Annexure IIIA

Details of Public Comments

(This has been excised for reasons of confidentiality)

(Public comments not agreeing with the proposals in Consultation paper 1 and SEBI comments are as under)

Proposal No.	Comment	Rationale	SEBI Comments
1	Open market buybacks are not beneficial for investors or the market in many cases. In the past, it has often been observed that promoters use such buybacks mainly to increase their share price rather than genuinely return value to shareholders. Many times, companies do not fully execute the buyback as declared, which raises concerns about the intent behind these announcements. Recently, a pattern has been seen where companies announce buyback meetings, and within a short period—around 10 days—the share price increases significantly, sometimes by 20% to 40%. After this price rise, the companies either cancel the buyback or delay the process. This creates suspicion that such announcements are being used to influence market prices. For example, Sarla Performance Fibers announced a buyback when its share price was around ₹71. Soon after, the price increased to around ₹99, but the buyback was later cancelled or delayed. Similarly, Advani Hotels & Resorts (India) Ltd announced a buyback around ₹45, after which the price rose to around ₹65, and then the buyback was cancelled. Such	A possible resolution to this issue could be as follows: Firstly, open market buybacks should not be allowed, as they can create opportunities for price manipulation and lack transparency. If any company announces a buyback meeting, it should be mandatory for the company to proceed with the buyback once announced. Companies should not be allowed to cancel or delay the buyback without valid and justified reasons. In case a company cancels a declared buyback, strict action should be taken. Promoters should be penalized, and the company must provide a written explanation clearly stating the reasons for the announcement and subsequent cancellation. Such measures, if enforced by regulators like the Securities and Exchange Board of India, would help improve transparency, protect investors, and reduce the chances of misuse of buyback announcements.	As per existing buy-back framework, buy-back once announced cannot be cancelled or withdrawn.

Proposal No.	Comment	Rationale	SEBI Comments
	instances give the impression that promoters may be using buyback announcements to influence share prices and possibly trade through indirect or third-party accounts. Because of these concerns, open market buybacks appear unreliable and raise serious questions about fairness and transparency in the market.		
1	Clear no	Open route is to dupe retailers in name of buyback and ship-hone share capital This is very bad option , only good , transparent and fair option is tender route Keep it simple , only "tender route" buybacks in Indian market for future years	No specific rationale provided for disagreement
1	Buy back throw tender route is best. because they include retail investors like me and I earned from tender route buyback system. please continue with tender route buyback only.	Buy back throw tender route is best. because they include retail investors like me and I earned from tender route buyback system. please continue with tender route buyback only.	No specific rationale provided for disagreement
1	Promoter may misuse company's fund to buy shares at lower price sell them higher price. This is loss for retail investor.	Promoter may misuse company's fund to buy shares at lower price and sell them at higher price. This is not in favour of retail.	No specific rationale provided for disagreement
1	The draft proposal for re-introduction of open market buy-back through the stock exchange is agreeable in principle; however, concerns relating to equitable participation, potential exclusion of willing shareholders, and earlier taxation-related inequities need to be adequately addressed.	As highlighted in the consultation paper, the price-time priority order matching mechanism may result in concentration of buy-back transactions with a limited number of shareholders, leading to unequal distribution of benefits. Further, shareholders who are willing to participate may not be able to do so if their orders are not matched, thereby making participation dependent on chance rather than a structured process. Additionally, under the earlier tax regime, only successful participants benefited	It is also noted that the benefits of a buy-back are not limited to participating shareholders and may accrue to all shareholders through optimisation of capital structure and enhancement of shareholder value.

Proposal No.	Comment	Rationale	SEBI Comments
		from tax exemption, creating disparity among shareholders; although this concern has largely been addressed under the revised framework, it remains relevant from a policy perspective. Accordingly, suitable safeguards are necessary to ensure fairness, transparency, and equitable access.	
1	It should not re introduce.	Open markets buy back are loopholes to increase promoter stack by all shareholders money.	No specific rationale provided for disagreement
1	Open Market Buybacks MUST NOT BE Reintroduced. Instead of that hybrid mode may be considered i.e. Tender route on proportionate basis for Retail Shareholders and open market for others. Comment on page 5 point 7.1 FICCI must focus on efficient business not on efficient mode of buyback. Internationally many differences are there buyback is one of them. So let it be as it is. Comment on page 5 point 7.2 Post completion of buybacks companies won't be able to absorb surplus selling pressure prevent panic selling. Open market buybacks are not able to restore confidence among retail shareholders watching lower valuation in market. Real long term value creation is to deploy surplus cash for expansion of business for boost EPS not buyback of shares. Tax deprivation was not the sole reason for discontinuation of open market buybacks. Comment on page 6 point 8.3 To participate in buybacks all shareholders have only opportunity is	Open Market buybacks are Loopholes to increase Promoter Stake by ALL Share Holders money. Promoters who have full of resources information knowledge are the major beneficiaries of open market buybacks. Retail Shareholders who have minimum resources information knowledge become most deprived from open market buybacks. Promoters can misuse open market buybacks by increasing stake when valuation goes low and selling shares when valuation goes high. Retail shareholders gets some relief by getting opportunity to tender shares at premium to market value when panic selling is there.	No specific rationale provided for disagreement

Proposal No.	Comment	Rationale	SEBI Comments
	equal not resources information and knowledge. Price discovery and liquidity are functions of Market not companies.		
1	as there is no retail quota in open market buyback so it is against our interest. please don't re introduce open market buy back as just promoters and institutions can take benefit of it	not in the interest of small investors as there is no separate quota for us	The open market buy-back through stock exchange operates on a price-time priority matching mechanism and, therefore, reservation of shares for small investors is not feasible. Further, pursuant to the revised taxation framework, investors are taxed at the shareholder level and no differential tax treatment arises merely because shares are acquired under an open market buy-back
1	1.Open market route lacks a guaranteed reservation for small/retail investors; Unlike the tender offer route, which reserves 15% for small investors, the open market mechanism is based on a price time matching system. This means a company's entire buyback order could be filled by a few large sellers before retail investors even have a chance to participate, depriving them of the intended corporate benefit. 2. Reintroducing the Open market route provides a tool for artificial price support ,This may be used to artificially meet quarterly Earnings Per Share (EPS) targets or to	1. Open market route lacks a guaranteed reservation for small/retail investors ;Unlike the tender offer route, which reserves 15% for small investors, the open market mechanism is based on a price time matching system. This means a company's entire buyback order could be filled by a few large sellers before retail investors even have a chance to participate, depriving them of the intended corporate benefit. 2. Reintroducing the Open market route provides a tool for artificial price support ,This may be used to artificially meet quarterly Earnings Per Share (EPS) targets or to	The open market buy-back through stock exchange operates on a price-time priority matching mechanism and, therefore, reservation of shares for small investors is not feasible. Further, pursuant to the revised taxation framework, investors are taxed at the shareholder level and no differential tax treatment arises merely

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	mask underlying financial weaknesses rather than returning value based on robust fundamentals.3. Tender Route is More Transparent & Fair and it"s the most equitable method for returning capital.A tender offer ensures proportionate access for all shareholders at a fixed premium price. It provides a predictable cash out opportunity, whereas the open market route makes participation a "matter of chance" depending on intraday liquidity and market timing.	mask underlying financial weaknesses rather than returning value based on robust fundamentals.3. Tender Route is More Transparent & Fair and it's the most equitable method for returning capital. A tender offer ensures proportionate access for all shareholders at a fixed premium price. It provides a predictable cash out opportunity, whereas the open market route makes participation a "matter of chance" depending on intraday liquidity and market timing.	because shares are acquired under an open market buy-back. It is also noted that the benefits of a buy-back are not limited to participating shareholders and may accrue to all shareholders through optimisation of capital structure and enhancement of shareholder value. Further, the buy-back framework contains adequate safeguards, including limits on purchases and pricing requirements, and any attempt to artificially influence the price of securities remains subject to the applicable provisions of the securities laws, including the PFUTP Regulations.
1	It's very harmful for small retailers. Because of tender route they earn some small amount	Not beneficial for small retailers	No specific rationale provided for disagreement
1	It should be Tender Route buyback only. No other option	Retail investors can participate	No specific rationale provided for disagreement

Proposal No.	Comment	Rationale	SEBI Comments
1	Most of the small investors do not place orders on daily basis they will be buying shares based on newspaper reports mostly investors will be caught buying at high price. FICCI is not full representation of capital market. was there any representation of reintroduction of physical AGM.	Already investors are facing problem of not attending physical AGM. those who want open market buy back the pre-condition they should be holding physical AGM. It is not fair to re-introduce open market buy back method it sends wrong message to small investors	No specific rationale provided for disagreement
1	Not appropriate for Retail and majority other investors	1. Open market route lacks a guaranteed reservation for small/retail investors: Unlike the tender offer route, which reserves 15% for small investors, the open market mechanism is based on a price time matching system. This means a company's entire buyback order could be filled by a few large sellers before retail investors even have a chance to participate, depriving them of the intended corporate benefit. 2. Reintroducing the Open market route provides a tool for artificial price support , This may be used to artificially meet quarterly Earnings Per Share (EPS) targets or to mask underlying financial weaknesses rather than returning value based on robust fundamentals. 3. Tender Route is More Transparent & Fair and it's the most equitable method for returning capital. A tender offer ensures proportionate access for all shareholders at a fixed premium price. It provides a predictable cash out opportunity, whereas the open market route makes participation a "matter of chance" depending on intraday liquidity and market timing.	The open market buy-back through stock exchange operates on a price-time priority matching mechanism and, therefore, reservation of shares for small investors is not feasible. Further, pursuant to the revised taxation framework, investors are taxed at the shareholder level and no differential tax treatment arises merely because shares are acquired under an open market buy-back. It is also noted that the benefits of a buy-back are not limited to participating shareholders and may accrue to all shareholders through optimisation of capital structure and enhancement of shareholder value. Further, the buy-back framework

