An Initiative by PANTOMATH Advisory Services Group

Re-CAP

A weekly mailer encapsulating capital market news

Feb 23rd to March 1st, 2015

Amongst BSE's Top Five Performers in Merchant Bankers 2013-14

PANTOMATH SMEX-30

Amongst 25 Most Promising FINANCIAL CONSULTANTS - Consultants review

FROM THE MANAGING DIRECTOR'S DESK

Dear Readers,

We term this budget as 'long term' budget. A lot of emphasis is lent on systemic improvements and institutionalisation. Measures on ease of doing business in India, seamless approval mechanism and stability of tax regime aim to boost investor confidence and strengthen business sentiments. Black money prevention measures is expected to further strengthen system.

Though a little more was expected for capital markets and esp. for SMEs, rationalisation of corporate tax rates is most welcome move. Besides, deferment of GAAR, tax pass through for AIFs, rationalisation of permanent establishment and thrust on GST are policy moves in right direction. However, increase in excise duty and service tax may not be perceived favourable, in the wake of much talked about concept 'Make in India'.

Merger of FMC with SEBI, streamlining foreign exchange norms in capital issues, SARFASI protection to NBFCs are well thought of regulatory changes which will address various contentious issues.

Trust you find this a useful read. Please do share your feedback at mahavir.lunawat@pantomathgroup.com

ADVISORY FIRM RAISES CONCERNS OVER PROVISIONS IN COMPANIES ACT

The Companies Act of 2013 (the Act) has introduced many changes, which seek to enhance the state of governance of companies that are incorporated in India

International advisory firms like Mazars has raised serious concerns over the few provisions over internal financial controls (IFCs) and enterprise wide risk management (EWRM) in Companies Act 2013, provisions of Sections 134, 143 & 177 and Rule 8 of the Companies (Accounts) Rules, 2014.The Companies Act of 2013 (the Act) has introduced many changes, which seek to enhance the state of governance of companies that are incorporated in India. However, the provisions of Sections 134, 143 & 177 and Rule 8 of the Companies (Accounts) Rules, 2014 ("the Rules"), apart from Schedule IV, have emphasized on specific sets of responsibilities for various stakeholders, in the context of internal financial controls ("IFC")s and enterprise wide risk management (EWRM). According to Mazar, as a principal stakeholder, the board of directors ("the board") needs to play a key role in setting the ethical tone of a company. After all, high ethical standards are in the long term interests of a company as these serve as a means to make it credible and trustworthy, not only in day-to-day operations but also with respect to longer term commitments. Expressing his views on this, Monish Chatrath, partner & national leader, consulting & markets, Mazars said, " "A list of rules laid down expands the realm of coverage to unlisted entities as well by specifying that the directors' report of all companies need to state details in respect of adequacy of IFCs, albeit with reference to financial statements only. It follows that while listed entities are required to have adequate IFCs covering aspects which go beyond financial reporting (such as those impacting operations and compliances), unlisted entities are currently required to ensure adequacy of their IFCs with respect to financial reporting only."The Institute of Chartered Accountants of India ("ICAI") has recently made a clear distinction between IFCs and EWRM, while clarifying that EWRM is applied in strategy setting and cuts across business functions, whereas IFCs relate to processes within activities across business cycles, which in the case of unlisted entities impact financial reporting and in the case of listed entities is broader than financial reporting, Mazar said in a statement. Chatrath added, "The repercussions are fairly severe. Defaulting companies are punishable with a fine (which can range from Rs 50,000 to Rs 25 lakh) and every officer who is in default is punishable with imprisonment for a term which may extend to three years and/or with a fine (in the region of Rs 50,000 to Rs 5 lakh). The main difference is that the auditor is now required to report on adequacy and operating effectiveness of IFCs in the case of unlisted companies as well."

