

Info Capsule



THE INSTITUTE OF
Company Secretaries of India

भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE

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(Under the jurisdiction of Ministry of Corporate Affairs)

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Schemes of Arrangement by Listed Entities and (ii) Relaxation under Sub-rule (7) of Rule 19 of the Securities Contracts (Regulation) Rules, 1957 (SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2019/192 dated: September 12, 2019)

SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 has laid down the framework for Schemes of Arrangement by listed entities and relaxation under Rule 19(7) of the Securities Contracts (Regulation) Rules, 1957. In order to streamline the processing of draft schemes, it has been decided to seek additional information further, at one go.

The amendment to the Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, in relation to payment of outstanding dues of SEBI, Stock exchanges and the Depositories is as under:

1. Insertion of Para 11

Following para shall be inserted after Para 10.

UNPAID DUES REPORT

- a. All listed entities shall ensure that all dues to, and/or fines/penalties imposed by SEBI, Stock Exchanges and the Depositories have been paid/settled before filing the draft scheme with the designated stock exchange.
 - b. In case of unpaid dues / fines / penalties, the listed entity shall submit to stock exchanges a 'Report on the Unpaid Dues' which shall contain the details of such unpaid dues in the format given to this Circular, prior to obtaining Observation Letter from stock exchanges on the draft scheme.
 - c. The report on unpaid dues as mentioned above, shall be submitted by listed entity to the stock exchanges along with the draft scheme.
2. Any misstatement or furnishing of false information with regard to the said information shall make the listed entity liable for punitive action as per the provisions of applicable laws and regulations.
 3. Amendment to Para I B

Following para shall be inserted in Para 1B, Sr. No.5

5. The 'Unpaid Dues Report' shall be forwarded by the Stock Exchanges to SEBI before SEBI communicates its comments on the Draft Scheme to the Stock Exchanges. Such report shall be submitted as per the format specified.

The detailed report is available at: https://www.sebi.gov.in/legal/circulars/sep-2019/schemes-of-arrangement-by-listed-entities-and-ii-relaxation-under-sub-rule-7-of-rule-19-of-the-securities-contracts-regulation-rules-1957_44209.html