Proposal No.	Comment	Rationale	SEBI Comments
			contains adequate safeguards, including limits on purchases and pricing requirements, and any attempt to artificially influence the price of securities remains subject to the applicable provisions of the securities laws, including the PFUTP Regulations.
1	Buy-back should be through tender route only.	Buy-back should be through tender route only.	No specific rationale provided for disagreement
1	Tender route is best Open market buy back will harm retail investors	Retail investors lost opportunity and only big investor earn so open market buy back should not introduced	No specific rationale provided for disagreement
1	Please buyback through tender route for small retail investors	Please buyback through tender route for small retail investors	No specific rationale provided for disagreement
1	Disagree with the proposal to re-introduce the open market buy-back of shares or other specified securities through stock exchange in accordance with SEBI (Buy-back of Securities) Regulations, 2018? Buy back done Only through Tender rout	Buy back done Only through Tender rout	No specific rationale provided for disagreement
1	Tender offer of Buyback is better for all types of investors. Open market buyback is only for smart investors.	In tender offer there is time available and retail investor in used to the process for the same where as in open market buyback only the smart investors which in most of the case the retail investor are not smart are not able to participate. In	Open market buy-backs through stock exchanges are undertaken on an anonymous order-driven platform accessible to all shareholders

Proposal No.	Comment	Rationale	SEBI Comments
		tender offer the participation level can by very high compared to open market and benefit is to more number of investors and hence suggesting tender offer of buyback.	and, therefore, do not operate exclusively for the benefit of any particular category of investors. Further, the benefits of a buy-back are not limited to participating shareholders and may accrue to all shareholders through optimisation of capital structure and enhancement of shareholder value.
1	We The Retail Investor Object Share Buyback Through Open Mkt Operation. We Insist Buyback Of Share Should Be Only Through Tender Route So That Every Retail Investor Can Take Part In It.	The Main Purpose of This Procedure To Give Chance To Retail Investor And Why Only DIIs Take Advantage Of Buyback Process. Skip Retailers From Buyback Process Is Not Beneficial For Them.	Open market buy-backs through stock exchanges are undertaken on an anonymous order-driven platform accessible to all shareholders and, therefore, do not operate exclusively for the benefit of any particular category of investors. Further, the benefits of a buy-back are not limited to participating shareholders and may accrue to all shareholders through optimisation of capital structure and enhancement of shareholder value.
1	Buy back offer should be via tender route only	All retail investor should right and offer in buy back proposal. and earn income	No specific rationale provided for disagreement

Proposal No.	Comment	Rationale	SEBI Comments
1	Buyback should be through Tender route only which will be beneficial to retail investor	should be via Tender route only	No specific rationale provided for disagreement
1	please take care of retail investor we are strongly request all buyback through tender route only	please take care of retail investor we are strongly request all buyback through tender route only	No specific rationale provided for disagreement
1	It will be not beneficial to small investors	Big players will directly take the benefit of the same.	No specific rationale provided for disagreement
1	pl consider retail investor and pl give chance to small people give only tender route	only tender route request	No specific rationale provided for disagreement
1	We are strongly disagreeing with this proposal. Buy back should be done only with tender route. All small investors are benefitted in tender route only.	Buy back should be done only with tender route only.	No specific rationale provided for disagreement
1	No, never. Please don"t re introduce it at all Open market buyback was closed because promoter was pumping the price and Misusing company free cash for their profits While small retail shareholders gets nothing in exchange. Tender route is best for all Rational here mentioned that same tax liability to everyone but still open market buyback is unfavourable to minorities and its Way to benefits only promoters and other biggis. Also, promoter uses buyback news to drive price up. Because of buyback news shares mostly goes 10% up after announcing meeting but Board doesn't mention about tender or open route. Shares falls drastically if it is open market route as not beneficial of Retail and small HNIs. So please don"t allow open market route. Previously seen cases are paytm and many other exploited open route to fool retail	1 unfavourable for minorities and small HNIs as it doesn't ensure acceptance of shares at buyback price like tender route ; tender route gives fair advantage to each shareholders And having single type of mechanism helps investors to be at ease 2 open route is mostly used to fool retail investors (paytm) Share price artificially inflated for some time but Retail investors can't submit their shares at buyback price 3 it misuse company funds to benefit only promoters and biggies Board use this as way to exploit rather than reward to other shareholders	Open market buy-backs through stock exchanges are undertaken on an anonymous order-driven platform accessible to all shareholders and, therefore, do not operate exclusively for the benefit of any particular category of investors. Further, the benefits of a buy-back are not limited to participating shareholders and may accrue to all shareholders through optimisation of capital structure and enhancement of shareholder value. Further, the buy-back

Proposal No.	Comment	Rationale	SEBI Comments
	investors.		framework contains adequate safeguards, including limits on purchases and pricing requirements, and any attempt to artificially influence the price of securities remains subject to the applicable provisions of the securities laws, including the PFUTP Regulations.
1	Uncertian buyback price, Market Manipulation risk, Lower transparency vs tender offer, No assured participation for shareholders, Inequitable distribution of profit, Information leakage possibility Not benefit for small shareholder	Lack of fairness to all shareholders, Price discovery issue, possibility of price manipulation Insider advantage, No guaranteed utilisation, lower regulatory scrutiny vs tender route only benefit for large shareholder who want to sell their holding without much effecting share price, Retail investor disadvantage	Open market buy-backs through stock exchanges are undertaken on an anonymous order-driven platform accessible to all shareholders and, therefore, do not operate exclusively for the benefit of any particular category of investors. Further, the benefits of a buy-back are not limited to participating shareholders and may accrue to all shareholders through optimisation of capital structure and enhancement of shareholder value. Further, the buy-back framework contains adequate safeguards, including limits on purchases and pricing

Proposal No.	Comment	Rationale	SEBI Comments
			requirements, and any attempt to artificially influence the price of securities remains subject to the applicable provisions of the securities laws, including the PFUTP Regulations.
1	Buy back should be done from shareholders only through tender offers because buying from open markets does not give proper price to shareholders because many stocks are trading way below their book value and it misguides long term investors and they did not get proper value	Buyback is done solely for return of capital to shareholders and it should be done at proper book value or proper methods so that investors cannot be misled	Open market buy-backs through stock exchanges are accessible to all shareholders and do not operate exclusively for the benefit of any particular category of investors. Further, the buy-back framework contains adequate safeguards against market abuse, and the benefits of a buy-back may accrue to all shareholders through optimisation of capital structure and enhancement of shareholder value.
1	While the paper notes that tax advantage enjoyed by those opting for buyback is no longer there as buy backs are now taxed in hands of shareholders as capital gains, it does not address the other issue, viz. inequitable treatment which usually favours the person who sells in the open market in case of buyback in open market. To understand		Buy-back and dividend distribution are distinct mechanisms available to companies for distribution of surplus funds and capital management. The proposal merely provides additional

Proposal No.	Comment	Rationale	SEBI Comments
	why this happens, we need to fundamentally understand what happens in a buy back. It is basically a way for the company to return excess cash to shareholders when the company does not see requirement for additional capital which it can earn at a rate which is in excess of what the average shareholder can if he invests it himself. This return of excess cash can happen in 2 ways, viz. dividends or buybacks. We have no issue with dividends as in this case, all shareholders get equal treatment since they get paid at an equal rate. However, in the case of buybacks, it is not so in all cases. Where the buyback is via tender offer, it is equitable, as all shareholders benefit pro-rata on the basis of their holding unless they voluntarily choose not to do so. But open market buybacks are different wherein the company is dispensing cash for shares in the market which does not reach all shareholders equally, i.e. if the shareholder is a buy and hold investor and does not sell, he misses out on the cash pay-out by the company and his overall return on his holding will be lower compared to the person who has sold his shares. A case may be made that buyback reduces the share count and enhances the EPS which is right in theory, but this really effective (meaning value of higher EPS is greater than sale price of shares foregone) only in cases where the buyback is done at a valuation below book value and not in other cases. In the Indian market, this is really rare /		mechanism to return surplus cash to shareholders and does not propse buy-back to be undertaken in preference of dividends. Further, the benefits of a buy-back are not limited to participating shareholders and may accrue to all shareholders through optimisation of capital structure and enhancement of shareholder value

Proposal No.	Comment	Rationale	SEBI Comments
	does not happen as in most cases buyback happens in case of cash rich companies trading at a high P/B. This means that not selling the shares in open market buyback reduces the return for the shareholder who does not sell. Basically, this puts the buy and hold investor at a serious disadvantage compared to the selling shareholder considering a case where a company does regular buybacks instead of paying a dividend. Effectively, the compounding process for the buy and hold investor will not work as cash belonging to shareholder effectively bypasses him as he does not sell in the open market. The only countermeasure available to such a shareholder is to sell in proportion to the % of total shares bought back by the company. You can imagine how complicated this can get if companies start doing this regularly and even if 25% of companies in a holding of 30 companies do this, the individual investor has to keep track of buybacks done in case of 7 or 8 companies, and sell in buyback proportion. In view of the above, I'm of the view that allowing open market buybacks is a regressive move which adversely affects the individual investor, especially the ones who are of the belief that compounding is effective in case of buy and hold strategy. The question that needs to be asked is, if there is no tax arbitrage for the investor or the company, then why should companies be allowed to do open market buybacks instead of paying a		

Proposal No.	Comment	Rationale	SEBI Comments
	dividend, especially when benefit by way of higher EPS is negligible compared to the buyback price. The dividend will anyway act as a floor to the stock price and there would be no need for the company to use an inequitable method to support the stock price. Humbly request that the above view is taken into consideration before a decision is taken to allow open market buybacks.		
1	SEBI to continue with the tender offer route exclusively for buybacks, as it is beneficial for minority shareholders and aligns with the governments broader policy objectives.		From their comment it appears that commentators were not able to fully appreciate the tax neutrality pursuant to recent changes in Income Tax Act 2025. These are specifically highlighted in the tabulation in annexure.