(Source: Business Standard, Feb 22, 2015)

THOUGHTS FOR BUDGET DAY

Last week, the Union commerce ministry reported that exports fell by 11.1 per cent in January over the corresponding month last year. Export growth is a mere 2.4 per cent during April 2014-January 2015 over the same period the previous year. Slowing in the global economy is the main reason but others include the erosion of our exporters' competitiveness over time. For sustained growth in export, continuous gain in productivity is essential. During the first decade of this century, there were such gains due to reforms initiated during the previous decade. Increased penetration of mobile telephony, easier access to information through the advent and growth of internet, cheaper air travel, faster movement of goods and people through roads, better availability of electricity, reforms in the financial sector, etc, boosted productivity in all sectors. That led to higher growth and exports, even as prices rose rather slowly and the rupee strengthened in real terms. However, the slower pace of reforms during that period of high growth and consequent absence of significant productivity gains started eroding the competitiveness. Consumption-led growth since 2009 led to higher prices and the rupee depreciated but not sufficiently to sustain export growth. Which, thus, began flagging. The advent of a new government last year boosted hope that the critical issues would be addressed. The finance minister said in his Budget speech that the people of India had decisively voted for a change and the verdict represented their exasperation with the status quo. However, his first Budget was uninspiring and he remained distracted. The commerce and industry ministry was content to be a mute spectator. The Prime Minister focused more on foreign policy and attracting investment from abroad through his 'Make in India' campaign. Specific actions to make it easier to do business or boost productivity were missing. Deepak Parekh, chief of the HDFC group, said last week that impatience was creeping in among business people, as nothing had changed on the ground in the first nine months of the Modi government. The finance minister's warning in his previous Budget speech that the country was in no mood to suffer unemployment, inadequate basic amenities, lack of infrastructure and apathetic governance is equally valid today.Hopes, however, persist that this government will announce major incentives to revive investment and boost job-oriented growth. Under pressure to deliver on the tall promises made, the finance minister might announce some big decisions in his Budget speech. However, making it easier to do business and raising productivity of businesses that compete in global markets involves a series of measures over a period of time. The fall in global commodity prices has provided a great opportunity to cut the fiscal deficit, current account deficit and subsidies. The government must use the elbow room to substantially increase investment in productivity-enhancing factors. Simplification and rationalisation of the laws that affect businesses, along with suitable checks and balances, can bring quick results.Yashwant Sinha, former finance minister, had said 'Make India and Make in India will follow', underscoring the need to set one's house in order before scouting for investments. Hopefully, the PM and FM will heed the advice.

BUDGET HIGHLIGHTS

- Fiscal deficit seen at 3.9% of GDP in 2015-16, committed to meeting medium term fiscal deficit target of 3%.
- GDP growth seen between 8% and 8.5% this year.
- Consumer inflation to remain close to 5% by March, more room for monetary policy easing.
- No change in individual income tax rates and slabs, overall deduction benefits to individual taxpayers hiked to Rs 4.44 lakh a year.
- Disinvestment target set at Rs 41,000 crore for 2015-16
- Exemption on health insurance premium hiked from Rs 15,000 to Rs 25,000. For senior citizens it is hiked to Rs 30,000.
- Service tax rate hiked to 14% from 12.36%.
- To implement Goods and Services Tax by April 2016.

- Wealth tax abolished. To be replaced by surcharge of 2% on income of Rs 1 crore and above. Move to fetch govt Rs 9,000 cr against Rs 1,008 currently mobilised under wealth tax.

- Corporate tax rate to be reduced from 30% to 25% over four years; deductions and exemptions to be rationalised.GAAR deferred by two years would apply prospectively from April 1, 2017
- A new benami transaction bill to be introduced to tackle domestic black money; enforcement agencies empowered to attach assets held abroad illegally; Undisclosed income to be taxed at maximum marginal rate, deductions and exemptions for such income won't be allowed; 10 years rigorous imprisonment for concealing foreign assets.

(Source: Business Standard, Feb 23, 2015)

FMC-SEBI MERGER SOUNDS DEATH KNELL FOR DABBA MARKET

Dabba trading primarily involves illicit off-market trades in many commodities, while stocks are also traded in this illegal market

