

New Listing Criteria for Companies Exclusively Listed on De-recognized/Non-operational Stock Exchanges

i. Paid up Capital & Net Worth

- The paid-up equity capital of the applicant company shall not be less than ₹10 crores in each of the three preceding financial years*

AND

The net worth of the applicant company shall not be less than ₹10 crores in each of the three preceding financial years **

* Explanation 1 For this purpose the existing paid up equity capital as well as the paid up equity capital after the proposed issue for which listing is sought shall be taken into account.

** Explanation 2 Networth means Paid up equity capital + Free Reserves i.e. reserve, the utilization of which is not restricted in any manner may be taken into consideration excluding revaluation reserves – Miscellaneous Expenses not written off – Balance in profit and loss account to the extent not set off.

ii. Atleast three years track record of either:

- The applicant company seeking listing; or
- The promoters***/promoting company, incorporated in or outside India

OR

For this purpose, the applicant company or the promoting company shall submit annual reports of three preceding financial years to NSE and also provide a certificate to the Exchange in respect of the following:

- The company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR)
- The networth of the company has not been wiped out by the accumulated losses resulting in a negative networth.
- The company has not received any winding up petition admitted by a court.

*** Promoters mean one or more persons with minimum 3 years of experience of each of them in the same line of business and shall be holding at least 20% of the post issue equity share capital individually or severally.

- iii. The applicant company has paid dividend in at least 2 out of last 3 financial years immediately preceding the year in which listing application has been made
- iv. The applicant company desirous of listing its securities should also satisfy the Exchange on the following:

No Disciplinary action has been taken by other stock exchanges and regulatory authorities in the past three years

The applicant company, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) have not been in default in payment of listing fees to any stock exchange in the last three years or has not been delisted or suspended in the past and has not been proceeded against by SEBI or other regulatory authorities in connection with investor related issues or otherwise.

Redressal mechanism of Investor grievance

The points of consideration are:

- The applicant company, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) track record in redressal of investor grievances
- The applicant's arrangements envisaged are in place for servicing its investor
- The applicant company, promoters'/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) general approach and philosophy to the issue of investor service and protection
- Defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders by the applicant company, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) shall also be considered while evaluating a company's application for listing. The auditor's certificate shall also be obtained in this regard. In case of defaults in such payments, the securities of the applicant company may not be listed till such time it has cleared all pending obligations relating to the payment of interest and/or principal.
- Mandatory SEBI registered SCORES ID. Pending investor grievance should not be more than 30 days.

Distribution of shareholding

- The applicant company/promoting company(ies) shareholding pattern on March 31 of preceding three years separately showing promoters and other groups' shareholding pattern should be as per the regulatory requirements. Total number of public shareholders on the date of application should be at least 500. 100% promoter holding and 50% of public holding should be in compulsory demat mode.

Details of Litigation

- The applicant company, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) litigation record, the nature of litigation, status of litigation during the preceding three years need to be clarified to the exchange.

Track Record of Director(s) of the Company

- In respect of the track record of the directors, relevant disclosures may be insisted upon in the offer document regarding the status of criminal cases filed or nature of the investigation being undertaken with regard to alleged commission of any offence by any of its directors and its effect on the business of the company, where all or any of the directors of issuer have or has been charge-sheeted with serious crimes.

Change in Control of a Company/Utilisation of funds raised from public

- In the event of new promoters taking over listed companies which results in change in management and/or companies utilising the funds raised through public issue for the purposes other than those mentioned in the offer document, such companies shall make additional disclosures (as required by the Exchange) with regard to change in control of a company and utilisation of funds raised from public.

Withdrawal\rejection cooling off period

- The application of the applicant company should not have been rejected in last 6 months.

Company Website

- The applicant company should mandatorily have functional and updated website.

Audit qualification

- The applicant company should not have audit qualification w.r.t. going concern and adverse opinion or disclaimer of opinion pertaining to financials.

Note:

Kindly note that the application submitted to the Exchange for listing does not construe NSE's listing approval. The company shall use NSE's reference regarding listing only after the Exchange grants listing approval to the company.