



The Securities and Exchange Board of India (“SEBI”) vide Circular No.: SEBI/HO/CFD/DIL1/CIR/238/2020 dated December 08, 2020 has issued guidelines regarding Additional Payment Mechanism (i.e., ASBA, etc.) for Payment of Balance Money in Calls for partly paid specified securities issued by the listed entity.

- a) SEBI, in its endeavor to protect investors’ interest and reduce investor grievances relating to refund, introduced Application Supported by Blocked Amount (ASBA) as the sole payment mechanism in the IPO and Rights issues.
- b) Considering that payment through ASBA mechanism is investor friendly and enables faster completion of the process, it has been decided to introduce additional payment mechanism (i.e. ASBA, etc.) for making subscription and/or payment of calls in respect of partly paid specified securities through SCSBs and intermediaries such as Trading Members/ Brokers -having three in one type account and Registrar and Transfer agents (RTA).
- c) Stock Exchanges are directed to:
 - i) Take necessary steps to put in place systems for implementation of the circular, including necessary amendments to the relevant byelaws, rules and regulations.
 - ii) Take necessary action to institute additional payment channels (electronic banking models only) for making subscription and/or paying call money in respect of partly paid-up specified securities.
 - iii) Bring the provisions of this circular to the notice of the listed companies and their members and disseminate the same on their websites.