The proposed merger of FMC with Sebi to create a unified has sounded a death knell for the illicit 'dabba trading', estimated to have a turnover of up to Rs one lakh crore a day. Prevalent across Gujarat and many other parts of the country, dabba trading primarily involves illicit off-market trades in many commodities, while stocks are also traded in this illegal market. In commodities alone, the overall dabba trading clocks turnover to the tune of Rs 50,000-1,00,000 crore a day, while the volumes for illicit stock trades outside the purview of stock exchanges also run into tens of thousands of crores. While regulators and enforcement agencies have been trying hard to curb this menace for a long time, the lack of a unified regulatory mechanism has so far made it difficult to fully control this problem. The efforts to check this menace are likely to get a major boost with Sebi being given the jurisdiction to regulate commodity markets as well following FMC merger, as the capital markets regulator already enjoys greater powers including those to conduct search and seizure, impose penalties, order arrests and take other strict actions against wrongdoers. In his Union Budget yesterday, Finance Minister Arun Jaitley proposed to merge the commodity markets regulator FMC (Forwards Markets Commission) with the capital markets watchdog Sebi (Securities and Exchange Board of India) "to strengthen regulation of commodity forward markets and reduce wild speculation". He also said a properly functioning capital market needs proper consumer protection and a Task Force would be put in place to establish a sector-neutral Financial Redressal Agency to address grievances against all financial service providers. Welcoming the move, leading stock exchange BSE's CEO Ashishkumar Chauhan told PTI that the merger of FMC with Sebi "will streamline the transaction processing marketplaces in India" ."It will also bring consistency in practices, regulations and operations for exchanges, exchange members, investors, traders including a single KYC." Overall, it is a well thought out and a positive move which will help the industry and investors alike," he added.Leading commodity bourse MCX's Joint Managing Director P K Singhal said the merger of FMC with Sebi would strengthen the regulations in commodity future market."Sebi has penal powers of raid, search, fine and (to) take criminal actions against wrong doers, thus improving market integrity. "Unregulated or dabba market, which is estimated to be 8-10 times of the regulated commodity derivatives market... will be curbed," he said.

(Source: Business Standard, March 1, 2015)

EIGHT CHANGES FOR THE MARKETS IN THE BUDGET

No MAT for FPIs, relief on GAAR, Sebi-FMC merger are a few of the sweeping changes

Finance Minister Arun Jaitley's budget provided clarity on taxation, as well as laid the foundation of regulatory oversight for key sections of the capital market. Given below are eight of the key changes mentioned in his speech:

NO MAT FOR FPIs.

The Minimum Alternative Tax provisions were originally brought to ensure that large domestic corporate entities did not escape the tax net because of various incentive schemes. The tax department earlier in the month sent notices looking to impose the same provision on foreign portfolio investors who had structured themselves as corporates. This would have raised their long term tax rate from zero to around 20 per cent and would have affected foreign investors on a large scale. The Finance Minister clarified that the tax is not applicable .

Relief on GAAR

The implementation of the General Anti Avoidance Rule (GAAR) has been extended by two years. The Finance Minister has also clarified that this provision to widen the power of tax authorities will only be applied prospectively.

Clarity on PE

The government has also clarified that PE or Permanent Establishment provisions would not apply if a fund manager is located in India. This is expected to encourage more fund managers who are managing Indian assets to locate themselves within the country. **Sebi-FMC Merger** Commodities regulator the Forward Markets Commission will be merged with the stock market regulator the Securities and Exchange Board of India. The move is expected to be executed in phases, and strengthen regulatory oversight of the commodities segment.

GIFT SEZ Regulations for a financial Special Economic Zone are likely to be announced next month according to the Finance Minister. The move is to create a place where international exchanges and foreign financial institutions are to enjoy tax benefits, and compete with other jurisdictions such as Dubai and Singapore.

FPI, FDI regimes to be consolidated

There was earlier a separate limit for Foreign Portfolio Investment (FPI) and Foreign Direct Investment (FDI) for foreign ownership in Indian companies. This has been consolidated into one foreign cap. This would mean FPIs can buy into companies where their limits have been exhausted by making use of any unutilized FDI limits. Those in the unlisted space would also benefit with the ability to attract more FDI investments since foreign owners can now hold higher stake.

Easier to merge MF schemes; higher taxes on dividends, advisors

The government has proposed to amend the Income Tax Act to allow for schemes to merge without adverse tax implications. This is seen as a positive. However, the withdrawal of service tax exemption for financial distributors is a negative. Also there is an increase in surcharge from 10 per cent to 12 per cent on distribution of income through buyback, dividends and distribution of income by mutual funds and securitization trusts.

Pass through for AIFs, can attract foreign capital

Foreign investors can now invest in alternative investment funds. Hedge funds and private equity funds are expected to benefit. The move to give pass through status for AIFs, which would mean that the tax liability would be on the end-investor rather than the fund, is also seen as a boost for the industry.

