

National Stock Exchange of India

Circular

Department:**Download Ref No: NSE/CML/2022/32****Date: December 19, 2022**

To,
All entities who have listed their Non-convertible Debt securities
/ Non-convertible Redeemable Preference shares

Subject: Clarifications with respect to SEBI Circular no. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2022/156 dated November 17, 2022 (“SEBI Circular”), on Scheme(s) of Arrangement by entities who have listed their Non-convertible Debt securities (NCDs)/ Non-convertible Redeemable Preference shares (NCRPS)’

SEBI, vide Circular no. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2022/156 dated November 17, 2022, has laid down procedure on Scheme(s) of Arrangement by entities who have listed their Non-convertible Debt securities (NCDs)/ Non-convertible Redeemable Preference shares (NCRPS) to implement amendment w.r.t. regulation 59A/94A in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For implementation of the aforesaid SEBI circular, following clarifications are hereby provided to the issuers:

1. Applicability:

The said regulation/circular shall be applicable to the Listed Entity whose Board Meeting approving the Scheme of Arrangement was/is held after November 14, 2022, i.e. date of amendment in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. Report of Complaints/ Comments received by the listed entity on the draft scheme of arrangement:

For Listed Entity having their specified securities as well as NCDs/NCRPS listed must submit the report on Complaints to the Stock Exchanges within 7 days of expiry of 21 days from the date of hosting the draft scheme along with documents on the website of Stock Exchanges and the listed entity.

For Listed Entity having only their NCDs /NCRPS listed must submit the report on Complaints to the Stock Exchanges within 7 days of expiry of 10 days from the date of hosting the draft scheme along with documents on the websites of Stock Exchanges and the listed entity.

3. Timelines:

The Listed Entity shall submit their revert to queries (if any) raised by the Stock Exchange within 7 working days of query being raised, to enable adherence to requirement of “maximum number of days for providing the ‘No-Objection’ Letter to SEBI shall not exceed thirty days from the date of receipt of the draft scheme of arrangement”. It may be noted that submission of incomplete reply will be considered as non-submission. These timelines are applicable to issuers with only NCDs /NCRPS listed. For specified securities timelines as mentioned in our joint SOP shall prevail.

4. Number of applications:

For Listed Entity having their specified securities as well as NCDs/NCRPS listed, a single filing of the draft scheme of arrangement in terms of Regulations 37 and Regulation 59A of SEBI LODR Regulation 2015 shall be submitted under Regulation 37 wherein additional documents, as required for NCDs/NCRPS listed company shall also be attached.

5. Exemption from usage of Electronic Bidding Platform:

Wherein under the scheme of arrangement, the issuers propose to raise further NCDs without using EBP platform, exemption from the requirements of usage of Electronic Bidding Platform (“EBP”) should be obtained by the issuer from SEBI.

6. Approval from the debenture holders:

Under SEBI circular dated November 17, 2022, Point No. 12, wherein approval of the debenture holders is required, the value of the same shall be governed as stated under Companies Act, 2013 i.e. Section 230.

7. Exit offer to the dissenting holders of NCDs/ NCRPSAs

Exit offer to the dissenting holders of NCDs/ NCRPSAs specified Para 2(d)(iii) of Annexure-I of SEBI Circular, while recommending the draft scheme, the Board of Directors shall also comment on Exit offer to be dissenting holders of NCDs/ NCRPS, if any. Further, if there is provisions related to exit offer, same shall also be part of the scheme.

This is for your information please.

Yours faithfully,
For National Stock Exchange of India Limited

Dipti Chinchkhede
Manager