Annexure IIIB

Details of Public Comments

(This has been excised for reasons of confidentiality)

(Public comments not agreeing with the proposals in Consultation paper 2 and SEBI comments are as under)

Proposal No.	Comment	Rationale	SEBI Comments
1	The proposal is broadly sound and is endorsed, subject to the following refinements: 1. Define "electronic mode" precisely. The regulation should specify that "electronic mode" includes registered email address and/or SMS to the registered mobile number held by the depository. A residual category of physical notice should be preserved for shareholders who have not registered electronic details with the depository. 2. Standardise the content and format. SEBI should prescribe a minimum-content template for the intimation, including: (a) the proposed buy-back price or price band; (b) total size of the buy-back; (c) the offer opening and indicative closing dates; (d) the method of buy-back (open market or tender); and (e) the hyperlink to the full public announcement. 3. Address the beneficial-ownership gap. Shares held through brokers in a nominee/pooled structure (e.g., many retail investors using brokerage apps) may not have a	Information Asymmetry and the Rationale for Direct Notification The foundational justification for this proposal lies in the economics of information asymmetry. Akerlof's canonical analysis of markets with asymmetric information demonstrated that, absent adequate disclosure, uninformed parties systematically under-value the assets they trade. In the buy-back context, the corporation possesses material non-public information about the company's true intrinsic value and the rationale for the buy-back. Retail shareholders, by contrast, rely entirely on the information environment created by mandatory disclosures. A public announcement disseminated through stock exchange websites and the company website is, in theory, accessible to all. In practice, however, the Grossman-Stiglitz paradox demonstrates that not all market participants are equally equipped to monitor and retrieve publicly posted information. The cost of information acquisition is heterogeneous: sophisticated institutional investors have Bloomberg	This is just intimation to the shareholders. Full details will be there in public announcement

Proposal No.	Comment	Rationale	SEBI Comments
	recorded beneficial-owner email in the depository. SEBI should require depositories and registered brokers to pass the intimation through to beneficial owners as a condition of the one-working-day timeline.	terminals and compliance alerts; the retail shareholder does not. Direct electronic intimation reduces the marginal cost of information acquisition to near zero for the individual shareholder, bringing the information environment closer to the competitive ideal. 2. Signalling Theory and the Credibility Premium In the signalling literature pioneered by Spence and extended to corporate finance by Bhattacharya and Vermaelen, a buy-back announcement serves as a costly signal of managerial confidence in undervaluation. The signal's value to the market is a function of its reach: a signal that does not reach all shareholders generates a partial equilibrium outcome in which the information benefit of the signal accrues disproportionately to institutional participants who already monitor exchange disclosures. The direct intimation requirement proposed under Section 3.1 universalises the reach of the signal. This is economically efficient: it eliminates the differential information rent that sophisticated participants currently extract during the gap between the public announcement and the moment retail shareholders become aware of it.From a welfare standpoint, narrowing this gap reduces the transfer from uninformed to informed traders which would be a straightforward improvement in distributional equity without any corresponding loss in market efficiency. 3. Behavioural Economics: Limited Attention and the	

Proposal No.	Comment	Rationale	SEBI Comments
		Need for Active Push-Notification Classical disclosure theory assumes that publicly available information is processed by rational, fully attentive investors. The behavioural economics literature challenges this assumption fundamentally. Kahneman's dual-process theory and the "limited attention hypothesis" developed by Hirshleifer and Teoh establish that investors have bounded cognitive capacity and tend to under-react to information that requires active retrieval. Exchange website postings and company website disclosures are paradigmatic "pull" me	
1	This should be an additional measure, and the time may be enhanced to 3 days.	Executing a flawless verified bulk electronic dispatch within 1 day timeline may pose risk of non-compliance due to issues like technical glitches, bounced email or delivery failures.	It is noted that the proposal seeks to ensure timely dissemination of information relating to buy-back offer to shareholders. Further, Companies and RTA have access to electronic records of shareholders through depository system. Accordingly, the proposed timeline of one working day is considered reasonable for ensuring prompt communication to shareholders.

Proposal No.	Comment	Rationale	SEBI Comments
1	Instead of a mandatory requirement it is suggested that sending electronic intimations directly to shareholders be made voluntary for Listed Companies.	Pursuant to Regulation 16 of SEBI Buyback of Securities Regulations 2018 and other applicable regulations Listed Companies are already mandated to disseminate the Public Announcement relating to the Buyback offer to the Stock Exchanges and SEBI. Further such public announcement is also required to be hosted on the websites of the Stock Exchanges Merchant Bankers and the Company itself thereby ensuring comprehensive public dissemination. Given this robust disclosure framework introducing an additional mandate to send individual electronic intimations to shareholders would result in redundant compliance. This duplication unnecessarily increases operational costs and runs counter to the regulatory objective of promoting the ease of doing business.	Direct electronic communication would facilitate wider awareness amongst shareholders and ensure that shareholders are informed of the buy-back offer in a timely manner
1	Currently listed companies already ensure public dissemination by filing official announcements with the stock exchanges in addition to mails received by investors from the RTA and NSDL for various updates on the company. However directly emailing individual shareholders will make shareholders aware of the corporate action in a timely and transparent manner. Further there could be geographical restrictions on sharing the public announcement in certain geographies on account of no specific disclaimer being part of public announcement. Accordingly we partially agree to the proposal.	Same is covered in above comments	It is noted that the proposal seeks to ensure timely dissemination of information relating to buy-back offer to shareholders. Further, Companies and RTA have access to electronic records of shareholders through depository system. Accordingly, the proposed timeline of one working day is considered reasonable for ensuring prompt

Proposal No.	Comment	Rationale	SEBI Comments
	Further we submit that the proposed timeline of 1 working day from the date of the public announcement is too restrictive. Extracting an accurate verified database of shareholders and coordinating with the Depository Participants or RTA for bulk electronic dispatch involves technical and operational runtime dependencies. Considering the record date is fixed recently its better that the timeline for sending electronic intimations be extended to 2 working days from the date of the public announcement.		communication to shareholders.
2	Retain the 66-working-day framework and the 40% front-loading requirement Permit a narrowly tailored, one-time extension in exceptional illiquidity situations, subject to prior board approval and enhanced disclosure obligations.	The difference between SEBI's preference for a maximum duration of 66 days and PMAC's preference for a maximum duration of 6 months is not merely procedural; it is a trade-off between issuer flexibility and market efficiency. Under the signalling model, a buy-back notification signals to the market that management believes the stock is undervalued. The credibility of this signal is liable to decay over time due to market changes. A six-month open window would thus weaken this signal. Markets will not be able to distinguish between a genuine undervaluation signal and opportunistic timing over a long-time window. A tighter window, as prescribed by SEBI, which is 66 days, preserves this signal by forcing the issuer to act with greater promptness. Therefore, from an information economics perspective, a shorter execution window will reduce noise in price discovery.	The exemption framework is already provided in the Buy-back regulations.

Proposal No.	Comment	Rationale	SEBI Comments
		The six-month window also creates a time-inconsistency problem: once rational issuers have announced a buyback, they may delay execution if the price rises, making the action hollow and leaving shareholders in prolonged uncertainty. This is precisely what behavioural economics is all about. Protracted ambiguity means shareholders are subject to status quo bias. They have to choose whether to hold, sell or wait with a six-month horizon and an open corporate action. The 66-day gap also serves as a commitment device, as SEBI suggests, reducing management's discretion and aligning stated intent with actual execution. Because the buy-back window is longer, management can exercise only when prices are favourable, at no direct cost to the firm. But it is not costless from the standpoint of social welfare. It distorts normal trading behaviour and transfers the risk of uncertainty to retail shareholders. The asymmetry of the benefit that would have gone entirely to the issuer is corrected by a window limitation that reduces management's opportunistic behaviour.The retention of a minimum utilisation of 40% in the first half of the offer period is economically sound as it corrects an externality arising from back-load execution. The Pigouvian Constraint supports this. Without the same, the issuers could announce buy-backs and enjoy short-term price appreciation from the announcement, and defer the actual	

Proposal No.	Comment	Rationale	SEBI Comments
		purchases. The 40% floor makes the announcement more credible and better signals the market. Front-loading mandates internalise the reputational and market-efficiency costs that delayed execution imposes on the market.The six-month window creates greater aggregate transaction costs from a Coasian perspective: longer escrow periods, longer compliance monitoring, and continued uncertainty for brokers and depositories. The 66-working-day framework reduces these friction costs system-wide as part of SEBI's ease-of-doing-business objective. In conclusion, SEBI"s proposal is economically superior to PMAC"s recommendation from a law-and-economics perspective. The 66-day gap balances out the tension between	
2	We partially agree with the proposed maximum timeline of 66 working days, which appears more appropriate than the six-month timeline recommended by the Primary Market Advisory Committee ("PMAC").	The timeline proposed by PMAC of six months appears excessively long for an open market buy-back mechanism, particularly considering the volatility and dynamic nature of securities markets. A prolonged buy-back period may dilute the commercial relevance and intended signalling effect of the buy-back and may also create uncertainty for investors. The proposed timeline of 66 working days strikes a more appropriate balance between operational flexibility for issuers and timely execution of the buy-back process. However, retaining the existing requirement of utilizing only 40% of the buy-back size during the first half of the offer period may be reconsidered in the	Long period may make buy-back irrelevant in the context of the developments that may happen during these six months and would also be cumbersome for shareholders to keep a track on the same as the corporate action will remain open for period of 6 months. This will also result in a corporate action being open for too long and would be stale and resultantly would become irrelevant.