(Source: Business Standard, Feb 28, 2015)

REVIVAL SIGNS IN IPO MARKET; TWO ISSUES LINED UP THIS MONTH

Cable distribution firm Ortel Communications and Adlabs Entertainment, which runs an amusement park Adlabs Imagica, would hit the market

After a long lull, the IPO market is expected to see some action this month with at least two companies already having lined up their public offers to fund business expansion and meet working capital requirements. Cable distribution firm Ortel Communications and Adlabs Entertainment, which runs an amusement park Adlabs Imagica, would hit the market this month.

Ortel would be the first company to float an Initial Public Offer this year, when it hits the market on March 3. It would be followed by Adlabs' IPO on March 10. Ortel would offer up to 1.2 crore equity shares, comprising of 60 lakh fresh shares and an offer for sale of up to 60 lakh by existing shareholders. Adlabs plans to issue 2.03 crore shares including 20 lakh shares offered for sale by the promoter.

Apart from these, many companies are expected to launch their IPOs in the coming months following the green signal received by market regulator Securities and Exchange Board of India (Sebi). Five companies -- Uniparts India, VRL Logistics, PNC Infratech, ACB (India) Ltd and Shree Pushkar Chemicals and Fertilizers -- got Sebi's go-ahead to float their respective IPOs last month. Those having secured approvals in the past include Lavasa Corporation, MEP Infrastructure Developers and Inox Wind and they may also hit the markets in the coming months. However, companies like Sadbhav Infrastructure Project, CL Educate, and Manpasand Beverages and UFO Moviez India are still awaiting regulatory go-ahead to launch their IPOs. Most of the companies plan to utilise IPO proceeds for capacity expansion as well as working capital requirement. "In 2015, we will see spurt in IPO activities as more than a dozen companies have filed their draft documents in 2014," Geojit BNP Paribas Research Head Alex Mathew said. He further said that many companies, which scrapped their IPO plans earlier due to bad market conditions, are putting in fresh efforts to enter the capital markets. However, fund raising through IPOs was just Rs 1,528 crore in 2014 despite a buoyant secondary market. Besides, only six main-board IPOs came to the market. The entire year saw just one follow-on offering. This was by state-run Engineers India Ltd (EIL), which also happens to be the biggest public offer with an issue size of Rs 495 crore. The year, however, witnessed a flurry of activity on the small and medium enterprise (SME) platform. There were as many as 40 SME IPOs, which collected a total of Rs 267 crore.

(Source: Business Standard, March 1, 2015)

THREE FIRMS GRADUATE FROM SME PLATFORM TO MAIN BOURSE

Nearly three years after small and medium enterprise (SME) exchanges were introduced; the first batch of companies has made the transition of moving to the main bourse. Three companies listed on the BSE SME exchange have migrated to the main platform. Another company listed on the National Stock Exchange's SME platform, Emerge, could move soon. Incidentally, the new companies added to the main exchange is only two less than the number of initial public offerings (IPOs) witnessed last year. The concept of SME exchange was introduced to help the small-sized companies raise equity capital. The regulatory and disclosure requirements on the SME bourses is much relaxed compared to the main exchanges. According to existing norms, companies that have completed two years on the SME platform and have achieved post-issue paid-up capital of Rs 10 crore and above are eligible for migration to the main board. Bronze Infra-Tech, Anshu's Clothing and SRG Housing Finance migrated from the BSE SME platform to the BSE main board in February." The migration of these companies to the main board platform acts as a motivation for others to make that jump as well. Of course, it is not binding on a company to make the move, but the option is there for those who want to make the jump," said Ajay Thakur, head, BSE SME platform. Companies with a paid-up capital of anywhere between Rs 10 crore and Rs 25 crore have the option of moving to the main board. Once the company achieves a post-issue paid-up capital of Rs 25 crore, it is required to apply for listing on the main board. BSE SME recently revised the entry norms for the platform. Companies are now required to have a post-issue paid-up capital of at least Rs 3 crore, from Rs 1 crore earlier. The BSE SME platform will complete three years next month, while the NSE SME will complete three years in September this year. In the past three years, 80 companies have listed on the BSE SME platform. Of these, 28 companies are actively traded. On the NSE Emerge, six companies have been listed. The market-capitalisation of the BSE SME platform was Rs 8,667 crore as on February 20. According to merchant bankers, many companies are eager to make the move to the main board listing and working towards meeting the requirements." Companies are certainly excited about moving to the main board. Main board migration facility incentivises promising SMEs to grow and achieve the threshold for graduating to the next level," said Mahavir Lunawat, group managing director at Pantomath Advisory Services group, which has handled many SME IPOs. "Main board migration decision should, however, be based on relevant factors such as the company's business life cycle, internal systems and controls. On SME platform, companies get benefits of simplified compliance regime and lesser disclosures. On migration, however, companies no longer remain subject to the requirements of market-making and minimum lot size (of Rs 1 lakh)," said Lunawat. For companies on the SME platform, market-making is facilitated by merchant bankers for a period of three years. Lot-sizes for trading in these securities are fixed at a minimum of Rs 1 lakh. Also, companies are required to furnish corporate earnings numbers every half-year on the SME exchange and on their respective websites.For companies on the main board, the facility of market-making by merchant bankers does not exist and there are no specific limits for lot-sizes. Disclosure requirements are also more stringent than those on the SME platform. Results on the main board are declared quarterly.

