

CHAPTER - 4

LISTING OF SECURITIES

4. Listing of Securities

A company, desirous of listing its securities on the Exchange, shall be required to file an application, in the prescribed form, with the Exchange before issue of Prospectus by the company, where the securities are issued by way of a prospectus or before issue of 'Offer for Sale', where the securities are issued by way of an offer for sale. The company shall be responsible to follow all the requirements specified in the Companies Act, the listing norms issued by SEBI from time to time and such other conditions, requirements and norms that may be in force from time to time and included hereafter in these Bye-laws and Regulations to make the security eligible to be listed and for continuous listing on the Exchange.

4.1 Applications in Respect of New Issues or Offers for Sale or Book-Building

4.1.1 Except when otherwise allowed by the Governing Board or Managing Director or Relevant Authority in any particular case and subject to compliance with such conditions as it or he may impose, tenders or applications for subscription or purchase or book-building in respect of any new issue or offer for sale of any security shall not be submitted unless the issuer or offerer offers to all a fair and equal opportunity for subscription or purchase and on the same terms as to brokerage to all the trading members and unless it is provided that all tenders and applications for subscription or purchase or book-building shall rank alike for allotment or sale.

4.1.2 The issuer or the offerer, prior to issuing further securities or offering securities for sale, shall obtain an in principle approval from the Exchange for listing these securities on the Exchange.

4.2 Application for Admission to Dealings

The issuer shall submit an application for admission of its securities to dealings on the Exchange in such form, as may be prescribed by the Exchange from time

to time, after ensuring compliance with the applicable provisions in the SCRA, SCRR, Companies Act and the Rules, Regulations and norms as may be issued by SEBI / Exchange in this regard from time to time

4.3 Units and Exchange Traded Funds

Units of Mutual Funds may be admitted to dealings on the Exchange subject to such conditions and requirements, as may be prescribed by the Governing Board or Relevant Authority from time to time.

4.4 Options or Futures in Securities

Options and futures in securities and in securities index or indices shall be admitted to dealings on the Exchange by the Governing Board or Relevant Authority in accordance with the provisions of SCRA and norms issued by SEBI from time to time and as may be specified in the relevant Bye-laws and Regulations framed in this regard.

4.5 Notice of Application for Admission to Dealings

Notice of any application for admission to dealings on the Exchange shall be posted on the notice board or displayed on the ATS or Website of the Exchange for the information of trading members and others, atleast one week prior to its consideration by the Exchange.

4.6 Underwriting, Placing and Preliminary Arrangements

Except when otherwise allowed by the Relevant Authority in any particular case and subject to compliance with such conditions as it may impose, a trading member shall not enter into an underwriting contract nor shall he contract either as a principal or agent to subscribe or purchase or to procure, whether through the market or otherwise, nor shall he act or agree to act as broker or underwriter in connection with any floatation or issue of any security, unless the trading member fulfills the capital adequacy requirements, as may be specified by SEBI or the Exchange from time to time, and the issuer conforms or agrees to conform to the listing requirements prescribed in these Bye-laws and Regulations and/or as provided under the SCRA and SCRR and undertakes to apply for admission of such security to dealings on the Exchange.

4.7 Listing Conditions and Requirements

- 4.7.1** The Governing Board or Managing Director or Relevant Authority may not grant admission to dealings on the Exchange to a security of an issuer unless the issuer complies with the listing conditions, requirements and norms, under the SCRA, SCRR, the Companies Act, the Rules, Bye-laws and Regulations of the Exchange and the norms, as may be prescribed by the Exchange and/or SEBI from time to time
- 4.7.2** The Governing Board or Managing Director or Relevant Authority shall ensure that no listing or trading permission is granted unless the issuer complies with all the conditions, requirements or norms, as may be provided in the relevant Regulations from time to time, including despatch of physical share certificates to, and/or credit of demat shares to the accounts of all the security-holders, maintained with the depositories.
- 4.7.3** Where the Exchange is the stock exchange with whose consultation the basis of allotment is decided, the Governing Board or Managing Director or Relevant Authority of the said stock exchange shall intimate the depositories about approval granted for admission to dealings on the Exchange for any security.
- 4.7.4** The company shall execute a Listing Agreement, in the prescribed form with the Exchange, prior to approval of the listing application of the company. Any addition or amendment to the provisions of the Listing Agreement, as may be prescribed by SEBI and/or the Exchange shall become applicable to the company as if such addition or amendment was part of the Listing Agreement.
- 4.7.5** In the case of a new issue or further issue by any issuer the Governing Board or Managing Director or Relevant Authority may grant permission for trading in any security at the Exchange on the same day as on all other stock exchanges where such security admitted to dealings is granted permission for trading.