Proposal No.	Comment	Rationale	SEBI Comments
		context of a significantly shorter buy-back window of 66 working days. On one hand, retaining or increasing the threshold may help ensure meaningful execution at an earlier stage and discourage signalling-driven buy-back announcements. On the other hand, we note that the 40% requirement was originally framed in the context of a significantly longer buy-back period. In a compressed timeline of 66 working days, issuers may face operational challenges in meeting the same threshold.	
2	Buyback announcements typically push prices upwards. This rigid timeline pushes companies to buy back at higher prices and can create liquidity and ALM stress. Companies should be allowed a time period of 90 working days to complete the buy back. Companies can deposit 100% of the minimum targeted buyback size in cash in an escrow account on day 1. And if unutilized by Day 66, the balance amount can be forfeited. Also, the mandatory 40% deployment rule should be relaxed if the market price surges past the maximum buyback price authorized by the board.	Prior to introduction of the glide path for weaning off buyback through stock exchange mechanism, there was a maximum time limit specified for completion of buy-back which was 6 months from the public announcement. The shorter time frames of 66 days – 22 days were only transitional in nature. A longer period with other conditions set out by SEBI on maximum cap on trickling of trades offers sufficient safeguards to ensure a more equitable distribution of the buy back over a larger investor base. Depositing 100% of the minimum targeted Buy-Back size in cash in an escrow account ensures financial seriousness on the part of companies while giving them the full 66 days' timeline to time the market efficiently. The mandatory 40% deployment rule should be relaxed as it will prevent forced value destruction.	The proposed timeline of 66 working days seeks to maintain a balance between providing adequate flexibility to issuers and ensuring timely completion of the buy-back process. A longer timeline may dilute the objective of timely execution of buy-back offers and prolong uncertainty for investors. Further, retention of the existing requirement relating to utilization of a minimum of forty percent of the amount earmarked for buy-back during first half of the offer period

Proposal No.	Comment	Rationale	SEBI Comments
			would continue to ensure meaningful progress and phased implementation of buy-back during the initial period. Accordingly, the proposal provides an appropriate balance between issuer flexibility, timely execution of buy-back and investor interests.
2	a). While the proposal to complete open-market buy-backs within 66 working days is a welcome and practical measure, the requirement of utilizing at least 40% of the buy-back size during the first half of the offer period may require reconsideration. In fact, in our view, decision on the utilization percentage in 33 working days (1/2 of 66 working days), can probably be best taken basis the historical data. In the past Open Market Buybacks, how much %age of Buy back amounts have been utilized in 1st 33 working days, may be a better guide, in affixing this %age. b). Furthermore, in a Buyback, there is no concept of success of Buyback, so what is the eventuality for a Company, if this proposed 40% is not achieved in the mandated period.	The proposed extension of the buy-back timeline to 66 working days would provide companies with a more reasonable and operationally feasible timeframe for execution of open market buy-backs through the stock exchange mechanism. The earlier timeline of 22 working days was significantly restrictive and could have compelled companies to undertake concentrated purchases within a limited period, potentially impacting market dynamics and execution efficiency. Accordingly, the proposed revision would facilitate smoother implementation and better alignment with prevailing market conditions. But a more meaningful timeline may be attained, if the historical data may be assessed on this. However, the continued requirement to utilise at least 40% of the buy-back size during the first half of the offer period may still result in unintended market distortions and execution-related challenges. The ability of a company to undertake buy-back	The existing requirement relating to utilization of a minimum of forty percent of the amount earmarked for buy-back during first half of the offer period would continue to ensure meaningful progress and phased implementation of buy-back during the initial period. Accordingly, the proposal provides an appropriate balance between issuer flexibility, timely execution of buy-back and investor interests.

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		transactions is dependent upon several external factors, including liquidity, trading volumes, market volatility, and availability of sell orders, which remain beyond the control of the company. A mandatory front-loaded utilisation requirement may compel companies to place aggressive buy orders in order to meet regulatory thresholds, thereby affecting natural price discovery mechanisms. Accordingly, while the revised timeline of 66 working days is appropriate and should be retained, it is recommended that the requirement relating to minimum utilization during the first half of the offer period may either be dispensed with or suitably relaxed to provide companies greater flexibility in execution of buy-back transactions in an efficient and market-aligned manner.	
2	We request to extend the maximum timeline for completing open market buybacks through stock exchanges to 90 days. Also concurrently changing the mandatory utilisation requirement from 40 to 45 percent.	This ensures shareholders have an adequate window to tender their shares.	The long period may make buy-back irrelevant in the context of the developments that may happen during these six months and would also be cumbersome for shareholders to keep a track on the same as the corporate action will remain open for period of 6 months. This will also result in a corporate action being open for too long and would be stale and resultantly would become

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			irrelevant. The existing requirement relating to utilization of a minimum of forty percent of the amount earmarked for buy-back during first half of the offer period would continue to ensure meaningful progress and phased implementation of buy-back during the initial period. Accordingly, the proposal provides an appropriate balance between issuer flexibility, timely execution of buy-back and investor interests.
2	It has to be seen whether in some special cases projects further time can be given for utilization of proceeds.	Slightly lesser time for completion of buyback procedure considering the elaborateness of it. From six months to 66 days is very much of narrowing down time.	The long period may make buy-back irrelevant in the context of the developments that may happen during these six months and would also be cumbersome for shareholders to keep a track on the same as the corporate action will remain open for period of 6 months. This will also result in a corporate action being open for too long and would be stale

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			and resultantly would become irrelevant.
3	The proposal is good and will certainly make the buyback process easier by reducing unnecessary procedural and operational requirements. Carrying out the buyback transactions through the normal trading system might also increase market efficiency and reduce compliance burdens for companies and intermediaries. Nonetheless, abolishing the separate trading window altogether might create issues regarding transparency, investors" knowledge, and market surveillance. This is due to the fact that it might be difficult for investors to differentiate between normal market demand and company-driven buybacks when all the purchase transactions have been fully integrated into the market trading system. So, SEBI can take certain protective measures as well while implementing the proposed change. The companies undertaking buy-backs should provide periodic disclosures relating to the total number of shares that have been bought back, the average cost per share, progress achieved in the buy-back process and buy-back capacity remaining. Additionally, even after the removal of the separate trading window, the stock exchange needs to maintain	This proposal can be explained using the principles of transaction cost economics, information asymmetry, and market efficiency. To begin with, the discontinuation of the separate trading window reduces any transaction and compliance costs related to having a distinct mechanism for handling buy-back transactions. Since the original tax-related distinction between ordinary trades and buy-back trades no longer exists, continuing with a separate trading window may impose unnecessary procedural burdens upon companies, intermediaries, and stock exchanges. Hence, the integration of buy-back transactions in the ordinary trading mechanism promotes operational efficiency and simplifies market processes. Secondly, the proposed policy poses some concerns pertaining to information asymmetry. Information asymmetry arises when there is a difference in the amount of information available to both parties involved in the business. In buy-back transactions, the organisation will have more information regarding the timing, quantity, and strategy of buy-back purchases. In case the buyback transactions become similar to ordinary marketing activities, it would be hard for the investor to know whether any movement in market price is based on investor demand or by issuer-led purchases. This may reduce transparency	under existing Open Market buy-back framework, Companies are already required to submit information regarding the shares or specified securities bought - back, to the stock exchange on a daily basis in such form as may be specified by the Board and the stock exchange shall upload the same on its official website immediately.

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	an audit trail and a record of all the buy-back activities. Furthermore, SEBI may request real-time or periodic reports about the buy-back operations that are taking place at stock exchanges during the buy-back period.	and affect informed decision-making by investors. The third reason for having a separate trading window is that it carries out an important function of market surveillance. It allows regulators and stock exchanges to separately monitor company-led trading activity during the buy-back. The elimination of this procedure without any other means of regulation might result in higher chances of price manipulation or market manipulation. Hence, although simplifying procedures is good, adequate disclosure and surveillance requirements should continue in order to preserve market integrity and investor protection. In light of the Kaldor-Hicks theory of efficiency, the proposal results in an efficient situation in the markets because the benefits resulting from reduced compliance and transaction costs exceed the disadvantages arising from a separate trading process. This kind of efficiency can be useful provided there are adequate checks and balances. Hence, there is a need to adopt a new approach so that duplication of processes can be avoided and, at the same time, both surveillance systems are maintained.	
3	While separate trading window may no longer be necessary due to change in tax treatment, complete removal of visibility mechanisms may reduce transparency. Exchanges may continue to maintain a distinct transaction tagging mechanism for internal monitoring and audit trail	While separate trading window may no longer be necessary due to change in tax treatment, complete removal of visibility mechanisms may reduce transparency. Exchanges may continue to maintain a distinct transaction tagging mechanism for internal monitoring and audit trail purposes.	Once the separate trading window is dispensed with, there would not be any difference between orders executed under open market buy-back and normal trades.

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	purposes.		This is as per the principle of anonymity followed under normal trading mechanism. Therefore, separate identification mechanism may not be necessary.
3	Absolute worthless decision to perform buyback from open market as it is subject to external geopolitical and internal pressure .Such worthless and absolutely nonsense decision is going to hurt the RETAIL INVESTORs very badly and they might think to reduce their market exposure leading to liquidity crisis in market.	Retails are the major cause of liquidity in market. Unless market and SEBI decides to safeguard the interest of Retailers, it is unlikely to instil a sense of confidence in Indian market As per recent report Indian market is the worst capital appreciation in comparison to others	No specific rationale provided for the proposal.
4	There are three concerns raised in the proposal that need to be addressed before the regulation can be finalised. Firstly, the evidence is lacking for the shift from a conduct rule to a structural restraint. The PMAC"s description of the freeze as an "additional safeguard" suggests that this regulatory requirement has been less than effective, but the Consultation Paper provides no evidence of any breaches, failure to meet the requirement in practice, or penalties issued against it. A structural constraint on a defined class is more heavily burdened to justify it than a conduct constraint. This burden has not been lifted. Before this proposal is finalised, SEBI	The proposal changes the regulatory paradigm from deterrence to prophylaxis without the supporting evidence or legal basis for this change. The law and economics literature has shown that such structural restraints can only be justified if the effectiveness of the conduct rules has been demonstrated to have failed, meaning that the negative impact that the prophylactic measures have on individual liberty outweighs the positive effect they have on the system. Such evidence has not been provided here. Constitutionally, in the case of Pradeep Mehta v. Union of India, the Bombay High Court ruled that a depository freeze imposed by SEBI that goes beyond the promoter's holding in the listed company infringe on the right to property as guaranteed by Article 300A	Associates may otherwise be used to circumvent the freeze mechanism through related holdings. Since the objective is to prevent disposal of shares, inclusion of associates is necessary and proportionate.

