



CIRCULAR

SEBI/HO/CFD/DIL2/CIR/P/2021/633

Oct 01, 2021

To

All Registered Merchant Bankers

All Recognized Stock Exchanges

All Registered Registrars to an Issue

All Self Certified Syndicate Banks

All listed entities

All entities who propose to list the specified securities

Dear Sir/Madam,

Sub: Relaxations relating to procedural matters –Issues and Listing.

1. SEBI *vide* Circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020, granted one time relaxations from strict enforcement of certain regulations of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, pertaining to Rights Issue opening upto July 31, 2020.
2. Based on the representations received from the market participants, the validity of these relaxations was further extended for Rights Issues opening up to December 31, 2020, *vide* SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020.
3. The relaxation mentioned in point (iv) of the said SEBI Circular dated May 6, 2020, was further extended *vide* SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021, for Rights Issues opening up to March 31, 2021. This was further extended for Rights Issues opening up to September 30, 2021, *vide* SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2021/552 dated April 22, 2021.
4. To ease and facilitate investors, the relaxation mentioned in point (iv) of the said SEBI Circular dated May 6, 2020, is further extended and shall be applicable for Rights Issues opening up to March 31, 2022, provided that the issuer along with the Lead Manager(s) shall continue to comply with point (v) of the said SEBI Circular dated May 06, 2020.
5. With respect to mechanism and compliance requirements at point (iv) and (v) of the said SEBI Circular dated May 6, 2020, and para 5 of the said SEBI Circular dated April 22, 2021, the issuer along with Lead Manager(s), Registrar, and other recognized intermediaries (as incorporated in the mechanism) shall also ensure the following:
 - a. Issuer Company shall conduct a Vulnerability Test for optional mechanism (non-cash mode only) provided to accept the applications in Rights Issue (facility provided by RTA), from an independent IT Auditor, and submit the report to Stock Exchange(s).
6. This circular is issued in exercise of powers conferred by Section 11(1) read with Section 11A of the Securities and Exchange Board of India Act, 1992 read with Regulations 299

and 300 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.

7. A copy of this circular is available on SEBI website at www.sebi.gov.in under the categories "Legal Framework/Circulars".

Yours faithfully,

Vandana Joglekar
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