

SEBI/HO/CFD/DIL2/CIR/P/2022/51

April 20, 2022

To

Recognized Stock Exchanges  
Registered Stock Brokers  
Registered Merchant Bankers  
Registered Registrars to an Issue and Share Transfer Agents  
Depositories and Registered Depository Participants  
Registered Bankers to an Issue  
Self Certified Syndicate Banks (SCSBs)  
National Payments Corporation of India (NPCI)

Dear Sir / Madam,

**Sub: Streamlining the Process of Public Issues and redressal of Investor grievances**

1. SEBI vide Circular No. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 (hereinafter referred to as "the March'21 Circular"), which came into effect from May 01, 2021, had put in place measures to have a uniform policy to further streamline the processing of the ASBA applications through UPI process among intermediaries/SCSBs.
2. Vide Circular dated June 02, 2021, the implementation timelines for certain provisions of the Circular were deferred.

**Redressal of Investor grievances**

3. The Circular provided a mechanism of compensation to investors for delay in unblocking of application amounts by SCSBs and has prescribed certain compliance and reporting standards to be adopted by SCSBs.
4. The performance of SCSBs on timely unblocking of application amounts has been reviewed and based on the feedback received from market intermediaries, a new reporting format for Annexure IV of the March'21 Circular has been devised to capture the data of all ASBA applications unblocked by SCSBs and their corresponding date of actual unblock. SCSBs shall submit the Annexure IV of the March'21 Circular in the format prescribed in **Annexure IV** of this circular.

5. It is reiterated that the SCSBs shall continue to compensate the investors for delays in unblocking of application amounts as per the compensation clause provided in the March'21 Circular.
6. The compensation prescribed in the March'21 Circular shall be applicable to all ASBA applications processed by the SCSBs.
7. Paragraphs 13 and 14 of the March'21 Circular stand modified to the extent stated above.

#### **Payment of Processing Fee to SCSBs**

8. To claim the processing fee, SCSBs shall make an application to the Merchant Bankers in the format prescribed in **Annexure I** of this circular (complete with requisite information mentioned therein) with a copy to the Registrar to the Issue, subject to the following conditions:
  - a) The application shall be made no later than 30 days from the finalization of basis of allotment by Registrar to the Issue.
  - b) The SCSBs shall make the application only after (i) unblocking of application amounts for each application received by such SCSB has been fully completed; (ii) applicable compensation relating to investor complaints has been paid by the SCSB.
9. The SCSBs shall continue to be responsible to provide information requested by the Merchant Bankers/ Registrar to the Issue/ Issuer and also remain liable to pay compensation applicable as per the Circular (including any amendments thereof), for delays in unblocking of application amounts after the processing fee has been claimed by the SCSBs.
10. Needless to state that SCSBs are liable to face appropriate action under Securities Laws for non-compliance with the requirements of this circular.

#### **SMS Alerts to Investors**

11. The March'21 Circular has made provisions of sending timely information to investors through SMS Alerts for blocking and unblocking of application amounts. With regard to UPI applications, NPCI had approached SEBI with a proposal to include *Invoice in the Inbox* as one of the options for ensuring timely information to investors.
12. Accordingly, it has been decided that the SCSBs/UPI Apps eligible for Public Issues shall send SMS Alerts to Investors for all ASBA applications and may also provide the *Invoice in the Inbox* as an additional feature to verify the UPI mandate details. The SMS/*Invoice in the Inbox* shall include the details as prescribed in **Annexure II**.

13. Para 9 of the March'21 Circular and para 3.1 of the circular dated June 02, 2021 shall stand modified to the extent stated above.
14. This circular shall come into force with immediate effect. The provisions of this circular shall become part of the offer documents, DRHP and RHP.
15. This circular is being issued in exercise of the powers under section 11 read with section 11A of the Securities and Exchange Board of India Act, 1992.
16. This circular is available on SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in) under the categories "Legal Framework" and "Issues and Listing".

Yours faithfully,

Vandana Joglekar  
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**Format for Annexure – IV**

Name of the IPO \_\_\_\_\_  
Banker to the Issue \_\_\_\_\_  
Registrar to the Issue \_\_\_\_\_

**CERTIFICATION OF COMPLIANCE BY SCSBs FOR COMPLETION OF UNBLOCK OF FUNDS ON THE NEXT WORKING DAY FROM THE FINALIZATION OF BASIS OF ALLOTMENT BY REGISTRAR TO THE ISSUE (BOA+1).**

*Note: All SCSBs are required to submit to the Lead Managers and Registrar to the Issue a certificate as per the format provided hereunder by the end of closing hours of Bank Day on BOA+1. Upon receipt of this certificate, the Registrar to the Issue shall maintain a record of the same and the consolidated compliance of all SCSBs shall be provided by the Registrar to the Issue to Post Issue Lead Manager on BOA+1. The Post Issue Lead Manager shall provide the same to SEBI as and when it is sought.*

**Format of certificate to be submitted by SCSBs for Unblocking of Application Monies**

1. We, **[Name of the Bank]**, hold a valid certificate of registration as a Banker to an Issue under the SEBI (Bankers to an Issue) Regulations, 1994. Our SEBI registration number is \_\_\_\_\_ valid up to \_\_\_\_\_.
2. The summary of applications processed in the Public Issue of \_\_\_\_\_ is provided below.