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	should publish its record of enforcement under Regulation 24(i)(e). Secondly, the extension for associates is not legally justified. Associates are not covered by the company's depository agreement, and the Depositories Act, 1996, does not expressly give listed companies the authority to make "freeze" instructions on third-party accounts. No statutory basis is identified in the Consultation Paper for this. The concept of "associate" in the Takeover Regulations is a closed concept, strictly for the concert party context of takeover law and cannot be readily translated to the buy-back context. If there is no reference date to determine associate status, complex group structures will lead to over-inclusion/under-inclusion with no corrective mechanism. The final regulation should designate the statutory authority to handle third-party freeze instructions, establish a defined reference date for associate classification and set up a procedure for associates who object to their classification. Third, the carve-out for tender offer participation is operationally impractical. NSDL/CDSL freeze at the ISIN level will impact the entire holding in the specified demat account. It has not been standardised so far to permit tendering of a certain percentage of shares, leaving the rest locked up. The carve-out, as drafted, gives rise	of the Constitution of India. The contemporary danger in the current proposal is the fact that the freeze is extended to associates that have not been individually adjudicated and will be restricted just because of their status. A pre-emptive restriction on third parties on the basis of a property claim without first hearing or possibility of challenge is grounded upon principles of procedural due process and proportionality which mandate that any measure imposing property restrictions be no wider than is necessary to meet its regulatory purpose. In addition, the promoters, as designated persons, are already under the existing PAN-ISIN freeze under the PIT Regulations, which is in addition to this new freeze. A key concept in regulatory theory of concurrent enforcement regimes is that overlapping regulations, with overlapping trigger conditions and release mechanisms, cause compliance uncertainty and system operational risks, especially if enforcement is shared, as it is in the case of depository levels. As currently drafted, the proposal is incomplete with regard to its legal justifications, it is unclear how it will work and it is constitutionally suspect when it comes to associates. The existence of both the Buy-Back Regulations and the MPS regime independent of one another represents an example of horizontal fragmentation. When two separate sets of regulations apply to the	

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	to a right which is simultaneously extinguished by the freeze. Before notification of this regulation, SEBI shall, in consultation with NSDL and CDSL, establish an operational protocol on lifting and re-freezing the freeze.	same transaction but have no formal means of coordination, compliance uncertainty amounts to de facto reduction in deterrence – the corporation that relies on the LODR regime alone will not see non-compliance during a buy-back as a LODR violation, and this understanding is not illogical, but rational. The rationale behind the mandatory MPS is the maintenance of sufficient float for the purposes of price discovery. A buy-back resulting in float below the MPS will reduce available liquidity, increase bid-ask spread and impose costs on other participants in the market – an externality, where the corporation takes private benefit while imposing costs on the system at large. The suggested ban is the solution to this problem. However, one important limitation applies here – while a static prohibition of announcements will no	
4	Mandatory freezing at the ISIN level should include clearly defined exemptions in situations where the regulatory framework expressly permits dealing in securities during the buy-back period. It is suggested that specific exemptions should be provided to ensure that transactions permitted under the regulations are not restricted.	The buyback regulations explicitly permit companies to issue or allot shares pursuant to the conversion of warrants, preference shares, or debentures during the buy-back period, where these arise from subsisting obligations. Such allotments may involve promoters or their associates. A blanket ISIN-level freeze, without appropriate carve-outs, would effectively override these permitted transactions. This could prevent companies from fulfilling binding contractual obligations, potentially resulting in regulatory non-compliance and contractual breaches.	The ISIN level freeze would apply to the shares which are already issued and are being bought back. Shares arising out of the subsisting obligations (warrants, convertibles etc.) would not be impacted as freeze is applicable on debit of shares from demat account.

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4	A blanket ISIN level freeze may obstruct genuine transactions such as pledge invocation and release succession court approved arrangements and financing actions accordingly the proposal may be reconsidered in its present form	Freezing will create problems for the promoters in ease fo doing business	With respect to succession/court approved arrangements, the same will be required to be implemented in terms of the extant laws and no specific carve out may be required in Buy-Back regulations. Further, invocation of pledge may be allowed subject to freeze continuing in the hands of transferee
4	We suggest that SEBI considers automating this process. Instead of requiring the listed company to manually initiate the freeze the instruction should be systematically driven by the depositories upon the receiving the official corporate action disclosure or public announcement from the Stock Exchanges	While the proposal to mandate the freezing of securities held by the Promoters and their associates at the ISIN level during a buyback period serves as an effective safeguard to prevent unintended market transactions it introduces significant operational complexities. Coordinating with Depositories to freeze and unfreeze the shares creates an administrative workload within the tight buyback timeline.	System driven freeze may not be immediately feasible. A listed company initiated process ensures accountability and practical implementation pending development of a standardized automated mechanism.
4	What if the promoter has the need to sell the shares during the Tender period.	Seems stringent restriction on promoters.	It is not allowed in the present regulations. The freeze is just and additional safeguard for enforcing the existing regulatory position.

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5	An explicit provision in the Buy-Back Regulations requiring compliance with Minimum Public Shareholding (MPS) norms is not necessary, as MPS requirements already operate as an independent and mandatory regulatory framework under the applicable securities laws. Listed companies are in any event obligated to ensure ongoing compliance with MPS norms, irrespective of any buy-back transaction.	• Introducing a separate provision within the Buy-Back Regulations would result in duplication of an already existing compliance obligation and may create interpretational overlap between regulatory frameworks. • In the case of open market buy-backs, the ultimate quantity of shares repurchased is inherently uncertain and depends on market participation and prevailing trading conditions. Requiring dynamic or real-time assessment of MPS compliance throughout the execution phase may therefore be operationally challenging. • Retaining MPS compliance as a standalone obligation, rather than embedding it within the Buy-Back Regulations, would ensure regulatory clarity, avoid duplication and reduce complexity without compromising investor protection objectives.	While compliance with Minimum Public Shareholding (MPS) requirements is prescribed under the existing legal framework, the proposed provision seeks to explicitly incorporate the requirement within the Buy-Back Regulations to provide regulatory clarity and ensure that buy-back transactions are undertaken in a manner consistent with the MPS framework.
5	The recommendation is in principle supported. Dynamic alignment is good regulatory drafting practice, and would resolve the inconsistency introduced by the amendments to the Companies Act interval under the Finance Act, 2026. Nonetheless, the modified Regulation 4(vii) needs to specify the relevant provision in the Companies Act, 2013 to which dynamic alignment is sought, including a cross-reference. Failure to do so, referring generally to "the Companies Act interval" instead, results in	Cooling-off periods between successive share buy-backs have two effects. They preserve the integrity of the signal as well as the costly nature of the decision: the buy-back signal is documented in the literature as such, and if a company can repeat its signal immediately after a completed buy-back offer, it is a cheap signal as it simply amounts to sustaining a floor on prices rather than returning capital. Additionally, a continuous cash surplus makes firms prone to abusing the share repurchase process in order to artificially support prices instead of reducing excess capital.	No specific rationale provided for the proposal.

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	dynamic delegation, not dynamic referencing, thus recreating the regulatory uncertainty sought to be avoided. SEBI ought to consider a provision for transitional application in the event companies undertook a buy-back just before the amended Regulation was notified, with respect to the earliest possible date of their next buy-back offer based on the one year rule or the new interval set forth in the Companies Act.	The fact that the existing requirement of one year set out in Regulation 4(vii) is inconsistent with the Companies Act has created a problem with the nature of transaction costs under Coase"s reasoning; the transaction has to be planned for with respect to both laws. The Finance Act 2026 amendment to the Companies Act renders the matter particularly urgent. The use of dynamic referencing rather than fixing the period via a hard code is justified because, if the co-ordinate measure can be amended continuously, a static reproduction of the same in the subordinate statute will create a two-tier problem of amendments, leading to the very problem that the alignment seeks to address. The only shortcoming of the proposal is the lack of cross-reference; alignment without identifying the relevant provision of the Companies Act simply passes the problem down the line.	
5	We do not have any comments with respect to interval between two Buy-Back offers, however we had views on the bid pricing requirement. Ref: SEBI circular SEBI/HO/CFD/PoD-2/P/CIR/2023/35 dated March 08, 2023 on Operational Guidance under Buy-back Regulations, which specifies certain conditions for buy back offers. 1. Guideline 5a of the circular - Adequate safeguards should be provided for the requirement of having max number of per day	The 2 points under guideline 5 are recommended as this is practically not within the Company's remit to control. Since the prices are dynamic, while inputting the bid there may be independent trades which may be below or higher than 1%. Hence this pricing condition is too restrictive and will result in micromanagement of the process. This may lead to operational mistakes which may be considered as malafide. It would lead to artificially suppressing price for investors.	No specific rationale provided for the proposal.

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	purchases not exceeding 25% of daily trading volume and avoiding first and last 30 minutes of the session. 2. Guideline 5c of the circular - The bid price in buyback to be within the range of +/- 1% of the last traded price. We request a re-consideration of this condition.		
5	Provisions relating to Minimum Public Shareholding is applicable to all listed companies and hence to refrain from repetition can be avoided.	The proposal to introduce an explicit provision within the SEBI Buyback Regulations to ensure the compliance with minimum public shareholding requirements is unnecessary and should be avoided. The 25 percent MPS mandate is already strictly codified under the Securities Contracts Regulation Act 1956 and applies to all Listed Companies. Given that the Listed Companies are already legally obligated to comply with this framework duplicating the provision creates regulatory overlap and redundancy without yielding any additional market benefit.	While compliance with Minimum Public Shareholding (MPS) requirements is prescribed under the existing legal framework, the proposed provision seeks to explicitly incorporate the requirement within the Buy-Back Regulations to provide regulatory clarity and ensure that buy-back transactions are undertaken in a manner consistent with the MPS framework.

