**THE GAZETTE OF INDIA**

**EXTRAORDINARY**

**PART – III – SECTION 4**

**PUBLISHED BY AUTHORITY**

**SECURITIES AND EXCHANGE BOARD OF INDIA**

**NOTIFICATION**

**Mumbai, the 13th August, 2021**

# SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) (THIRD AMENDMENT) REGULATIONS, 2021

**No. SEBI/LAD-NRO/GN/2021/45. ─** In exercise of the powers conferred under section 30 of the Securities and Exchange Board of India Act, 1992 (15 of 1992), the Board hereby makes the following regulations to further amend the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, namely: -

1. These regulations may be called the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Third Amendment) Regulations, 2021.

2. They shall come into force on the date of their publication in the Official Gazette.

3. In the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, -

   I. In regulation 2, in sub-regulation (1), in clause (pp), under sub-clause (iii), the point (C) shall be omitted.

   II. In regulation 16, -

i. in sub-regulation (1), in clause (a), the words “three years from the date of commencement of commercial production or date of allotment in the initial public offer, whichever is later”, shall be substituted with the words “eighteen months from the date of allotment in the initial public offer”.

ii. in sub-regulation (1), after clause (a), the following proviso shall be inserted, namely, -

“Provided that in case the majority of the issue proceeds excluding the portion of offer for sale is proposed to be utilized for capital expenditure, then the lock-in period shall be three years from the date of allotment in the initial public offer.”

iii. in sub-regulation (1), in clause (b), the words “one year” shall be substituted with the words “six months”.

iv. in sub-regulation (1), after clause (b), the following proviso shall be inserted, namely, -

“Provided that in case the majority of the issue proceeds excluding the portion of offer for sale is proposed to be utilized for capital expenditure, then the lock-in period shall be one year from the date of allotment in the initial public offer.”

v. in sub-regulation (1), after clause (b), the existing Explanation shall be substituted with the following, namely, -

“Explanation: For the purpose of this sub-regulation, “capital expenditure” shall include civil work, miscellaneous fixed assets, purchase of land, building and plant and machinery, etc.”

III. In regulation 17, -

i. the words “one year” shall be substituted with the words “six months”.

ii. in the proviso under clause (c), the words “one year” shall be substituted with the words “six months”.

IV. In regulation 115, -

i. in clause (a), the words “three years from the date of commencement of commercial production or from the date of allotment in further public offer, whichever is later;” shall be substituted with the words “eighteen months from the date of allotment of the further public offer:”.

ii. after clause (a), the following proviso shall be inserted, namely, -

“Provided that in case the majority of the issue proceeds excluding the portion of offer for sale is proposed to be utilized for capital expenditure, then the lock-in period shall be three years from the date of allotment in the initial public offer.”

iii. in clause (b), the words “one year” shall be substituted with the words “six months”.

iv. after clause (b), the following proviso shall be inserted, namely, -

“Provided that in case the majority of the issue proceeds excluding the portion of offer for sale is proposed to be utilized for capital expenditure, then the lock-in period shall be one year from the date of allotment in the initial public offer.”

v. after clause (c), the existing Explanation shall be substituted with the following, namely, -

"Explanation: For the purpose of this regulation, "capital expenditure" shall include civil work, miscellaneous fixed assets, purchase of land, building and plant and machinery, etc."

V. In regulation 117, the words "three years" shall be substituted with the words "eighteen months".

VI. In Schedule VI, in Part A, -

i. in clause (5), sub-clause (G), in point (9), the words "or group companies" shall be omitted.

ii. in clause (5), sub-clause (G), in point (10), the words "or group companies" shall be omitted.

iii. in clause (5), sub-clause (G), in point (30), the symbol "," shall be substituted with the word "and" and the words "and top 5 listed group companies by market capitalization" shall be omitted.

iv. in clause (13), sub-clause (A) shall be substituted as under:

"(A) In case of an issuer not being a government company, statutory authority or corporation or any special purpose vehicle set up by any of them, the names and registered office address of all the group companies shall be disclosed in the Offer Document.

The following information based on the audited statements in respect of top five group companies (based on market capitalization for listed/ based on

turnover in case of unlisted) for the preceding three years shall be hosted on the website of the respective group company (listed/ unlisted):

(i) reserves (excluding revaluation reserve);

(ii) sales;

(iii) profit after tax;

(iv) earnings per share;

(v) diluted earnings per share; and

(vi) net asset value.

The offer document shall refer the website where the details of the group companies shall be available."

v. in clause (13), sub-clause (B), (C), (E) and (F) shall be omitted and sub-clause (D) and (G) shall be re-numbered accordingly.

**Sd/-**

**AJAY TYAGI**
**CHAIRMAN**
**SECURITIES AND EXCHANGE BOARD OF INDIA**

**Footnotes**:

1. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 was published in the Gazette of India on September 11, 2018, vide notification No. SEBI/LAD-NRO/GN/2018/31.

2. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 was subsequently amended on -

(a) December 31, 2018 by the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2018, vide notification No. SEBI/LAD-NRO/GN/2018/57.

(b) March 29, 2019 by the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2019, vide notification No. SEBI/LAD-NRO/GN/2019/05.

(c) April 5, 2019 by the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Second Amendment) Regulations, 2019, vide notification No. SEBI/LAD-NRO/GN/2019/08.

(d) July 29, 2019 by the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Third Amendment) Regulations, 2019, vide notification No. SEBI/LAD-NRO/GN/2019/29.

(e) September 23, 2019 by the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2019, vide notification No. SEBI/LAD-NRO/GN/2019/35.

(f) December 06, 2019 by the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2019, vide notification No. SEBI/LAD-NRO/GN/2019/42.

(g) December 26, 2019 by the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Sixth Amendment) Regulations, 2019, vide notification No. SEBI/LAD-NRO/GN/2019/47.

(h) January 01, 2020 by the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Seventh Amendment) Regulations, 2019, vide notification No. SEBI/LAD-NRO/GN/2020/01.

(i) April 17, 2020 by the Securities and Exchange Board of India (Regulatory Sandbox) (Amendment) Regulations, 2020 vide notification No. SEBI/LAD-NRO/GN/2020/10.

(j) May 08, 2020 by the Securities and Exchange Board of India (Payment of Fees) (Amendment) Regulations, 2020, vide notification No. SEBI/LAD-NRO/GN/2020/11.

(k) June 16, 2020 by the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2020, vide notification No. SEBI/LAD-NRO/GN/2020/17.

(l) June 22, 2020 by the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Second Amendment) Regulations, 2020, vide notification No. SEBI/LAD-NRO/GN/2020/18.

(m) July 1, 2020 by the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Third Amendment) Regulations, 2020, vide notification No. SEBI/LAD-NRO/GN/2020/21.

(n) September 28, 2020 by the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020, vide notification No. SEBI/LAD-NRO/GN/2020/31.

(o) January 8, 2021 by the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2021, vide notification No. SEBI/LAD-NRO/GN/2021/03.

(p) May 5, 2021 by the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Second Amendment) Regulations, 2021, vide notification No. SEBI/LAD-NRO/GN/2021/18.

(q) August 3, 2021 by the Securities and Exchange Board of India (Regulatory Sandbox) (Amendment) Regulations, 2021, vide notification No. SEBI/LAD-NRO/GN/2021/30.

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