

**DRAFT CIRCULAR FOR PUBLIC COMMENTS**

**Audiovisual (AV) representation of disclosures made in the Public Issue Offer Documents**

**Background**

Companies desirous of raising capital through public issues are required to file a Draft Red Herring Prospectus (DRHP) with SEBI and Stock Exchanges. The disclosures in DRHP are appropriately updated in line with the observations issued by SEBI and Stock Exchanges and thereafter Red Herring Prospectus (RHP) is filed with SEBI and Registrar of Companies (ROC). The aforesaid disclosures enable investors in making informed decision while investing in public issues.

It is proposed that the disclosures made in the DRHP and RHP of public issues shall also be made available in Audiovisual (AV) format by the issuer companies desiring to list on the main board. Further, the AV on the public issues will be in bilingual version i.e. English and Hindi and made available in public domain. It is expected that the AV will provide ease in understanding the salient features and also provide reference to various disclosures of the proposed public issue.

**Public Comments:**

Draft circular on “Audiovisual (AV) representation of disclosures made in the Public Issue Offer Documents” is placed at **Annexure A**. The comments/ suggestions should be submitted latest by April 9, 2024, through the following link:

<https://www.sebi.gov.in/sebiweb/publiccommentv2/PublicCommentAction.do?doPublicComments=yes>

In case of any technical issue in submitting your comment through web based public comments form, you may write to [consultationcfd@sebi.gov.in](mailto:consultationcfd@sebi.gov.in) with the subject: "Public comments on Draft Circular - Audio visual (AV) representation of disclosures made in the public issue offer documents".



## DRAFT CIRCULAR

SEBI/HO/CFD/TPD/CIR/P/2024/XXX

March 19, 2024

To

**Recognized Stock Exchanges  
Registered Merchant Bankers  
Association of Investment Bankers of India**

Dear Sir / Madam,

**Sub: Audiovisual (AV) representation of disclosures made in the Public Issue Offer Documents**

1. In order to create awareness among investors to not rely on unauthorized/unsolicited information about the public issues and based on inputs received from stakeholders, it has been decided that the disclosures made in the Draft Red Herring Prospectus (DRHP) and Red Herring Prospects (RHP) of public issues shall be made available in Audio Visual (AV) format for ease in understanding of the salient features of public issues. Such AV shall be prepared and placed in public domain by Lead Manager to the public issue on main board which shall initially be in bilingual version i.e. *English* and *Hindi*. The Hindi version shall contain the text in Devanagari script.
2. The contents in the AV shall follow the following guidelines –
  - 2.1 It shall be in compliance with the advertisement code prescribed by SEBI under Schedule IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.
  - 2.2 It shall start with the following disclaimer to investors –

*“Investors are advised not to rely on any other document, content or information provided on the offer on the internet/online websites/social media platforms/micro-blogging platforms and by the influencers since the same is not approved/commissioned/paid by the company or its promoter(s)/directors/KMPs in any manner”*
  - 2.3 The duration of each bilingual version of the AV shall be a maximum of 8 minutes.
  - 2.4 The total duration of the AV shall be equitably distributed among the material disclosures made under various sections of the public issue offer document viz. risk factors, capital structure, objects of the offer, business of the issuer, financial information, litigations and material developments etc.

2.5 The content of the AV shall be factual, non-repetitive and non-promotional in nature.

2.6 The AV shall be revised with updated information at the stage of Red Herring Prospectus (RHP).

3. The AV shall be published by Issuer/Lead Manager within 5 working days both at the stage of submission and resubmission of DRHP. It shall be made available in digital/social media platforms of the Issuer and Association of Investment Bankers of India (AIBI).
4. The web link of the said AV shall be made available on the websites of Stock Exchanges and the concerned Lead Managers and shall also be accessible from the QR code pertaining to the public issue.
5. Lead Manager(s) to the public issue shall be jointly responsible for the content and information made available in the AV.

#### **Applicability of this circular**

6. The provisions of this circular shall be applicable from dd/mm/yyyy.
7. This Circular is being issued in exercise of the powers conferred under Section 11 of the Securities and Exchange Board of India Act, 1992 to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.
8. This circular is available on SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in) under the category: 'Legal → Circulars'.