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5	Under a tender offer route, the company has no visibility or control over shareholders tendering their shares. If public shareholders tender in larger proportions, the public shareholding percentage may decrease. One of the objective of a buyback is to distribute surplus cash back to shareholders and maximize investor wealth. Similar to open offer or rights issue even in buyback MPS breach for interim period which is only pursuant to buyback should be allowed with a condition to recomply with MPS under stipulated timeline. Many MNCs and PSUs operating in India maintain public shareholding close to the minimum threshold of 25 percent. For such companies it would effectively block them from undertaking buybacks entirely locking up capital that could otherwise be distributed to the shareholders.	Same is covered in above comments	While compliance with Minimum Public Shareholding (MPS) requirements is prescribed under the existing legal framework, the proposed provision seeks to explicitly incorporate the requirement within the Buy-Back Regulations to provide regulatory clarity and ensure that buy-back transactions are undertaken in a manner consistent with the MPS framework. Further, while buy-backs serve as a mechanism for distribution of surplus funds and creation of shareholder value, the same must be balanced against the objective of ensuring adequate public float and market liquidity.

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5	The proposed provision may be reconsidered to provide flexibility in cases where the buy-back is undertaken in the interest of public shareholders and overall shareholder value creation. Companies having promoter shareholding close to the maximum permissible limit under Minimum Public Shareholding ("MPS") norms, say appx. 72%-75% should not be completely restricted from undertaking buy-back merely due to the possibility of temporary breach of MPS requirements.	Buy-back of securities is commonly undertaken by companies as a mechanism for distribution of surplus funds, rewarding shareholders, and providing an exit opportunity to public shareholders. In cases where promoter holding is already high (for example, 73% or above), a complete restriction on buy-back may deprive public shareholders from availing the benefits associated with such corporate action. Further, any breach of MPS arising pursuant to extinguishment of shares under a buy-back is generally consequential and may be temporary in nature. This kind of temporary breach can happen in any of the transactions say a Takeover Offer. So, restricting the same all together, in a Buyback, may ultimately be leading to depriving the Public shareholders of the probable value receipt. Accordingly, instead of imposing an absolute restriction, flexibility may be considered by permitting buy-backs subject to restoration of MPS compliance within a prescribed timeline after completion of the buy-back process. This may help balance the objective of maintaining minimum public shareholding while also allowing companies to undertake shareholder-oriented corporate actions.	Buy-back is a voluntary corporate action undertaken at the discretion of the company. Accordingly, the company is expected to appropriately determine the size and structure of the buy-back after taking into account the applicable regulatory requirements, including compliance with MPS norms.
6	Such a proposal cannot be accepted in its existing unqualified form. The automatic exemption of MB from all buy-backs irrespective of offer size treats different economic regulatory	Cooling-off periods between successive share buy-backs have two effects. They preserve the integrity of the signal as well as the costly nature of the decision: the buy-back signal is documented in the literature as	The reference to Companies Act is proposed from the ease of doing business point of view so that flexibility is available to

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	classes as identical. This would be an excessive response. A quantitative threshold approach can be adopted where the mandatory MB stipulation would apply only to buy-back offers above a specific amount say, ₹250 crore or 2% of paid-up equity share capital, whichever is less. Below this threshold, companies could have an option to appoint MB, which is in line with the very comparison drawn by SEBI in the Consultation Paper itself. The transfer of functions pertaining to the monitoring of the escrow account to Designated Stock Exchanges in respect of bank guarantee invocation, SEBI directions relating to forfeitures, and partial release decisions needs to be reconsidered. These functions are discretionary, case-by-case determinations and are quite unlike the standardized functions that stock exchanges are ideally placed to discharge. Such a proposal needs to be piloted before adoption. Currently, the due diligence certification process under the MB regulations of 8(i)(aa) and 25(vi) is proposed to be transferred to the Secretarial Auditor. The Securities and Exchange Board of India (SEBI) needs to determine whether the qualifications of the Secretarial Auditor as specified under the Institute of Company	such, and if a company can repeat its signal immediately after a completed buy-back offer, it is a cheap signal as it simply amounts to sustaining a floor on prices rather than returning capital. Additionally, a continuous cash surplus makes firms prone to abusing the share repurchase process in order to artificially support prices instead of reducing excess capital. The fact that the existing requirement of one year set out in Regulation 4(vii) is inconsistent with the Companies Act has created a problem with the nature of transaction costs under Coase"s reasoning; the transaction has to be planned for with respect to both laws. The Finance Act 2026 amendment to the Companies Act renders the matter particularly urgent. The use of dynamic referencing rather than fixing the period via a hard code is justified because, if the co-ordinate measure can be amended continuously, a static reproduction of the same in the subordinate statute will create a two-tier problem of amendments, leading to the very problem that the alignment seeks to address. The only shortcoming of the proposal is the lack of cross-reference; alignment without identifying the relevant provision of the Companies Act simply passes the problem down the line.	the company and the interval is aligned with the parent law without requiring any changes in the regulations in future. Thus cross reference to companies act for this purpose may not be required.

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	Secretaries of India include those related to the substantive aspects of due diligence necessary for a buy-back letter of offer.		
7	Such a proposal cannot be accepted in its existing unqualified form. The automatic exemption of MB from all buy-backs irrespective of offer size treats different economic regulatory classes as identical. This would be an excessive response. A quantitative threshold approach can be adopted where the mandatory MB stipulation would apply only to buy-back offers above a specific amount say, ₹250 crore or 2% of paid-up equity share capital, whichever is less. Below this threshold, companies could have an option to appoint MB, which is in line with the very comparison drawn by SEBI in the Consultation Paper itself. The transfer of functions pertaining to the monitoring of the escrow account to Designated Stock Exchanges in respect of bank guarantee invocation, SEBI directions relating to forfeitures, and partial release decisions needs to be reconsidered. These functions are discretionary, case-by-case determinations and are quite unlike the standardized functions that stock exchanges are ideally placed to discharge. Such a proposal needs to be piloted before adoption.	B provision has been established on the basis of gatekeeper theory where independent intermediaries act as investor protectors by putting a third party with an incentive to monitor between the issuer and the market, taking advantage of their ability to notice any violation during the deal process. The importance of the gatekeeper role increases with the size and complexity of the offer as well as its market implications – both of which depend upon the size of the offer. In small cases of buyback from listed companies operating under SEBI"s Continuous Disclosure Policy, there is little need for MB, whereas in case of large offers, it becomes crucial. The general exemption proposed does not consider this aspect of difference in nature, while the comparison drawn by SEBI with rights issues does not help much either. The deeper concern lies in the internalization of the gatekeeping function. The discussion of separation between the functions of risk bearing and control, provided by Fama and Jensen, shows that a monitoring agency chosen by and compensated by the entity it monitors is not, economically speaking, independent. The MB will bear the reputational risk and regulatory liability arising out of faulty certification while the Compliance Officer, being an employee of	Based on the feedback received, it is considered to keep the appointment of Merchant Banker optional, this would provide flexibility to companies to appoint a Merchant Banker based on the complexity of transactions. Accordingly, a threshold based mandatory requirement may not be required as the differentiated requirements based on size of buy-back may result in regulatory complexity.

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	Currently, the due diligence certification process under the MB regulations of 8(i)(aa) and 25(vi) is proposed to be transferred to the Secretarial Auditor. The Securities and Exchange Board of India (SEBI) needs to determine whether the qualifications of the Secretarial Auditor as specified under the Institute of Company Secretaries of India include those related to the substantive aspects of due diligence necessary for a buy-back letter of offer.	the corporation, will not. In the case of large-scale buy-backs, this is no minor difference since it determines whether certification is a genuine compliance measure or just another formality. The process of placing the transferred shares in escrow at Designated Stock Exchanges is potentially the riskiest part of Annexure-I. From Williamson's theory of asset specificity, it can be seen that, in the case of buy-backs, escrow management entails discretion and ad hoc decisions such as invocation of bank guarantees, SEBI directions for forfeiting the shares, and gradual release of shares. This is clearly unsuited for the standardized processing system of the stock exchange.	
7	The proposal to dispense with mandatory appointment of Merchant Banker in buy-back transactions may not be appropriate considering the critical regulatory, compliance, due diligence, investor protection and coordination functions presently discharged by Merchant Bankers. Buyback transactions involve: • Compliance with SEBI Regulations and Companies Act provisions, • Escrow monitoring, • Disclosures and certifications, • Extinguishment verification, • Coordination among Company, Stock Exchanges, Depositories, Registrar and	The proposal to dispense with mandatory appointment of Merchant Banker in buy-back transactions may not be appropriate considering the critical regulatory, compliance, due diligence, investor protection and coordination functions presently discharged by Merchant Bankers. Buyback transactions involve: • Compliance with SEBI Regulations and Companies Act provisions, • Escrow monitoring, • Disclosures and certifications, • Extinguishment verification, • Coordination among Company, Stock Exchanges, Depositories, Registrar and Bankers, • Investor grievance handling, • regulatory	Based on the feedback received, it is considered to keep the appointment of Merchant Banker optional, this would provide flexibility to companies to appoint a Merchant Banker based on the complexity of transactions. Considering the concerns raised by the Exchanges the responsibilities regarding management of Escrow account may be assigned to Statutory Auditors of the

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	Bankers, • Investor grievance handling, • regulatory accountability. Merchant Bankers act as an independent SEBI-registered intermediary accountable for ensuring procedural integrity and regulatory compliance. Shifting these responsibilities entirely to companies, stock exchanges or compliance officers may weaken independent oversight and increase compliance and execution risks. Responsibilities Assigned to Designated Stock Exchange - As per Annexure – I, • Oversight and operation of escrow accounts including bank guarantees, cash deposits, approved securities, invocation rights and release of escrow account and forfeiture-related directions by SEBI to be carried out by the Designated Stock Exchange. BSE Comments – Stock Exchanges are market infrastructure institutions primarily responsible for trading, surveillance and market operations. They are neither operationally connected with escrow account management nor equipped to undertake fiduciary and compliance-based functions presently discharged by Merchant Bankers.	accountability. Merchant Bankers act as an independent SEBI-registered intermediary accountable for ensuring procedural integrity and regulatory compliance. Shifting these responsibilities entirely to companies, stock exchanges or compliance officers may weaken independent oversight and increase compliance and execution risks. Responsibilities Assigned to Designated Stock Exchange - As per Annexure – I, • Oversight and operation of escrow accounts including bank guarantees, cash deposits, approved securities, invocation rights and release of escrow account and forfeiture-related directions by SEBI to be carried out by the Designated Stock Exchange. BSE Comments – Stock Exchanges are market infrastructure institutions primarily responsible for trading, surveillance and market operations. They are neither operationally connected with escrow account management nor equipped to undertake fiduciary and compliance-based functions presently discharged by Merchant Bankers. Escrow oversight requires continuous monitoring of fund adequacy, coordination with banks, handling of invocation and release conditions, verification of compliance with regulatory requirements and	Company. Further, it may be noted that exchanges are repositories of this data and they are best placed to certifications regarding adequacy of sell order and VWAP of shares.

