

THE GAZETTE OF INDIA

EXTRAORDINARY

PART – III – SECTION 4

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SECURITIES AND EXCHANGE BOARD OF INDIA

NOTIFICATION

Mumbai, the 6th of September, 2018

**SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND
DISCLOSURE REQUIREMENTS) (FIFTH AMENDMENT) REGULATIONS, 2018**

No. SEBI/LAD-NRO/GN/2018/30. – In exercise of the powers conferred by section 11, sub-section (2) of section 11A and section 30 of the Securities and Exchange Board of India Act, 1992 (15 of 1992) read with section 31 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956), the Board hereby makes the following regulations to further amend the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, namely,–

1. These regulations may be called the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2018.
2. These regulations shall come into force on the date of their publication in the Official Gazette.
3. In the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, -

- (i) in regulation 2, in sub-regulation (1), in clause (h), after the words and symbols “Securitized debt instruments,” and before the word “units”, the following words and symbols shall be inserted, namely,-

“security receipts,”

- (ii) in regulation 2, in sub-regulation (1), in clause (v), the words and symbols “Securities and Exchange Board of India (Public Offer and Listing of Securitised Debt Instruments) Regulations, 2008” shall be substituted with the following words and symbols, namely,-

“Securities and Exchange Board of India (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008”

- (iii) in regulation 2, in sub-regulation (1), clause (zg) shall be substituted with the following words and symbols, namely,-

““securitized debt instruments” shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008”

- (iv) in regulation 2, in sub-regulation (1), after clause (zg) and before clause (zh) the following clause shall be inserted, namely,-

“(zga) “security receipts” shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008”

- (v) in regulation 2, in sub-regulation (1), in clause (zh), the words and symbols “Securities and Exchange Board of India (Public Offer and Listing of Securitised

Debt Instruments) Regulations, 2008” shall be substituted with the following words and symbols, namely,-

“Securities and Exchange Board of India (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008”

- (vi) in regulation 3, after clause (d) and before clause €, the following clause shall be inserted, namely.-

“(da) security receipts;”

- (vii) in regulation 81, in sub-regulation (2), the words and symbols “Securities and Exchange Board of India (Public Offer and Listing of Securitised Debt Instruments) Regulations, 2008” shall be substituted with the following, namely,-

“Securities and Exchange Board of India (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008”

- (viii) after Chapter VIII, and before Chapter IX, the following new Chapter shall be inserted, namely,-

“CHAPTER VIII A
OBLIGATIONS OF LISTED ENTITY WHICH HAS LISTED ITS
SECURITY RECEIPTS

Applicability.

87A. (1) The provisions of this chapter shall apply to the issuer of security receipts which has listed its security receipts and the issuer and its sponsor shall ensure compliance with each of the provisions of these Regulations.

(2) The expressions “asset reconstruction company”, “investor”, “issue”, “issuer”, “offer for sale”, “private placement offer”, “qualified buyer”, “scheme”, “security receipts”, “sponsor”, and “valuer” shall have the same meaning as assigned to them under Securities and Exchange Board of India (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008.

Intimations and Disclosure of events or information to Stock Exchanges.

87B. (1) The listed entity shall first disclose to stock exchange(s) of all events or information, as specified in Part E of Schedule III, as soon as reasonably possible but not later than twenty four hours from occurrence of the event or information:

Provided that in case the disclosure is made after twenty four hours of occurrence of the event or information, the listed entity shall, along with such disclosures provide explanation for the delay.

(2) The listed entity with respect to disclosures referred to in this regulation, shall provide updates related to such disclosures on a regular basis, till such time the event is resolved/closed, with relevant explanations.

(3) The listed entity shall provide specific and adequate reply to all queries raised by stock exchange(s) with respect to any events or information.

Provided that the stock exchange(s) shall disseminate information and clarification as soon as reasonably practicable.

(4) The listed entity, suo moto, may confirm or deny any reported event or information to stock exchange(s).

(5) The listed entity shall disclose on its website or on the website of the sponsor all such events or information which has been disclosed to stock exchange(s) under this regulation, and such disclosures shall be hosted on the website of the listed entity for a minimum period of five years and thereafter as per the archival policy of the listed entity, as disclosed on its website.

Valuation, Rating and NAV disclosure.

87C. (1) An issuer whose security receipts are listed on a stock exchange shall ensure that:

- (i) the listed security receipts are valued at the end of each quarter i.e. as on March 31, June 30, September 30 and December 31 of every year;
- (ii) valuation is conducted by an independent valuer; and
- (iii) the net asset value is calculated on the basis of such independent valuation and the same is declared by the asset reconstruction company within fifteen days of the end of the quarter.

(2) The issuer shall also comply with the extant Reserve Bank of India requirement of obtaining credit rating of security receipts at half yearly interval and declaration of the net asset value thereafter and/or any other requirement as prescribed by the Reserve Bank of India from time to time.

Provided that in those two quarters in a year, where both external valuation and credit rating are required, issuer shall disclose lower of the two calculated Net Asset Value.

Terms of Security Receipts.

87D. (1) Any security receipt issued would be transferable only in favour of qualified buyers in terms of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002.