4.8 Securities Issued on Preferential Allotment Basis or Under ESOP

Securities issued on preferential allotment basis or under the Employees Stock Option Scheme by an issuer, whose securities are already admitted to dealings

on the Exchange, may be granted admission to dealings on the Exchange on complying with the listing conditions, requirements and norms, under the SCRA, SCRR, the Companies Act, the rules made thereunder, and these Bye-laws and Regulations, as may be prescribed by the Governing Board or Managing Director or Relevant Authority and/or SEBI from time to time.

4.9 Issuers Registered Outside India

Admission to dealings on the Exchange shall not be granted to a security issued by a body corporate or fund or other entity registered or formed outside India unless:

- 4.9.1** there is adequate public interest in such securities in India and
- 4.9.2** the body corporate, fund or other entity agrees to abide by the applicable statutory provisions, as may be in force and such requirements as may be prescribed in this regard by the Exchange or SEBI or Reserve Bank of India or any other statutory body.

4.10 Applicability of Listing Conditions and Requirements

In the case of a body corporate, fund or other entity registered or formed outside India, the Governing Board or Managing Director or Relevant Authority may, for reasons to be recorded in writing, waive or dispense with the strict enforcement of any or all of the listing conditions and requirements prescribed in these Bye-laws and Regulations, except those prescribed in Bye Law 4.9 provided that the securities of such body corporate, fund or other entity are admitted to dealings on any stock exchange outside India and the Governing Board or Managing Director or Relevant Authority is satisfied that it is in the interest of trade or in the public interest, so to do.

4.11 Grant or Refusal of Admission to Dealings

The Governing Board or Managing Director or Relevant Authority may, in its/his discretion, approve subject to such terms as it/he deems proper or defer or reject any application for admission of a security of an issuer to the dealings on the Exchange, without assigning any reason whatsoever, within the time provided under the SCRA, the Companies Act and the Rules, Regulations and norms as may be issued by SEBI / Exchange, that may be in force from time to time.

4.12 Listing Approval

The Exchange may grant approval to the issuer for any security sought to be listed on the Exchange on completion of the listing conditions, requirements and norms by the issuer, as may be specified by the Exchange from time to time. Such security shall be called listed security.

4.13 Admission to Dealings

Admission to dealings shall mean permission granted by the Exchange to a security for commencement of trading on the ATS of the Exchange as provided in these Bye-laws and the relevant Regulations.

4.14 Trading Allowed

Trading in securities admitted to dealings shall be allowed on the ATS of the Exchange as provided in these Bye-laws and the relevant Regulations, and save as otherwise so provided, no other mode of trading shall be allowed.

Explanation:

The Exchange shall ensure that the permission for trading in any security at the Exchange is given on the same day as on all other stock exchanges where such security admitted to dealings is granted permission for trading.

4.15 Trading in Securities Admitted to Dealings on Other Stock Exchanges

The Governing Board or Relevant Authority may, in its discretion and subject to such conditions as it may deem proper, allow trading in any security or securities, admitted to dealings on any other stock exchange. Such security shall be called permitted security.

4.16 Listing Fees

The Board or the Relevant Authority of the Exchange shall fix the listing fees at such rates and in such manner as may be deemed fit from time to time.

4.17 Fees or Deposits to be Paid by Issuer

Issuers, whose securities are granted admission to dealings on the Exchange, shall pay listing fees and deposits, within such time, as may be determined by the Exchange from time to time.

4.18 Trading in Government Securities

4.18.1 Trading shall be allowed in Government Securities, which term for the purposes of these Bye-laws and Regulations, denote securities issued by the Government of India, State Governments, Port Trusts, Municipal Corporations and other similar bodies.

4.18.2 Government Securities shall be deemed to have been admitted to dealings on the Exchange from the date on which they are issued.

4.18.3 Transactions in Government Securities shall be carried out and settled in accordance with the directions issued by the Reserve Bank of India from time to time.

4.19 Governing Board or Managing Director or Relevant Authority May Restrict or Prohibit Trading

4.19.1 The Governing Board or Managing Director or Relevant Authority may, in its/his absolute discretion, impose such restrictions on transactions in any security admitted to dealings, in the interest of orderly market in securities or in the interest of trade or in the public interest. During the operation of such restrictions, no trading member shall, either on his own account or on account of his sub-brokers or clients, enter into in any transaction in contravention of such restrictions.