(Source: Business Standard, Feb 23, 2015)

SMEs GARNER TWICE AS MUCH IN LONDON IPOS

Koovs, IMImobile raise $88 million compared to $43.84 raised by SME cos on Indian platforms

Two Indian companies on the London AIM raised twice the amount of money raised by 40 Indian companies which listed on the Indian small and medium enterprises (SME) platforms in 2014. E-commerce firm Koovs and software company IMImobile together raised $88 million through their initial public offering

(IPOs) on the London Stock Exchange's SME platform, AIM, data from the exchange showed. According to Prime Database, 40 companies on the Indian SME platforms of both the National Stock Exchange (NSE) and the BSE collectively raised $43.84 million. According to merchant bankers, weak primary market demand, the small-size of the issues, and the absence of big-ticket institutional investors have been the main reason for the difference in fund-raising."Generally, the market conditions have not been good. The other thing is that the issue-size of Rs 25-35 crore keeps bigger players such as banks, foreign institutions and domestic players such as mutual funds away from SME issues. So, the fund-raising is naturally at a much smaller scale compared to the international market," said Uday Patil, director (investment banking), Keynote Corporate Services.The difference in fund-raising by the Indian companies was attributed to the presence of big-ticket investors on the AIM, compared to the smaller high net-worth individuals and some venture funds and angel investors, said merchant bankers. Further, the Indian SME platform is only three years old, while the AIM has existed for about 20 years."Indian SME Exchanges are relatively newer compared to the AIM of London. AIM has been in existence for about 20 years and is approximately 50 times bigger in market cap than the Indian SME Exchanges. Basic listing framework at Indian SME Exchanges with requirements such as lot size of Rs 1 lakh, minimum public shareholding of 25 per cent is perceived as stricter compared to AIM," said Mahavir Lunawat, group managing director, Pantomath Advisory Services Group.In the 20 years of its existence, the London AIM has 1,104 companies listed on it. Of these, 219 are international companies while the rest are UK-based. In 2014, as many as 118 new companies were listed on the platform, of which 23 were international firms raising $4 billion. A total of 22 Indian companies are listed on the AIM. Since its inception in March 2012, eighty-two companies have listed on the BSE SME platform totalling a market-cap of Rs 8,507 crore. Of these, 29 companies are actively traded. On NSE Emerge, the NSE's SME platform, six companies have listed since its introduction in September 2012. The SME platform is a hard-sell, according to industry players, as very few investors express an interest in the platform. The minimum lot size of Rs 1 lakh keeps the retail participants away, while the small issue size keeps the larger investors away, they said.On an average, an SME IPO receives anywhere between 200 and 300 applications. Analysts said AIM would attract much more savvy institutional investors who are well aware of the risks involved in investing in the smaller, growing companies.

Further, poor liquidity on these platforms keeps big-ticket institutional investors away, merchant bankers said. With fewer savvy investors, the regulator is forced to keep a tighter check on the trading on these platforms which further restricts institutional participation, they added.

However, Industry players said that the performance of Indian SMEs in the limited period of three years has been encouraging for other companies wanting to list on the platform.

