

PR No.18/2023

SEBI initiates third tranche of distribution of disgorged / recovered amount to investors in the matter of IPO irregularities

SEBI had investigated into certain irregularities in the shares issued through 21 Initial Public Offerings (IPOs) during the period 2003-2005 before their listing on the stock exchanges. Upon completion of the investigations, SEBI had, *inter-alia*, directed certain persons to disgorge the illegal gains.

Under the Chairmanship of Justice D.P. Wadhwa, former Judge of Supreme Court of India, a committee was set up namely 'Wadhwa Committee', which recommended the procedure of identification of persons who have been deprived in the said IPOs and the manner in which reallocation of shares to such persons should take place. As per the recommendations of Wadhwa Committee, 13.57 lakh persons had been identified as eligible investors for distribution. SEBI has already distributed Rs. 23.28 crore in April 2010 and Rs. 18.06 crore in December 2015. 10,01,890 investors out of the said 13.57 lakh investors were paid the full eligible amount and 97,657 investors were excluded due to the costs involved.

SEBI has initiated the third tranche for distribution of Rs. 14.87 crore to 2.58 lakh investors from the disgorged/recovered amount in the matter of IPO irregularities on August 17, 2023. In the current exercise, SEBI is distributing amounts to those investors to whom partial amounts were paid earlier and are entitled to receive additional amounts. 1,15,465 investors out of 2,58,301 investors would be paid full eligible amount and the remaining 1,42,836 investors would be paid in part.

Wherever the bank details of the eligible investors are available, the amount is being credited in their bank accounts with an intimation to the investors. In cases where bank details are not available, payment warrants are being sent to the last known address of the investors. The list of eligible investors along with amount to be credited/sent by SEBI is available on SEBI website :

https://www.sebi.gov.in/sebi_data/commondocs/aug-2023/List_of_investors_Tranche_3_p.pdf

The investors who have received credit intimation and have not received the credit in their bank account or have any other queries relating to payment, revalidation, modification, etc., may raise such queries on or before January 31, 2024 at the office of the Facilitator Registrar – TSR Consultants Private Limited, Unit SEBI-IPO Reallocation – Tranche 3 at C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai – 400 083 (email id: iporeallocation3@tcplindia.co.in) or at the office of Recovery and Refund Department, SEBI Bhavan II, Plot No. C-7, Block 'G', Bandra Kurla Complex, Bandra (East), Mumbai–400051 (email id: ipotranche3@sebi.gov.in).

Mumbai
August 24, 2023