



CIRCULAR

SEBI/HO/CFD/CMD1/CIR/P/2020/81

May 14, 2020

To

All listed entities that have listed their specified securities
All Recognized Stock Exchanges
All Depositories

Madam / Sir,

Sub: Relaxation from the applicability of SEBI Circular dated October 10, 2017 on non-compliance with the Minimum Public Shareholding (MPS) requirements

1. SEBI circular No. CFD/CMD/CIR/P/2017/115 dated October 10, 2017 lays down the procedure to be followed by the recognized stock exchanges / depositories with respect to MPS non-compliant listed entities, their promoters and directors, including levy of fines, freeze of promoter holding etc.
2. After taking into consideration requests received from listed entities and industry bodies as well as considering the prevailing business and market conditions, it has been decided to grant relaxation from the applicability of the October 10, 2017 circular. Accordingly, the stipulations of the aforesaid October 10, 2017 SEBI circular are relaxed for listed entities for whom the deadline to comply with MPS requirements falls between the period from March 1, 2020 to August 31, 2020. Recognized Stock Exchanges are advised not to take any penal action as envisaged in the October 10, 2017 circular against such entities in case of non-compliance during the said period. Penal actions, if any, initiated by Stock Exchanges from March 1, 2020 till date for non-compliance of MPS requirements by such listed entities may be withdrawn.
3. This Circular shall come into force with immediate effect. The Stock Exchanges are advised to bring the provisions of this circular to the notice of all listed entities that have issued specified securities and also disseminate on their websites.
4. The Circular is issued in exercise of the powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992 read with regulations 97, 98, 101 and 102 of the LODR.
5. This Circular is available at www.sebi.gov.in under the link "Legal→Circulars".

Yours faithfully,

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