



SEBI Update : Implementation of Unified Payments Interface (UPI) in public issues

April 17, 2019

Background: The Securities and Exchange Board of India (“SEBI”) vide circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 ([available here](#)) introduced the use of Unified Payments Interface (“UPI”) as a payment mechanism for Application Supported by Block Amount (“ASBA”) for applications in public issues by retail individual investors through intermediaries. The purpose of this change was to reduce the timeline for listing.

The implementation of this change is to be carried out in 3 phases to ensure a gradual transition. During Phase 1, UPI is proposed to be introduced for ASBA without affecting the existing process.

Extension of Phase 1: SEBI received representations from various market intermediaries to extend the timeline of Phase 1. Therefore, SEBI vide circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 ([available here](#)) dated April 3, 2019 (“New SEBI Circular”) has now extended the timeline for Phase 1 from January 1, 2019, by 3 months, till June 30, 2019.

Implementation of other Phases: The timelines for implementation for Phase II and Phase III shall remain the same, with the starting point being the date of completion of Phase 1, as per the New SEBI Circular.

We trust you will find this an interesting read. For any queries or comments on this update, please feel free to contact us at insights@elp-in.com.

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