4.19.2 The Governing Board or Managing Director or Relevant Authority may prohibit dealings on the ATS of the Exchange in any security or securities admitted to dealings for reasons to be recorded in writing.

4.20 Consequences of Non-Compliance by Issuer

4.20.1 Suspension of Admission to Dealings on the Exchange

Subject to the provisions of SCRA and SCRR, the Governing Board or Managing Director or Relevant Authority may, at any time, for reasons to be recorded in writing, shift trading from normal basis to trade-for-trade basis or suspend the admission to dealings on the Exchange granted to any security for a breach of or non-compliance with any of the conditions

of admission to dealings or for manipulation of prices/trading or for any other reason whatsoever, for such period or periods and on such conditions, as it/he may determine. At the expiration of the period of suspension, the Governing Board or Managing Director or Relevant Authority may reinstate the dealings in such security subject to such conditions, as it/he deems fit.

4.20.2 Intimation of shifting of trading from normal basis to trade-for-trade basis or suspension of trading by the Exchange in any security on account of a violation of any of the provisions of the Listing Agreement or because of a surveillance action or for whatever other reason shall be communicated by the Exchange to other stock exchanges where the security is listed.

4.21 Withdrawal of Admission to Dealings or Redemption or Conversion

The Governing Board or Managing Director or Relevant Authority may, if deemed necessary, withdraw admission to dealings granted to a security which is about to be exchanged with some other security or converted into some other security as a result of any scheme of re-organisation or reconstruction of the issuer company or to such security, redeemable or convertible in their nature, which is about to fall due for redemption or conversion.

4.22 Liquidation or Merger

If any issuer whose securities have been granted admission to dealings on the Exchange, be placed in final or provisional liquidation or is about to be merged into or amalgamated with another company, the Governing Board or Managing Director or Relevant Authority may withdraw the admission to dealings on the Exchange granted to its securities. The Governing Board or Managing Director or Relevant Authority may accept such evidence as it/he deems sufficient as to such liquidation, merger or amalgamation. If the merger or amalgamation fails to take place or if any company placed in provisional liquidation be reinstated and an application be made by such company for readmission of its securities to dealings on the Exchange, the Governing Board or Managing Director or Relevant Authority shall have the power of considering and of approving, refusing or deferring such application.

4.23 Voluntary Delisting by Company

A company may be allowed to get its securities delisted (i.e. withdrawal of admission to dealings) from the Exchange, provided the provisions, guidelines, norms and procedures governing the listing/delisting and trading/suspension of trading in securities that may be stipulated by the SEBI/Central Listing Authority are duly complied with.

4.24 Buy-back of Securities by Company

A company may buy-back securities issued by it earlier, subject to the conditions, requirements and guidelines governing the scheme of buy-back of securities by a company, issued by SEBI and / or Central Government in that behalf. A company, making an offer to buy-back its securities, shall be required to strictly adhere to the conditions, requirements and guidelines in force in that regard and any non-compliance or violation by the company shall render it liable for such action, as may be deemed fit by the Exchange.

4.25 Withdrawal of Admission to Dealings or Delisting on the Exchange

Subject to the provisions of SCRA and SCRR, the Governing Board or Managing Director or Relevant Authority may, after giving an opportunity to the company to explain, withdraw the admission to dealings on the Exchange granted to its securities, either for breach of or non-compliance with any of the continuous listing requirements for admission to dealings or for any other reason whatsoever to be recorded in writing, and in such manner, as may be provided in relevant Regulations from time to time.

4.26 Right to Appeal Against Delisting

Any person, who may be aggrieved or affected by the decision of the Exchange to delist a security of any company admitted to dealings on the Exchange, may appeal in writing, to SEBI, within thirty calendar days from the date the Exchange has notified the decision to the company.

4.27 Readmission to Dealings on the Exchange

The Governing Board or Managing Director or Relevant Authority may readmit to dealings on the Exchange the security of a company whose admission to dealings had been previously withdrawn, on the fulfillment of conditions, norms, guidelines or requirements as may be prescribed by the Governing Board or Managing Director or Relevant Authority and / or SEBI from time to time.

4.28 Central Listing Authority

As and when the Central Listing Authority is constituted by SEBI or any authority under the relevant law in relation to listing / delisting and trading / suspension of trading in securities of companies on a stock exchange, the provisions, guidelines, norms and procedures governing the listing / delisting and trading / suspension of trading in securities that may be stipulated by such Central Listing Authority shall then be incorporated in the Bye-laws of the Exchange and shall be made applicable mutatis mutandis by the Exchange.