Other Related Matters

ASBA Process	The ASBA process, introduced on July 30, 2008 as an alternate mode of payment for resident retail investors, was expanded in 2009 to all categories of bidders excluding QIBs.
Fast Track Issuances	Fast track issuances, introduced in August 2007 for rights issues, have been expanded in 2009 to FPOs by eligible issuers. The eligibility requirements under the ICDR Regulations have also been clarified to facilitate such issuances. Eligibility requirements include the following: • The issuer s equity shares have been listed on a recognised stock exchange having nationwide trading terminals for at least three immediately preceding years; • The issuer s average market capitalisation of public shareholding is at least Rs. 5,000 crore; and • The annualised trading turnover of the issuer s equity shares during six calendar months immediately preceding the month of the reference date has been at least 2% of the weighted average number of equity shares listed during such six months period. The advantages of fast track issuances include reduced and streamlined disclosures, no requirement to restate financial statements as per ICDR Regulations, no requirement to file the draft offer document with the SEBI, and a consequent reduction in the overall timeline for the issue (further discussed below).
Auction Method / Alternate Method of Book Building	The ICDR Regulations introduced, in 2009, an alternative method of book building, based on disclosure of a floor

	price instead of a price band prior to issue opening. QIB bidders have an option of upward or downward revision of bids, but are not permitted to withdraw their bids after issue closure. Under this method, the issuer may offer shares to its employees at a price lower than the floor price: provided that the difference between the floor price and the price at which specified securities are offered to employees shall not be more than 10% of the floor price. Further, allotment shall be on price priority basis for QIBs, and at the floor price for retail individual investors, non-institutional investors and employees.
Differential Pricing	An issuer may offer specified securities at different prices: in addition to the above, also see **Employee Reservation** , **Offering Shares at a Discount** and **Anchor Investors** .
Employee Reservation	Employee reservation is now capped at up to 5% of the post issue capital instead of 10% of issue size (as under the DIP Guidelines); application size for and value of allotment to an employee under employee reservation capped at Rs.1 lakh.
Offering Shares at a Discount	Retail discounts to employees in the reservation portion limited to application size Rs. 1 lakh.
Non-Compliance with CPSE Notifications	Non-compliance with the CPSE notifications discussed above form grounds for technical rejection of bids by employees, in a public issue by a CPSE.
Lock-In	The ICDR Regulations require the promoters of the issuer to lock in 20% of the issuer s total post-issue paid up share capital for a period of three

	years from the date of allotment in the issue. In addition to the shares locked in for three years as above, the remaining pre-issue share capital of the issuer is compulsorily locked in for a period of one year. The requirement for minimum promoter contribution and lock-in do not apply to an FPO where shares of the same class which are proposed to be allotted in the FPO have been listed and are not infrequently traded in a recognized stock exchange for a period of at least three years and the issuer has a track record of dividend payment for at least immediately preceding three years.
Anchor Investors	The ICDR Regulations introduced the concept of anchor investors in 2009. This refers to discretionary allocation of up to 30%, at a price equal to or above issue price to QIBs applying for shares of a minimum value of Rs. 10 crore in a book built public issue. The option is not available in a fixed price issue.
Pre-IPO Allotment / Transfer	Under the ICDR Regulations, capital structure must be frozen at DRHP stage and details of any proposed pre-IPO allotment/transfer must be disclosed. There was a pre-IPO transfer in the OIL IPO under the DIP Guidelines.
IFRS Compliance	The Institute of Chartered Accountants of India ("**ICAI** ") has announced a road map for the adoption of, and convergence with, the International Financial Reporting Standards ("**IFRS** "), pursuant to which all public companies in India will be required to prepare their annual and interim financial statements under IFRS

	beginning with the fiscal period commencing April 1, 2011.
Auditors Peer Review	With effect from April 2, 2010, the financial statements of the issuer included in the offer document are required to be certified by auditors holding a valid peer review certificate issued by the Peer Review Board of the ICAI. Where the financial statements were audited by an auditor not holding a valid peer review certificate, all such financial statements are required to be re - audited for one full financial year and the stub period, by another auditor holding a valid peer review certificate.
Monitoring Agency	The appointment of a monitoring agency is mandatory for overseeing the use of proceeds in case of issues of over Rs. 500 crores.
Expert reports	The offer document typically contains expert reports from specialized industry consultants (such as reports on reserves of oil and gas or on mines and minerals, depending on which sector the issuer operates in).