Mode of ASBA application submission	No. of Applications	Total Amount (in Crores)	No. of Applications Processed for Unblocking	Total Amount (in Crores)	Date of Actual Unblock*
Bank					
Online					
UPI (online)					
UPI (offline, if any) – as provided by RTI.					

*\* For the purposes of the above summary reporting, if date of unblock is not same for all the applications received by an SCSB, then the date of unblocking should be the date when the last application was unblocked.*

3. We have enclosed a data file of all ASBA applications unblocked by us in the format specified below:-

S. No.	Issuer Name	Applicant Name	Application No.	Mode of ASBA application submission (Bank, Online, UPI (online), UPI (offline, if any) – as provided by RTI)	Unblocking Amount (Rs.)	Date of BOA+1 (in DD/MM/YYYY format)	Date of Actual Unblock (DD/MM/YYYY)

4. Further, as on \_\_\_\_\_(BOA+1 Date),

- We hereby confirm that we have completed the unblocking of all ASBA applications for non-allottees/ partial-allottees/ withdrawn/ cancelled/ deleted cases.
  - We hereby confirm that there are no multiple amounts blocked in investor's account for a unique ASBA application.
  - We hereby confirm that the bank has not blocked funds in excess of the application amount in any of the investor's account.
5. We are responsible for any investor grievances/complaints pertaining to blocking/unblocking of application amounts while discharging our role as envisaged in the ASBA facility.

Authorized/Nodal official of the SCSB

- Name –
- Designation –
- Mobile Number –
- Email Id –
- Contact Address –

Signature & Stamp of the Authorized/Nodal official.

**Annexure – I**

Name of the IPO \_\_\_\_\_

Banker to the Issue \_\_\_\_\_

Registrar to the Issue \_\_\_\_\_

**APPLICATION FOR RELEASE OF PROCESSING FEE TO BE MADE BY SCSB TO THE MERCHANT BANKERS NOT LATER THAN 30 DAYS FROM THE FINALIZATION OF BASIS OF ALLOTMENT (BOA) BY REGISTRAR TO THE ISSUE.**

*Note: In order to claim the processing fee, all SCSBs are required to submit to the Merchant Bankers, with a copy to Registrar to the Issue, an application as per the format provided hereunder (complete with requisite information mentioned herein) not later than 30 days from BOA.*

Format of application to be submitted by an SCSB to Merchant Bankers for release of Processing Fee payable to the SCSB.

1. We, **[Name of the Bank]**, hold a valid certificate of registration as a Banker to an Issue under the SEBI (Bankers to an Issue) Regulations, 1994. Our SEBI registration number is \_\_\_\_\_ valid up to \_\_\_\_\_.
2. We hereby submit our application for release of the processing fee payable to us amounting to Rs. \_\_\_\_\_. We attach the workings relating to the aforementioned estimate of processing fee/ selling commission.
3. We confirm that all unblocking of ASBA application amounts at our end is fully completed. We have enclosed a data file of all ASBA applications unblocked by us in the format specified below:

S. No.	Issuer Name	Applicant Name	Application No.	Mode of ASBA application submission (Bank, Online, UPI (online), UPI (offline, if any) – as provided by RTI)	Unblocking Amount (Rs.)	Date of BOA+1 (in DD/MM/Y YYYY format)	Date of Actual Unblock (DD/MM/Y YYYY)



4. We further confirm that we have paid all applicable compensation relating to investor complaints in terms of the requirements of applicable SEBI circulars including SEBI circular dated March 16, 2021. We have enclosed a data file of all ASBA applications for which we have paid applicable compensation in the format specified below:
- Format A: Compensation for delayed unblock for cancelled/ withdrawn/ deleted applications (Refer to **Schedule I**) [Enter 'Nil' if not applicable]
  - Format B: Compensation for blocking of multiple amounts for the same UPI Application (Refer to **Schedule II**) [Enter 'Nil' if not applicable]
  - Format C: Compensation for blocking more amount than the application amount (Refer to **Schedule III**) [Enter 'Nil' if not applicable]
  - Format D: Compensation for delayed unblock for non-allotted/ partially-allotted applications (Refer to **Schedule IV**) [Enter 'Nil' if not applicable]
5. We undertake to provide requisite information/ explanations that maybe requested by the Merchant Bankers/ Registrar to the Issue/ Issuer in connection with the information provided by us in this application.
6. We acknowledge that we will continue to be responsible to provide information requested by the Merchant Bankers/ Registrar to the Issue/ Issuer and also remain liable to pay applicable compensation, for delays in unblocking of application amounts after the processing fee has been claimed by us for this issue. We are responsible for any investor grievances/ complaints pertaining to blocking/ unblocking of application amounts while discharging our role as envisaged in the ASBA facility.

Authorized/ Nodal official of the SCSB

- Name –
- Designation –
- Mobile Number –
- Email Id –
- Contact Address –

Signature & Stamp of the Authorized/ Nodal official.

