Newsletter
(Corporate Laws)
8th September 2019 to 12th September

AMRG & ASSOCIATES

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CHORONOLOGICAL ORDER OF THE UPDATES

S. No.	Date	Type	Particulars of updates
1.	12/09/2019	Circular	Listed companies to pay all the dues/fines/penalties imposed by SEBI/Stock Exchange/Depositories before filing 'Schemes of Arrangement'(related to amalgamation, merger, acquisition)

1. LISTED COMPANIES TO PAY ALL THE DUES/FINES/PENALTIES IMPOSED BY SEBI/STOCK EXCHANGE/DEPOSITORIES BEFORE FILING 'SCHEMES OF ARRANGEMENT'

CIRCULAR SEBI/HO/CFD/DIL1/CIR/P/2019/192

SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 has laid down the framework for Schemes of Arrangement by listed entities and relaxation under Rule 19(7) of the Securities Contracts (Regulation) Rules, 1957. In order to streamline the processing of draft schemes, it has been decided to seek additional information further, which includes:

- All listed entities shall ensure that all dues to, and/or fines/penalties imposed by SEBI, Stock Exchanges and the Depositories have been paid/settled before filing the draft scheme with the designated stock exchange.
- In case of unpaid dues / fines / penalties, the listed entity shall submit to stock exchanges a 'Report on the Unpaid Dues' which shall contain the details of such unpaid dues in the format given in Annexure B to this Circular, prior to obtaining Observation Letter from stock exchanges on the draft scheme.
- The report on unpaid dues as mentioned above, shall be submitted by listed entity to the stock exchanges along with the draft scheme.
- Any misstatement or furnishing of false information with regard to the said information shall make the listed entity liable for punitive action as per the provisions of applicable laws and regulations.

Also the 'Unpaid Dues Report' shall be forwarded by the Stock Exchanges to SEBI before SEBI communicates its comments on the Draft Scheme to the Stock Exchanges. Such report shall be submitted as per the format specified at Annexure B.