(2) Unless the terms of issue provide otherwise, the listed entity shall not select any of its listed security receipts for payments otherwise than on pro rata basis or by lot and shall promptly submit to the stock exchange(s) the details thereof.

Record Date.

87E. (1) The listed entity shall fix a record date for payment to holders of security receipts or for such other purposes as specified by the stock exchange(s).

(2) The listed entity shall give notice in advance of at least seven working days (excluding the date of intimation and the record date) to the stock exchange(s) of the record date or of as many days as the stock exchange may agree to or require specifying the purpose of the record date.”

(ix) in Schedule III, after PART D, and before Schedule IV, the following shall be inserted, namely, -

“PART E: DISCLOSURE OF EVENTS OR INFORMATION TO STOCK EXCHANGES: SECURITY RECEIPTS

[See Regulation 87B (1)]

A. The following events/information shall be disclosed by the listed entity without any application of guidelines of materiality as soon as reasonably possible but not later than twenty four hours from occurrence of event or information:

(1) any delay or expected delay in cash flows from the due date or pre- agreed date if any;

- (2) any change in value of cash-flows as disclosed if any;
- (3) any receipt of cash flow or expected cash flow along with quantum so received;
- (4) any change in credit enhancement measures;
- (5) periodic rating obtained from credit rating agency or any revision in the rating or any expected revision in rating;
- (6) periodic Net Asset Value;
- (7) any proposal to change or change of credit rating agency or Valuer;
- (8) any change in profile of the assets by way of accretion to or realisation of assets from the existing pool;
- (9) any proposal for acquisition of assets including terms of acquisition;
- (10) any expected non-realisation or non-realisation of the financial assets and remedial measures proposed to be undertaken;
- (11) any change in nature of charge on the underlying assets.

- (12) any proposal to change or any change in terms of security receipts including rights or privileges or nature or form etc.;
- (13) any proposal or action with respect to exercising call/put option (right to redeem) or any similar option by the listed entity;
- (14) any breach of covenant(s) under the terms of security receipts;
- (15) any proposal or action for forfeiture of unclaimed cash flow or forfeiture of any security receipts;
- (16) any change in resolution plan;
- (17) any change in percentage holding of non-performing loans across other banks;
- (18) any change in the general character or nature of business / activities, disruption of operation due to natural calamity etc. of the listed entity;
- (19) any attachment or prohibitory orders restraining the listed entity from transferring security receipts;
- (20) initiation or status update with respect to reference to National Company Law Tribunal under the Insolvency and Bankruptcy Code 2016 of any underlying assets;

- (21) intimation in advance of the meeting of its board of directors, at which the recommendation or declaration of issue of security receipts or any other matter affecting the rights or interests of holders of security receipts is proposed to be considered and also outcome of such meetings;
- (22) fraud or defaults by sponsor or key managerial personnel or arrest of key managerial personnel or sponsor;
- (23) change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer , Company Secretary etc.), Auditor and Compliance Officer of the Sponsor;
- (24) in addition to the above, the listed entity shall provide all such disclosures to the Stock Exchange(s) as it is required to make before the Reserve Bank of India as per the extant requirement and/or any other disclosure(s) as prescribed by Reserve Bank of India from time to time;
- (25) in case where an event occurs or an information is available with the listed entity, which has not been indicated in these regulations, but which may be material, the listed entity is required to make adequate disclosures in this regard.”

Sd./-
AJAY TYAGI
CHAIRMAN
SECURITIES AND EXCHANGE BOARD OF INDIA

Footnote:

1. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 were published in the Gazette of India on 2nd September 2015 vide No. SEBI/LAD-NRO/GN/2015-16/013.
2. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, were subsequently amended on:
 - a) December 22, 2015 by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2015 vide notification no. SEBI/LAD-NRO/GN/2015-16/27.
 - b) May 25, 2016 by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2016 vide notification no. SEBI/LAD-NRO/GN/ 2016-17/001.
 - c) July 08, 2016 by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016 vide notification no. SEBI/ LAD-NRO/GN/2016-17/008.
 - d) January 4, 2017 by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2016 vide notification no. SEBI/ LAD-NRO/GN/2016-17/025.
 - e) February 15, 2017 by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2017 vide notification no. SEBI/LAD/NRO/GN/2016-17/029.
 - f) March 6, 2017 by the Securities and Exchange Board of India (Payment of Fees and Mode of Payment) (Amendment) Regulations, 2017 vide Notification No. LAD-NRO/GN/2016- 17/037 read with March 29, 2017 by Securities and Exchange Board of India (Payment of Fees and Mode of Payment) (Amendment) Regulations, 2017 vide notification no. SEBI/LAD/NRO/GN/2016-17/38.
 - g) May 9, 2018 by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 vide notification SEBI/LAD-NRO/GN/2018/10.

- h) May 30, 2018 by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2018 vide notification no. SEBI/LAD-NRO/GN/2018/13.
- i) June 01, 2018 by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2018 vide notification no. SEBI/LAD-NRO/GN/2018/21.
- j) June 08, 2018 by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 vide notification no. SEBI/LAD-NRO/GN/2018/24.
