



Central Depository Services (India) Limited

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COMMUNIQUE TO REGISTRAR & TRANSFER AGENTS

CDSL/OPS/RTA/POLCY/2022/110

May 31, 2022

PROCESSING OF ASBA APPLICATIONS IN PUBLIC ISSUE OF EQUITY SHARES AND CONVERTIBLES

Issuers/RTAs are advised to refer to SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 regarding **Processing of ASBA applications in Public Issue of Equity Shares and Convertibles** [refer Annexure].

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

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/2022/75

May 30, 2022

To

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

Dear Sir / Madam,

Sub: Processing of ASBA applications in Public Issue of Equity Shares and Convertibles

1. SEBI has prescribed the facility of *Application Supported by Blocked Amount* (ASBA) in Public Issues for all categories of investors except Qualified Institutional Buyers (QIBs) vide circular SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009. Vide circular CIR/CFD/DIL/2/2010 dated April 06, 2010, SEBI has extended the facility of ASBA to QIBs in public issues opening on or after May 1, 2010.
2. Vide circular SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, SEBI introduced the use of *Unified Payment Interface (UPI)* as an additional payment mechanism with ASBA for Retail Individual Investors and the same was mandated w.e.f July 01, 2019 vide circular SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 for applications by Retail Individual Investors (RIIs) submitted through Intermediaries.
3. The processing of ASBA applications in the Public Issues by market intermediaries and SCSBs has been reviewed. As a part of the continuing efforts to further streamline the bidding process and to ensure the orderly development of securities market, a need has been felt to implement the ASBA process in line with the aforementioned circulars.
4. The ASBA applications in Public Issues shall be processed only after the application monies are blocked in the investor's bank accounts. Accordingly, all intermediaries / market infrastructure institutions are advised to ensure that appropriate systemic and procedural arrangements are made within three months from the date of issuance of this circular.

5. Stock Exchanges shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.
6. The circular shall be applicable for all categories of investors viz. Retail, QIB, NII and other reserved categories and also for all modes through which the applications are processed.
7. All stakeholders involved in the process are advised to take necessary steps to ensure compliance with this circular. Merchant Bankers shall coordinate with all stakeholders in this regard.
8. This circular shall be applicable for public issues opening on or after September 01, 2022.
9. 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.
10. This circular is available on SEBI website at www.sebi.gov.in under the categories “Legal Framework” and “Issues and Listing”.

Yours faithfully,

Vandana Joglekar
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