Role of SCSBs and intermediaries:

- The SCSBs or the above intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.
- For applications submitted by investors to SCSB: After accepting the form, SCSB shall capture and upload details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking of funds available in the bank account specified in the form, to the extent of the application money specified.

Role of Stock Exchanges:

- Stock exchange(s) shall validate the electronic bid details with depository's records for DP ID, Client ID and PAN, by the end of each bidding day and bring the inconsistencies to the notice of SCSBs or intermediaries concerned, for rectification and re-submission within the time specified by stock exchange(s).
- Stock exchange(s) shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code in the bid details already uploaded on a daily basis upto timeline as has been specified.

Other requirements:

- The responsibilities of SCSBs, stock exchanges, depositories and intermediaries and the indicative timelines prescribed shall stand modified to the extent stated in the SEBI circular CIR. /IMD/DF-1/20/2012 dated July 27, 2012.
- This circular shall be applicable for all public issues of debt securities, NCRPS and SDI opening on or after October 01, 2018.

Please find enclosed the detailed release on Streamlining the process of public issue under the SEBI for your kind reference.

Please contact for any query related to this mail to Ms. Kritika Bhasin, Research Officer at kritika.bhasin@phdcci.in with a cc to Dr. S P Sharma, Chief Economist at spsharma@phdcci.in and Ms. Surbhi Sharma, Associate Economist at surbhi@phdcci.in, PHD Chamber of Commerce & Industry.

Warm regards,

**Dr. S P Sharma
Chief Economist**

PHD Chamber of Commerce and Industry
PHD House, 4/2 Siri Institutional Area
August Kranti Marg, New Delhi-110016

Ph.: + 91-11-26863801-04, 49545454

Fax: +91- 26855450, 49545451

Email: spsharma@phdcci.in

Website: www.phdcci.in

"We Walk Our Talk"

PHD CHAMBER OF COMMERCE AND INDUSTRY

PHD House, 4/2 Sri Institutional Area, August Kranti Marg, New Delhi - 110 016 (India) • Tel. : +91-11-2686 3801-04, 49545454, 49545400
Fax : +91-11-2685 5450 • E-mail : research@phdcci.in • Website : www.phdcci.in, CIN: U74899DL1951GAP001947.

Connect with us:



COPYRIGHT: All rights reserved. No part of this publication/Release may be reproduced, distributed, or transmitted in any form or by any means, without the prior written permission of the publisher. For permission requests, write to the publisher.

DISCLAIMER: This message and its attachments contain confidential information. If you are not the intended recipient, you are strictly prohibited to disclose, copy, distribute or take any action in reliance on the contents of this information. E-mail transmission cannot be guaranteed to be secure or error-free, as information could be intercepted, corrupted, lost, destroyed, arrive late or incomplete, or contain viruses. The sender therefore does not accept liability for any errors or omissions in the contents of this message, which arise as a result of e-mail transmission. If verification is required please request a hard-copy version.