

2



No. :CMG/MD/SEBI/2016-17/68

The Chief General Manager,
Corporation Finance Department,
The Securities and Exchange Board of India,
SEBI Bhawan, Block – G, Plot C4A,
Bandra Kurla Complex,
Bandra (East),
Mumbai – 400 051

भा.प्र.वि.गो. SEBI सं/No 100230 दिनांक Date 09 NOV 2016	Date: November 9, 2016
--	------------------------



SEBI/IW/P/20161110/0000100230

Sub:- Request for informal guidance by way of interpretive letter under the provisions of the SEBI (Informal Guidance) Scheme, 2003, ("Scheme") with regard to post issue activities

Ref:- SEBI circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 regarding the T+6 post issue timeline

This has reference to the above mentioned SEBI circular issued in respect of the T + 6 post issue timeline which has laid down the various activities to be carried out by the respective intermediaries and the time limit within which these activities have to be completed. This circular was made applicable for all public issues opening on or after January 01, 2016.

Para 5 of Annexure B of the circular inter-alia includes the following :-

- SCSBs to send confirmation of funds blocked (Final Certificate) to the Registrar by the end of the day on T + 2 (T being the issue closing date)
- Registrar to undertake "Technical Rejection" test based on electronic bid details and prepare list of technical rejection cases.

Some public issues receive an extremely good response and in such cases the number of applications bids received is also large. Further, in some cases, it has been observed that most of the retail bids come on the last day and as a consequence the bidding time is extended by stock exchanges at the request of the members of the stock exchanges. As a large number of bid forms are sent to the SCSBs after the issue closing date, the SCSBs are unable to complete the processing at their end and in a number of cases the Final Certificate is not received by the Registrar on T + 2. Consequently this leaves very little time in hand for the Issuer and all other intermediaries involved in the Issue to complete the activities within the given timelines.

Query

- (a) In the T + 6 post issue timeline, is the Registrar responsible for carrying out any checks beyond the following:-
- Reject multiple applications determined as such, based on common PAN and
 - Undertake "Technical Rejection" test based on electronic bid.

Contd.....2

Registered Office: 202, Maker Tower 'E', Cuffe Parade, Mumbai 400 005. Tel: +91 22 22178300, Fax: +91 22 22188332
Email:corporate.office@sbicaps.com Web: www.sbicaps.com CIN: U99999MH1986PLC040298

A Subsidiary of State Bank of India



: 2 :

- (b) (i) Is the Registrar expected to rely only on the Electronic Bid details for QIB bids or is the Registrar expected to carry out checks to verify QIB status as defined in SEBI (ICDR) Regulations, 2009 to ensure that only valid bids from SEBI registered QIBs are considered for allotment under QIB category?
- (ii) If the Registrar is expected to rely only on the Electronic Bid details then who is expected to verify the QIB status and what documents should be relied upon?

Demand draft number 586381 dated November 8, 2016 drawn on State Bank of India for Rs.25,000/- (Rupees Twenty Five Thousand Only) favouring Securities and Exchange Board of India, payable at Mumbai in enclosed.

Thanking you

Yours faithfully
For SBI Capital Markets Limited

A handwritten signature in black ink, appearing to read 'Varsha Purandare'.

Varsha Purandare
Managing Director

Encl: as above