



Crest Capital

A D V I S O R S

TRANSACTION ADVISORY , VALUATIONS, GLOBAL STRATEGIC ALLIANCES

A-1/304, Safdarjung Enclave New Delhi -110029; 133, Raja Garden, New Delhi -110015

#91 9899522635; 91 9910112890, gagan@crestcapitaladvisors.com

PREVIEW TO DIRECT LISTING IN BOMBAY STOCK EXCHANGE

ELIGIBILITY FOR BSE DIRECT LISTING

To be eligible for Direct Listing

- Issued and Paid up capital/ Net worth :
- Profit making track record :
- Listed on:
- Public Shareholding should:
- Minimum public shareholders:
- Minimum public shareholding:
- Information Memorandum:



The company should meet this criteria

- Minimum paid up capital of Rs. 3 crores and positive net worth
- Distributable profits in terms of sec. 205 of Companies Act, 1956 for at least 1 out of 2 immediately preceding financial years based on audited financial results .Provided further that the total period of latest 2 Financial Years should comprise a period of at least 24 months. Provided that extraordinary income shall not be considered for calculating distributable profit.
- Any recognized Stock Exchange.
- Meet the requirements of SCRA, SCRR and Listing Agreement.
- 500
- 50% held in demat form.
- As provided Companies Act, 1956 as certified by the CS/ MD of the Company

WHY BOMBAY STOCK EXCHANGE?

- BSE Ltd. (formerly Bombay Stock Exchange Ltd.), is Asia's first Stock Exchange and one of India's leading exchange groups.
- BSE provides an efficient and transparent market for trading in equity, debt instruments, derivatives, mutual funds
- BSE provides Trading in equities of small-and-medium enterprises (SME)
- Around 5000 companies are listed on BSE making it world's No. 1 exchange in terms of listed members
- BSE also provides a host of education other services to capital market participants including risk management, clearing, settlement, market data services and
- BSE is the first exchange in India and second in the world to obtain an ISO 9001:2000 certification.
- It is also the first Exchange in the country and second in the world to receive Information Security Management System Standard BS 7799-2-2002 certification for its On-Line trading System (BOLT).
- BSE also provides depository services through its Central Depository Services Ltd. (CDSL) arm.
- BSE's popular equity index - the S&P BSE SENSEX [Formerly SENSEX] - is India's most widely tracked stock market benchmark index. It is traded internationally on the EUREX as well as leading exchanges of the BRICS nations (Brazil, Russia, China and South Africa).

BENEFITS OF DIRECT LISTING

❑ Fund Raising and exit route to investors

Listing provides an opportunity to the corporate / entrepreneurs to raise capital to fund new projects/undertake expansions/diversifications and for acquisitions. Listing also provides an exit route to private equity investors as well as liquidity to the ESOP-holding employees.

❑ Ready Marketability of Security

Listing brings in liquidity and ready marketability of securities on a continuous basis adding prestige and importance to listed companies.

❑ Ability to raise further capital

An initial listing increases a company's ability to raise further capital through various routes like preferential issue, rights issue, Qualified Institutional Placements and ADRs/GDRs/FCCBs, and in the process attract a wide and varied body of institutional and professional investors.

❑ Supervision and Control of Trading in Securities

The transactions in listed securities are required to be carried uniformly as per the rules and bye-laws of the exchange. All transactions in securities are monitored by the regulatory mechanisms of the stock exchange, preventing unfair trade practices. It improves the confidence of small investors and protects them.

❑ Fair Price for the Securities

The prices are publicly arrived at on the basis of demand and supply; the stock exchange quotations are generally reflective of the real value of the security. Thus listing helps generate an independent valuation of the company by the market.

BENEFITS OF DIRECT LISTING

❑ Timely Disclosure of Corporate Information

The listing agreement signed with the exchange provides for timely disclosure of information relating to dividend, bonus and right issues, book closure, facilities for transfer, company related information etc by the company. Thus providing more transparency and building investor confidence.

Since the violation of the listing agreement entails the de-listing/suspension of securities from the rings of the exchange, the listed companies are expected to follow fair practices to the advantage of investors and public.

❑ Benefits to the Public

The data daily culled out by the stock exchange in the form of price quotations and others; provide valuable information to the public which can be used for project and research studies. The stock exchange prices can be an index of the state of the investments economy. Financial institutions, NRI, individual investor's etc. can take wise decisions before making

❑ Subdivision and Consolidation of Holdings

Stock exchange bye-laws provide for explicit rules for sub division and consolidation of securities as desired by the investors. There is special trading sessions in the exchange for conversion of odd lots into market lots arranged by financial and institutional investors. Thus listing helps to provide flexibility to investors in the subdivision and consolidation of their holdings with speed and earnestness.

❑ Collateral Value of Securities

Listed securities are acceptable to lenders as collateral for credit facilities. A listed company can also borrow from financial institutions easily as it is rated favorably by lenders of capital; the company can also raise additional funds from the public through the new issue market with a greater degree of assurance.

OUR SERVICES: SCOPE OF WORK

1. PREPARING THE DETAILED APPLICATION FOR BOMBAY STOCK EXCHANGE, ALONG WITH ALL THE ANNEXURES AND CERTIFICATES.

- Preparation of detailed profile of the company
- Preparations of profiles of key managerial persons
- Business details of the company along with fact sheet.
- To carry out detailed due diligence of the company for all the compliances.

2. COORDINATION WITH REGIONAL EXCHANGES

- For the compliance certificate as on the date of filing of the application with BSE
- For the capital confirmations, confirming the number of listed shares at the regional stock exchange

3. PREPARATION OF THE DETAILED INFORMATION MEMORANDUM OF THE COMPANY FOR THE SUBMISSION WITH THE BSE

- Collecting complete information of the company with respect to:-
- Companies overview
- Industry overview
- Legal aspects and litigations
- Business prospects – present and future
- Collecting information of the directors
- Collecting information of the holding and subsidiary company

4. DOCUMENTATION AND COORDINATION WITH THE BSE FOR FINAL TRADING PERMISSION.

THANK YOU

A photograph of two hands in business suits holding puzzle pieces. The hands are positioned on the left and right sides of the frame, with the fingers gripping the edges of several interlocking puzzle pieces. The puzzle pieces are arranged in a horizontal line, with one white piece on the left and several blue pieces to its right. The background is a solid light blue color.

WE WOULD LIKE TO KNOW MORE FROM YOU TO PARTNER WITH YOU IN YOUR SUCCESS BY TAKING YOU TO HIGH GROWTH TRAJECTORY!