**Schedule I – Format for provision of information on compensation for delayed unblock for cancelled/ withdrawn/ deleted applications**

S.No.	Issuer Name	Applicant Name	Application No.	Mode of ASBA application submission (Bank, Online, UPI (online), UPI (offline), if any) – as provided by RTI)	Application Amount (Rs.)	Date of receipt of complaint (DD/MM/YYYY)	Date on which request for cancellation/ withdrawal/ deletion is placed in Stock Exchanges Bidding Platform (DD/MM/YYYY)	Date of Actual Unblock (DD/MM/YYYY)	Compensation paid by SCSB (Rs.)	Date of payment of Compensation by SCSB (DD/MM/YYYY)	Mode of payment of Compensation (direct credit/ IMPS/ RTGS/ NEFT etc.)

**Schedule II - Format for provision of information on compensation for blocking of multiple amounts for the same UPI Application**

S.No.	Issuer Name	Applicant Name	Application No.	Mode of ASBA application submission (Bank, Online, UPI (online), UPI (offline), if any) – as provided by RTI)	Total cumulative blocked amount less the original application amount (Rs.)	Date of receipt of complaint (DD/MM/YYYY)	Date on which multiple amounts were blocked (DD/MM/YYYY)	Date of Actual Unblock (DD/MM/YYYY)	Compensation paid by SCSB (Rs.)	Date of payment of Compensation by SCSB (DD/MM/YYYY)	Mode of payment of Compensation (direct credit/ IMPS/ RTGS/ NEFT etc.)

**Schedule III - Format for provision of information on compensation for blocking more amount than the application amount**

S.No.	Issuer Name	Applicant Name	Application No.	Mode of ASBA application submission (Bank, Online, UPI (online), UPI (offline), if any) – as provided by RTI)	Blocked Amount less Application Amount (Rs.)	Date of receipt of complaint (DD/MM/YYYY)	Date on which the funds to the excess of application amount were blocked (DD/MM/YYYY)	Date of Actual Unblock (DD/MM/YYYY)	Compensation paid by SCSB (Rs.)	Date of payment of Compensation by SCSB (DD/MM/YYYY)	Mode of payment of Compensation (direct credit/ IMPS/ RTGS/ NEFT etc.)



**Schedule IV - Format for provision of information on compensation for delayed unblock for non-allotted/ partially-allotted applications**

S.No.	Issuer Name	Applicant Name	Application No.	Mode of ASBA application submission (Bank, Online, UPI (online), UPI (offline, if any) – as provided by RTI)	Application Amount (Rs.)	Date of receipt of complaint (DD/MM/YYYY)	Date of BOA+1 (DD/MM/YYYY)	Date of Actual Unblock (DD/MM/YYYY)	Compensation paid by SCSB (Rs.)	Date of payment of Compensation by SCSB (DD/MM/YYYY)	Mode of payment of Compensation (direct credit/ IMPS/ RTGS/ NEFT etc.)

**Note:**

*For calculation of compensation, the table mentioned at scenario in Para 15 of the Circular dated March 16, 2021 may be read as follows.*

Compensation by SCSBs	Compensation by Post Issue Lead Manager
Rs.100/- per day or 15% per annum of the <b>application amount</b> , whichever is higher.	Rs.100/- per day or 15% per annum of the <b>application amount</b> , whichever is higher.
Duration : November 06, 2020 to November 30, 2020	Duration : November 25, 2020 to November 30, 2020

## **Annexure II**

### **For SMS**

<b>S.No.</b>	<b>Scenarios</b>	<b>Details to be present in SMS</b>
1	Blocking of ASBA Application Amounts through Bank, Online and UPI channels	<ul style="list-style-type: none"><li>• Name of the IPO</li><li>• Application Amount</li><li>• Date on which amount was blocked.</li></ul>
2	Debit and unblocking of ASBA Application Amounts through Bank, Online and UPI channels	<p><u>For Full Allotment:</u></p> <ul style="list-style-type: none"><li>• Name of the IPO</li><li>• Amount to be debited.</li><li>• Date on which amount was debited.</li></ul> <p><u>For Partial Allotment:</u></p> <ul style="list-style-type: none"><li>• Name of the IPO</li><li>• Amount to be debited and unblocked.</li><li>• Date on which amount was debited and unblocked.</li></ul> <p><u>For Non Allotment:</u></p> <ul style="list-style-type: none"><li>• Name of the IPO</li><li>• Amount to be unblocked.</li><li>• Date on which amount was unblocked.</li></ul>

### **For UPI Mandates - Invoice in the Inbox**

<b>S.No.</b>	<b>Details to be available for mandate block.</b>	<b>Details to be available for mandate Debit and Unblock.</b>
1	Name of the IPO	Name of the IPO
2	Application Number	Application Number
3	DP ID & Client ID	DP ID & Client ID
4	Number of shares (Bid Qty)	Number of shares (Bid Qty)
5	Highest Bid Amount	Amount Blocked
6	Date and Time of Bidding	Number of shares allocated
7	-	Amount to be debited
8	-	Amount to be unblocked
9	-	Date of Initiation