(Source: Business Standard, Feb 25, 2015)

SEBI MULLS OPTIONAL CONVERTIBLE DEBENTURES IN PLACE OF SHARES TO HELP RETAIL INVESTORS EXIT IF PRICE DIPS

Securities & Exchange Board of India (Sebi) is readying an innovative structure in the primary market to attract more retail investors. Companies may soon have to offer optionally fully convertible debentures instead of plain vanilla shares to small investors in initial public offerings (IPOs). This is part of the capital market regulator's attempts to ensure that this category of investors makes money in such share sales and is insulated from the steep fall in a stock after it gets listed. Sebi's Primary Market Advisory Committee is likely to discuss the proposal on February 27, said two people close to the development.

This is how an optionally convertible debenture (OFCD) works. The IPO-bound company would issue these bonds to retail investors in the public issue that will have a fixed tenure. These bonds can be converted into shares at a pre-determined price within the fixed period.

So, if the share is trading above the pre-determined price after listing, retail investors would benefit by converting the bonds into shares. In case the share stays below the pre-determined price, investors have the option of withdrawing the entire money invested in the OFCD along with interest.

"Investors would have the option to invest in OFCDs instead of shares with a coupon rate matching bank fixed deposit rates for a year. They will have the option to convert their debentures into shares if the stock price falls below the issue price after six months of listing," said one of the persons quoted above."Redemption takes place at the end of the 18-month period, either the issuer pays the principal amount along with interest (pre-decided price) if the stock falls below a threshold or the instrument can be converted into equity shares if the stock rises after listing," he said. For companies, this step would lead to an increase in the cost of raising money through IPOs. Companies raising money through share sales may be required to keep the money raised from retail investors in an escrow account to meet the OFCD redemption obligation and amend the objects of issue in the prospectus.

Bankers said if the proposal is approved, India would be the first country to adopt such a structure in IPOs. The plan is expected to draw criticism as purists feel it is against the tenets of equity investing.

VOICES OF DISSENT

"While the idea has an intuitive appeal there is no reason to now saddle investors with credit risk. They are after all looking at investing in equity with its risks and upside," said Amit Tandon, managing director of proxy advisory firm Institutional Investor Advisory Services.

Bankers said IPOs with an OFCD may not be a feasible fundraising option for debt-laden companies, especially in infrastructure and construction sectors. The capital market regulator's earlier attempt to protect downsides for retail investors in IPO investments too had drawn flak. Sebi had introduced the so-called safety net proposal, where issuers have to compensate retail investors if the share price falls drastically within a few months of listing.

Later, however, it decided to make the mechanism optional for companies. On the safety net, Sebi Chairman UK Sinha had said on the sidelines of a conference, "There were two very strong views on safety net. One was that an IPO is a risk investment, so how can anyone assure capital protection on that? This goes against the whole idea of raising risk capital and if Sebi insists on this, then going forward there would be a problem. The other view was, what's Sebi going to do if two-thirds of IPOs are trading below issue price for months?"

INTERNAL REVIEW BY SEBI

The latest proposal to introduce OFCDs follows an internal review by Sebi on the price performance of listed stocks.

Sebi's analysis for 2008-11 revealed that out of 117 stocks, 72 (around 62%) were trading below the issue price six months after listing. Of those 72 scrips, 55 were trading at an over-20% discount to the issue price.

Investment bankers familiar with Sebi's thinking on the matter said the regulator is concerned that the sharp decline in stock prices after listing is deterring retail investors from putting money into stocks. "The regulator feels there has been an erosion in value of investments in IPOs and if this trend continues small investors will lose confidence in capital markets and there is a need to protect their interests," said the CEO of a leading domestic investment bank.

ISSUES MAY BE PRICED BETTER

The proposal, if cleared, may force companies to price public issues more attractively as the stock price would trade above the OFCD conversion price only if investors

feel there is room for upside after the listing. The conversion of debt into shares would ensure the company gets the entire amount set aside in the escrow account for probable redemptions.

So far in FY15, only Rs 1,410 crore has been raised through IPOs compared with Rs 33,000 crore in FY11. Seven issues amounting to Rs 4,225 crore have been approved by Sebi while another 12 IPOs worth Rs 4,000 crore are awaiting approval, according to data by Prime Database. Since there is no listing of this debt instrument after the 18-month period, there is no compulsory rating requirement.

The regulator would have to amend its Issue of Capital and Disclosure Requirements (ICDR) norms for this move.

(Source: The Economic Times, Feb 26, 2015)