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COMMUNIQUE TO REGISTRAR & TRANSFER AGENTS

CDSL/OPS/RTA/POLCY/2021/67

June 04, 2021

STREAMLINING THE PROCESS OF IPOs WITH UPI IN ASBA AND REDRESSAL OF INVESTOR GRIEVANCES

Issuers/RTAs (Registrars to an Issue and Share Transfer agents) are advised to refer to SEBI Circular no. **SEBI/HO/CFD/DIL2/P/CIR/2021/570** dated June 02, 2021 regarding **Streamlining the process of IPOs with UPI in ASBA and redressal of investor grievances** [refer **Annexure**].

Issuers/RTAs are advised to take note of the same.

Queries regarding this communiqué may be addressed to **CDSL – Helpdesk**: on telephone numbers (022) 2305-8624, 2305-8639, 2305-8642, 2305-8663, 2305-8640, 2300-2041 or 2300-2033. Emails may be sent to: helpdesk@cdslindia.com.

sd/-

Nilesh Shah
Asst. Vice President - Operations



SEBI/HO/CFD/DIL2/P/CIR/2021/570

June 02, 2021

To

Registered Merchant Bankers

Recognized Stock Exchanges

Registered Registrars to an Issue and Share Transfer agents

Bankers to an Issue (Self-Certified Syndicate Banks)

Dear Sir / Madam,

Sub: Streamlining the process of IPOs with UPI in ASBA 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 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 ASBA applications through UPI process among intermediaries/SCSBs and also provided a mechanism of compensation to investors.
2. The stakeholders have approached SEBI seeking additional time for implementing the system changes given the prevailing uncertainty due to the Covid-19 pandemic.
3. In view of the representations received from stakeholders, the implementation timelines for the provisions of “the circular” shall be as under:
 - 3.1 **SMS Alerts:** Para 9 of “the circular” prescribed the details to be sent by SCSB’s in SMS alerts. While SCSB’s shall continue to send SMS alerts during the actual block/debit/unblock of UPI mandate in the prescribed format, the details of total number of shares applied/allotted/non-allotted

etc shall be included in SMS for Public Issues opening on/after January 01, 2022.

3.2 Web Portal for CUG: For ease of doing business, Para 10 of “the circular” prescribed a web portal to be hosted by Sponsor Banks for closed user group (hereinafter referred to as “CUG”) entities. In view of the representations received from the stakeholders, it has been decided that:

3.2.1 The automated web portal shall be live and operational after due testing and mock trials with the CUG entities for Public Issues opening on or after October 01, 2021. The requisite information on this automated portal shall be updated periodically in intervals not exceeding two hours.

3.2.2 In the interim, for the Public Issues opening from the date of this circular and till the automated web portal is live and operational, the Sponsor Banks shall send the details prescribed in Para 10 of “the circular” to the e-mail address of CUG entities periodically in intervals not exceeding three hours. In case of exceptional events viz., technical issues with UPI handles/PSPs/TPAPS/SCSB's etc, the same shall be intimated immediately to the CUG entities so as to facilitate the flow of information in the Public Issue process.

3.2.3 The Stock Exchanges and Lead Managers shall facilitate providing the requisite data of CUG entities to Sponsor Bank for the development of automated web portal. Such information shall be provided to the Sponsor Bank before opening of the Public Issue.

3.3 Completion of Unblocks by T+4: Para 13 of “the circular” prescribed the process and timeline for ensuring the completion of unblocks pertaining to UPI mandates on T+4 (T: Issue Closing Date). while the process of unblocking shall be completed by T+4, in view of the representations received from stakeholders, the following shall be the revised timelines:

3.3.1 The Registrar to the Issue shall provide the allotment/ revoke files to the Sponsor Bank by 8:00 PM on T+3 i.e, the day when the Basis of Allotment (BOA) has to be finalized.

3.3.2 The Sponsor Bank shall execute the online mandate revoke file for Non-Allottees/ Partial Allottees and provide pending applications for unblock, if any, to the Registrar to the Issue, not later than 5:00 PM on BOA+1.

3.3.3 Subsequent to the receipt of the pending applications for unblock from the Sponsor Bank, the Registrar to the Issue shall submit the bank-wise pending UPI applications for unblock to the SCSBs, not later than 6:30 PM on BOA+1.

3.3.4 To ensure that the unblocking is completed on T+4, the Lead Managers, on a continuous basis and before the opening of the public issue shall take up the matter with the SCSB's at appropriate level.

4. This circular comes into force with immediate effect.
5. The contents of the circular shall be mentioned in the DRHP and RHP filed on or after the date of this circular.
6. 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.
7. This circular is available on SEBI website at www.sebi.gov.in under the categories "Legal Framework" and "Issues and Listing".

Yours faithfully,

Rajesh Kumar D
Chief General Manager
+91-22-26449242
rajeshkd@sebi.gov.in