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	Escrow oversight requires continuous monitoring of fund adequacy, coordination with banks, handling of invocation and release conditions, verification of compliance with regulatory requirements and ensuring implementation accountability. These functions involve independent supervision and transactional responsibility, which are integral functions of Merchant Bankers. Accordingly, such responsibilities should continue to remain with SEBI-registered Merchant Bankers instead of being assigned to Stock Exchanges. • Certification relating to adequacy of sell orders and VWAP of shares or other specified securities BSE Comments – The Exchanges are not equipped with process of providing certifications regarding adequacy of sell orders and VWAP of shares. SEBI registered merchant bankers possess significant experience in capital markets, valuation methodologies, and regulatory compliance.	ensuring implementation accountability. These functions involve independent supervision and transactional responsibility, which are integral functions of Merchant Bankers. Accordingly, such responsibilities should continue to remain with SEBI-registered Merchant Bankers instead of being assigned to Stock Exchanges. • Certification relating to adequacy of sell orders and VWAP of shares or other specified securities BSE Comments – The Exchanges are not equipped with process of providing certifications regarding adequacy of sell orders and VWAP of shares. SEBI registered merchant bankers possess significant experience in capital markets, valuation methodologies, and regulatory compliance.	
7	Continuation of the existing agreement requirement of having a Merchant Banker appointed as a manager for Buy Back.	The Merchant Banker performs a substantive supervisory and due diligence role in a buy back and its responsibilities are not merely procedural. in particular, the Merchant Banker helps ensure and safeguard and appropriate utilization of funds earmarking of sufficient resources by the company	Based on the feedback received, it is considered to keep the appointment of Merchant Banker optional, this would provide flexibility to companies to appoint a

Proposal No.	Comment	Rationale	SEBI Comments
		towards buyback escrow account operations and financing certainty for the buyback while also providing an independent layer of oversight on the overall process. The MB also plays an important role in overseeing the accuracy of the entitlement ratio computation including proper reservation for genuine small shareholders and final acceptance workings ensuing its appropriately computed on a proportionate basis with no selective bias as per the principles laid down in the regulations. Further the Merchant Banker issue the due diligence certificate and is responsible for independently verifying the accuracy and adequacy of the disclosers made in the offer documents. These functions are central to the integrity fairness and regulatory compliance of the buy back process. Unlike in a rights issue a buy back requires active stock market execution and operational oversight which make the role of MB inevitable.	Merchant Banker based on the complexity of transactions. Further, in case company decides not to appoint merchant banker, the proposal seeks to bring in independence in nature of professionals such as company secretaries, statutory auditors which the company is anyway used to dealing with and is well versed with the affairs of the company. In this regard it is mentioned that while distributing the activities of Merchant Bankers among the company, secretarial auditor, it is ensured that the activities which require independence has been assigned to independent entities
7	We partly agree with the proposal. For large, well-established companies with strong in-house teams and sufficient capital markets expertise, a merchant banker may not be necessary for facilitating buybacks.	However, we recommend against making the appointment fully optional. Instead, we suggest that a merchant banker appointment is made mandatory for companies below a certain threshold defined by market capitalisation, or by the cumulative capital markets experience of key managerial personnel, or a combination of both. Smaller companies may attempt to manage buybacks	Based on the feedback received, it is considered to keep the appointment of Merchant Banker optional, this would provide flexibility to companies to appoint a Merchant Banker based on the complexity of transactions.

Proposal No.	Comment	Rationale	SEBI Comments
		independently and inadvertently fall afoul of regulations, and this mandate would help prevent this. This is especially important as corporate governance standards may be weaker in the microcap space.	Accordingly, a threshold based mandatory requirement may not be required as the differentiated requirements based on size of buy-back may result in regulatory complexity.
7	The Merchant Banker appointment requirement can instead be made optional.	The proposal to shift the entire compliance burden to internal ecosystems may increase internal operational liability without any external expert buffer.	Based on the feedback received, it is considered to keep the appointment of Merchant Banker optional, this would provide flexibility to companies to appoint a Merchant Banker based on the complexity of transactions.
7	Merchant Bankers should continue to be mandatorily involved in Buyback transactions as they provide independent due diligence compliance oversight investor protection and regulatory coordination Their role is particularly important in complex and large buybacks where specified expertise and accountability help reduce procedural lapses disclosure deficiencies and execution risks Also buyback assignments remain an important source of revenue generation specially mid-sized intermediaries operating under enhanced eligibility and compliance norms.	Instead of removing the requirement of appointing MBs entirely a tiered size based framework may be considered so smaller buybacks may have relaxed requirement while large transaction continue to require MB appointment to ensure roust compliance and market integrity. This will also maintain consistency with other SEBI Regulated transactions viz. open offer delisting public issues etc.	Based on the feedback received, it is considered to keep the appointment of Merchant Banker optional, this would provide flexibility to companies to appoint a Merchant Banker based on the complexity of transactions. Accordingly, a threshold based mandatory requirement may not be required as the differentiated requirements based on size of buy-back may result in regulatory complexity.

Proposal No.	Comment	Rationale	SEBI Comments
7	Dispensing with the mandatory Merchant Banker requirements may reduce advisory cost and provide operational flexibility. However, shifting responsibilities such as filing of the Public Announcements letter of offer and regulatory coordination directly to the company may increase the internal compliance burden. Further transferring Escrow administration to Stock Exchanges is not advisable. This operational execution must remain entirely between the Company and its designated banking partners to prevent severe processing bottlenecks.	The proposals to dispense with the mandatory requirement of appointing Merchant Bankers for Buybacks is a welcome step toward reducing compliance dependencies and eliminating avoidable advisory costs for Listed Companies. Removing this mandate grants companies greater operational autonomy over standard procedural activities that can be managed effectively in house. However earlier merchant bankers managed the critical time sensitive tasks of filing the Public Announcement and letter of offer alongside coordinating regulatory fees with the Stock Exchanges. Now the proposal states that the company is to handle these technical filings directly increases internal compliance risks and administrative workloads. Furthermore shifting the day to day administration of Escrow accounts to stock exchanges is practically unviable. Escrow mechanisms require direct integration between the companies and its commercial banking partners. Stock Exchanges are not structurally equipped to manage routine banking operations and transferring this role to them would introduce severe implementation bottlenecks during tight buyback timeline.	Based on the feedback received, it is considered to keep the appointment of Merchant Banker optional, this would provide flexibility to companies to appoint a Merchant Banker. Further, in case company decides not to appoint merchant banker, the proposal seeks to bring in independence in nature of professionals such as company secretaries, statutory auditors which the company is anyway used to dealing with and is well versed with the affairs of the company. In this regard it is mentioned that while distributing the activities of Merchant Bankers among the company, secretarial auditor, it is ensured that the activities which require independence has been assigned to independent entities

Proposal No.	Comment	Rationale	SEBI Comments
7	No there are too many activities which are required to be carried on by the different intermediaries. As per annexure all the activities remains same only thing is that the responsibility is getting shifted from SEBI registered Merchant Banker to a secretarial auditor or stock exchanges etc A Merchant Banker takes care of all the activities and make sure that all intermediaries are completing the activities within the timelines prescribed by the applicable laws so role of merchant banker should not get deleted	A Merchant Banker takes care of all the activities and make sure that all intermediaries are completing the activities within the timelines prescribed by the applicable laws so role of merchant banker should not get deleted	Based on the feedback received, it is considered to keep the appointment of Merchant Banker optional, this would provide flexibility to companies to appoint a Merchant Banker based on the complexity of transactions.
7	A Buyback process is a high stake corporate action involving financial obligations and unpublished price sensitive information. Involvement of Merchant Banker provides an Independent oversight during the buyback process. Further Merchant Bankers acts as an important intermediary for 1 Verification of fund adequacy of the company to honour the buyback 2 Issuing due diligence certificate 3 Overseeing compliance relating to escrow account and fund flow control 4 Overseeing the securities extinguishment process	Same is covered in above comments	Based on the feedback received, it is considered to keep the appointment of Merchant Banker optional, this would provide flexibility to companies to appoint a Merchant Banker based on the complexity of transactions. Further, in case company decides not to appoint merchant banker, the proposal seeks to bring in independence in nature of professionals such as company secretaries, statutory auditors which the company is anyway used to

Proposal No.	Comment	Rationale	SEBI Comments
	5 Submission of final report to SEBI 6 Liasoning with exchanges to ensure smooth operational implementation 7 Involvement of multiple intermediaries in buyback process like Share escrow agent RTA Exchanges etc Therefore dispensing with the requirement for appointment of merchant banker will create operational and compliance risk which may lead to non-compliances or operational issues resulting in shareholders complaint.		dealing with and is well versed with the affairs of the company. In this regard it is mentioned that while distributing the activities of Merchant Bankers among the company, secretarial auditor, it is ensured that the activities which require independence has been assigned to independent entities
7	The proposal to dispense with the requirement of appointing a Merchant Banker for buy-back transactions needs to be reconsidered. The involvement of an independent SEBI-registered Merchant Banker plays a significant role in ensuring regulatory compliance, due diligence, transparency, and accountability throughout the buy-back process. SEBI's role is more from the perspective of ensuring investors interest is best taken care of, than reducing the procedural costs for any listed entity. With a independent Merchant Banker not being there, unfortunately, there would be no surety as to the correctness of the documents.	Merchant Bankers act as independent intermediaries who undertake due diligence on the company, verify compliance with applicable regulatory provisions, coordinate with intermediaries and stock exchanges, and ensure that the buy-back process is implemented in a fair, compliant and transparent manner. Their involvement provides an additional layer of oversight and significantly enhances investor confidence in the transaction. While the proposal aims to simplify and expedite the buy-back process, speed and ease of execution should not come at the cost of regulatory accountability and independent verification. Assigning the responsibilities presently undertaken by Merchant Bankers to the company or the secretarial auditors may dilute the independent compliance assurance mechanism currently embedded within the current	Based on the feedback received, it is considered to keep the appointment of Merchant Banker optional, this would provide flexibility to companies to appoint a Merchant Banker based on the complexity of transactions.

