

# Info Capsule



THE INSTITUTE OF  
Company Secretaries of India

भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE

Statutory body under an Act of Parliament

(Under the jurisdiction of Ministry of Corporate Affairs)

August 20, 2019

## **1. Non-compliance with certain provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“ICDR Regulations”) (Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/94 Dated: August 19, 2019)**

SEBI issued Circular No. CIR/CFD/DIL/57/2017 dated June 15, 2017, specifying the fines to be imposed by the Stock Exchanges for non-compliance with certain provisions of SEBI (ICDR) Regulations, 2009. In supersession to the aforesaid Circular SEBI has issued this current Circular.

Regulation 297 and 298 of SEBI (ICDR) Regulations, 2018, inter alia specify liability of a listed entity or any other person for contravention and actions which can be taken by the respective stock exchange, the revocation of such actions and consequences for failure to pay fine in the manner specified by SEBI.

S.No.	Violation	Schedule/Regulation	Fine
1	Delay in completion of a bonus issue :  i. Within 15 days from the date of approval of the issue by its board of directors – in cases where shareholders’ approval for capitalization of profits or reserves for making the bonus issue is not required.  ii. Within 2 months from the date of the meeting of its board of directors wherein the decision to announce bonus issue was taken subject to shareholders’ approval – in cases where issuer is required to seek shareholders’ approval for capitalization of profits or reserves for making the bonus issue	295(1)	₹ 20,000 per day of non-compliance till the date of compliance.
2	Listed entities not completing the conversion of convertible securities and allotting the shares, within 18 months from the date of allotment of convertible securities	162	Same as above.

3	<p>As per Schedule XIX - Para (2) under heading Application for listing, it is stated that: “The issuer shall make an application for listing, from the date of allotment, within such period as may be specified by the Board from time to time, to one or more recognized stock exchange(s)”.</p> <p>In regard to above, it is specified that Issuer shall make an application to the exchange/s for listing in case of further issue of equity shares from the date of allotment within 20 days (unless otherwise specified).</p>	Schedule XIX – Listing of Securities on Stock Exchanges	Same as above.
4	Listed entities shall make an application for trading approval to the stock exchange/s within 7 working days from the date of grant of listing approval by the stock exchange/s.	-	Same as above.

The detailed circular is available at: <https://www.sebi.gov.in/legal/circulars/aug-2019/non-compliance-with-certain-provisions-of-sebi-issue-of-capital-and-disclosure-requirements-regulations-2018-icdr-regulations-43941.html>