



CIRCULAR

SEBI/HO/CFD/CIR/CFD/DIL/85/2020

June 09, 2020

To,

All Recognized Stock Exchanges
All Registered Merchant Bankers

Dear Sir/Madam,

Sub: Relaxations from certain provisions of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 in respect of Further Public Offer

1. In the wake of developments relating to the Covid-19 pandemic, SEBI vide Circular no. SEBI/HO/CFD/CIR/CFD/DIL/67/2020 dated April 21, 2020 introduced temporary relaxation in eligibility conditions related to Fast Track Rights Issue.
2. In continuation, it has been decided to provide similar relaxations in the eligibility conditions related to Fast Track Further Public Offer (FPO) as contained in the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**ICDR Regulations**") as follows:

Sub-regulations (1), (2), (3), (4) and (5) and (9) of regulation 123 shall not apply if the issuer satisfies the conditions mentioned under Regulation 155 of ICDR Regulations for making a further public offer through the fast track route:

Certain temporary relaxations with respect to Regulation 155 of ICDR Regulations are extended as follows:

- (i) In regulation 155(c) the words 'one thousand crore' shall be read as 'five hundred crore'
- (ii) Regulation 155(h) shall be read as under:
"no show-cause notices, excluding under adjudication proceedings, have been issued by the Board and pending against the issuer or its promoters or whole-time directors as on the reference date;
In cases where against the issuer or its promoters/ directors/ group companies,
 - i) a show cause notice(s) has been issued by the Board in an adjudication proceeding or
 - ii) prosecution proceedings have been initiated by the Board;

necessary disclosures in respect of such action (s) along-with its potential adverse impact on the issuer shall be made in the offer documents."



- (iii) Regulation 155(i) shall be read as “*the issuer or promoter or promoter group or director of the issuer has fulfilled the settlement terms or adhered to directions of the settlement order(s) in cases where it has settled any alleged violation of securities laws through the consent or settlement mechanism with the Board*”
- (iv) Regulation 155 (l) shall be read as “*impact of audit qualifications, if any and where quantifiable, on the audited accounts of the issuer in respect of those financial years for which such accounts are disclosed, shall be appropriately disclosed and accounts accordingly restated, in the offer documents. Further, that for the qualifications wherein impact on the financials cannot be ascertained the same shall be disclosed appropriately in the offer documents.*”
3. These temporary relaxations are applicable for FPOs that open on or before March 31, 2021.
 4. The relaxations mentioned in this circular are not applicable for issuance of warrants.
 5. This circular shall come into force with immediate effect. The Stock Exchanges are advised to bring the provisions of this circular to the notice of all entities who have listed their equity and convertible securities.
 6. The circular is issued in exercise of the powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992.
 7. The circular is available on SEBI website at www.sebi.gov.in under the category - 'Legal→Circulars'.

Yours faithfully,

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