Proposal No.	Comment	Rationale	SEBI Comments
		regulatory framework. Further, stock exchanges and secretarial auditors have distinct functional roles, whereas Merchant Bankers possess specialized expertise in capital market transactions, regulatory compliances investor interface and transaction management. Accordingly, continued appointment of Merchant Bankers would help preserve the credibility, integrity, and robustness of the buy-back process while ensuring effective regulatory oversight and investor protection. Your kind attention is also drawn to the term "optional in the Rights Issue process", as used in Para 4.1 of the Consultation Paper. However, presently, the appointment of MB in a Rights Issue is not optional, rather the requirement has been done away with.	
7	Merchant Bankers maybe necessary for due diligence part and Managing Escrow Accounts the proceeds etc.	But it can be considered to make their participation optional.	Based on the feedback received, it is considered to keep the appointment of Merchant Banker optional, this would provide flexibility to companies to appoint a Merchant Banker based on the complexity of transactions.
7	We Fintellectual Corporate Advisors Private Limited are a SEBI Registered Merchant Banker with hand on experience in executing buyback transactions for listed companies. Our objection to this proposal is grounded not in self-interest but in the fundamental principles of investor	Ground 1 Keeping appointment of Merchant Banker optional will create an Unacceptable Conflict of Interest: In a buyback the company purchases shares from its own shareholders. The Promoter board and management have a direct financial stake in the outcome. Assigning compliance certification and	Based on the feedback received, it is considered to keep the appointment of Merchant Banker optional, this would provide flexibility to companies to appoint a

Proposal No.	Comment	Rationale	SEBI Comments
	protection and regulatory integrity that SEBI has consistently upheld. We hereby providing the rationale for disagree.	escrow oversight to the Company itself as proposed in Annexure 1 eliminates the independent intermediary that stands between the company and its selling shareholders. An independent SEBI regulated Merchant Banker provides critical check that the Company disclosures are complete fair and not designed to suppress participation or manipulate the buyback price. Removing this check exposes retail and small shareholders to significant information asymmetry. Ground 2 Capital Market Due Diligence cannot be replaced by a Secretarial Audit: Under the current buyback regulations as amended in 2023 the Draft Letter of Offer is no longer required to be filed with SEBI for review or comments prior to dispatch to shareholders. This means the LOO is dispatched directly to shareholders without any prior regulatory scrutiny. In this context the Merchant Bankers pre dispatch due diligence and certification under Regulation 8iaa is the only independent check ensuring that the LOO contains complete accurate and adequate disclosures. Transferring this certification to Secretarial Auditor who is trained in procedural company law compliance and majority SEBI LODRD Disclosures creates a material investor protection gap precisely where the regulatory framework has no other safety net. One of the crucial role of Merchant Banker is to check firm arrangement of funds and liquidity while the Secretarial Auditor has	Merchant Banker based on the complexity of transactions. Further, in case company decides not to appoint merchant banker, the proposal seeks to bring in independence in nature of professionals such as company secretaries, statutory auditors which the company is anyway used to dealing with and is well versed with the affairs of the company. In this regard it is mentioned that while distributing the activities of Merchant Bankers among the company, secretarial auditor, it is ensured that the activities which require independence has been assigned to independent entities

Proposal No.	Comment	Rationale	SEBI Comments
		no role in financial instrument. Merchant Bankers are registered with SEBI and subject of Merchant Banker code of conduct while Secretarial Auditor govern by ICSI and are subject to CS professional standards. Ground 3 Escrow Management Demands Regulated Accountable Intermediaries Escrow Management in buyback involves nuanced discretionary judgements accessing eligibility of escrow instruments invoking the escrow on company default and releasing funds only after all post buyback obligations are fulfilled. Merchant Banker perform these functions under the SEBI MB Regulations 1992 as amended with personal and firm level regulatory accountability. Stock Exchange while capable as trading platform operate under a different accountability framework not designed for intermediary level investor protection in buyback transactions. Ground 4 The Cost reduction rationale is disproportionate to the Investor Risk: Merchant Banker fee in buyback transactions represent a small fraction of total buyback consideration. For Rs. 100 Crore Buyback Merchant banker fee typically range from 0.2 to 0.35 percent of Offer size. The real cost to investor from inadequate disclosure can be higher. We strongly oppose the blanket elimination of MB from Buyback Transaction.	
7	It is proposed that this activity should be assigned to clearing corporation instead of the Designated Stock Exchanges. As per the SEBI		Considering the concerns raised by the Exchanges the responsibilities regarding

Proposal No.	Comment	Rationale	SEBI Comments
	Circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015, on Mechanism for acquisition of shares through Stock Exchange pursuant to Tender-Offers under Takeovers, Buyback and Delisting. State that " Once the basis of acceptance is finalised, the clearing corporation would facilitate execution and settlement of trades by transferring the required number of shares from the special account to the escrow account of the acquirer/ company". Also, the activity involved but not limited to: i) The Escrow shall in the favour of ---- and shall be valid until 30 days after the expiry of the buyback period. ii) payment to all the securities holders who have accepted the offer and after the completion of all the formalities of buy back the amount, guarantee, and securities in the escrow, if any, shall be released to the company. Since in the payment to all the securities holders would be taken care by Clearing Corporation. The point no. 5 shall be undertaken by Clearing Corporation.		management of Escrow account may be assigned to Statutory Auditors of the Company. Further, it may be noted that exchanges are repositories of this data and they are best placed to certifications regarding adequacy of sell order and VWAP of shares.

Annexure IV

Assignment of the activities which are carried out by Merchant Bankers to Company, Stock Exchanges and Secretarial Auditor				
Sr. No.	**Responsibilities of MBs as per current regulatory framework**	**Relevant Regulation of Buy-Back Regulations**	**Proposal**	**Activities proposed to be assigned to**
1.	Appointment of Merchant Banker	16(iv)(a) and 22A	It is proposed to dispense with the requirement.	NA
2.	Filing of letter of offer and Public Announcement along with Fees in accordance with the terms of the Regulations and ensuring that their contents are true, fair and adequate.	8(i)(a), 16(iv)(a), 22A, 25(iv), 25(v), 25(vii) and Schedule V	It is proposed to be carried out by Company itself	Company
3.	Certifying that the buy-back offer is complying with regulations and Due diligence certification	8(i)(aa) and 25(vi)	It is proposed to be carried out by Secretarial Auditor	Secretarial Auditor
4.	Oversight and operation of escrow accounts including bank guarantees, cash deposits, approved securities, invocation rights and release of escrow account and forfeiture-related directions by SEBI.	9(xi)(c)(ii), 9(xi)(d), 9(xi)(e), 9(xi)(f), 9(xi)(g), 20(ii)(b), 20(ii)(c), 20(iii), 20(iv)(a), 20(iv)(b), 20(viii), 25(ii), 25(ix)	It is proposed to be carried out by Statutory Auditor	Statutory Auditor
5.	Certification relating to adequacy of sell orders and VWAP of shares or other specified securities	20(viii)(a) and 20(viii)(b)	It is proposed to be carried out by Stock Exchanges	Stock Exchanges
6.	Presence during extinguishment/destruction of securities in case of Tender offer	11(i)	It is proposed to do away with	NA
7.	Presence during extinguishment/destruction of securities in case of buy-back through open market	21(iii)	It is proposed to be carried out by Compliance officer of the Company	Compliance officer
8.	Certification/verification of compliance with extinguishment of securities	11(iii)(a)	It is proposed to be carried out by Compliance officer of the Company	Compliance officer
9.	Submission of final report	25(x)	It is proposed	Company

Assignment of the activities which are carried out by Merchant Bankers to Company, Stock Exchanges and Secretarial Auditor				
Sr. No.	**Responsibilities of MBs as per current regulatory framework**	**Relevant Regulation of Buy-Back Regulations**	**Proposal**	**Activities proposed to be assigned to**
			to be carried out by Company	
10.	Ensuring availability of funds and firm financial arrangements for implementation of the buy-back	Explanation to Regulation 9(xi)(c)(ii), 25(i) and 25(iii)	It is proposed to be carried out by Company	Company
11.	Compliance with relevant provisions of Companies Act, 2013	25(viii)	It is proposed to be carried out by Company	Company
12.	Disclosure of Public Announcement on website of Merchant Bankers	7(iv), 16(iv)(cb)	It is proposed to be dispensed with the requirement.	NA

Annexure V

Draft Amendments to SEBI (Buy-Back of Securities) Regulations, 2018

(Amendments shall be notified after following the due process)