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SEBI Master Circular



SEBI HAS COME OUT WITH MASTER CIRCULAR ON



i

**Scheme of Arrangement
by
Listed Entities**

ii

**Relaxation under
Sub- rule (7) of rule 19 of
the Securities
Contracts (Regulation)
Rules, 1957 ON
20th June 2023.**

Key points are as under.

Securities and Exchange Board of India (SEBI), from time to time, has been issuing various circulars/directions which lay down the detailed requirements to be complied by listed entities while undertaking schemes of arrangements.

In order to enable the users to have access to the applicable circulars at one place, Master Circular in respect of schemes of arrangement has been prepared. With the issuance of this Master Circular, the directions/instructions contained in the Circulars listed out in Schedule I to this Master Circular shall stand rescinded.

Master circular contains:

- Requirements before the Scheme of arrangement is submitted for sanction by the National Company Law Tribunal (NCLT)
- Application for relaxation under Sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957
- Format of the Compliance Report to be submitted along with the draft scheme
- Computation of Fair Share Exchange Ratio
- Format for Auditor's Certificate
- Format for Report on Complaints
- Format for report on unpaid dues
- Format of the Compliance Report to be submitted along with the application for relaxation under Sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957) if listing of Non-Convertible Redeemable Preference Shares (NCRPS) / Non-Convertible Debentures (NCDs) is envisaged through a Scheme of Arrangement

Our Comments:

With the issue of the master circular, much-needed clarity on the scheme of arrangement by listed companies are available at one place. The said circular is not applicable to the scheme of arrangement between wholly owned subsidiary and the Listed Holding Company.



THANK YOU



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