Buy Back of Securities under SEBI & Companies Act 2013 in India

(A) General Conditions for Buy Back of Securities

1 Maximum Permitted Limit on Buy Back of Securities

(I) SEBI (Buy Back of Securities) Regulations, 1998

Maximum '15%' Paid up Capital + Free reserves

(II) Companies Act, 2013 - Section 68

Maximum '25%' Paid up Capital + Free reserves

2 Restriction on 'Further' Buy Back of Securities

(I) SEBI Regulations, 1998

Further buy back 'not' permitted with in '1' year from date of closure of last offer of buy back

(II) Companies Act, 2013

Further buy back 'not' permitted with in '1' year from date of closure of last offer of buy back

3 Minimum Buy Back

(I) SEBI Regulations, 1998

Minimum '50%' amount as earmarked for buy back be utilized for buy back of shares

(II) Companies Act, 2013

Concept of minimum buy back 'not' applicable

(B) Buy Back from Open Market through Stock Exchange

1 Date of Public Announcement

(I) SEBI Regulations, 1998

Public announcement be made with in '7' working days from date of passing of resolution authorizing buy back

(II) Companies Act, 2013

Concept of public announcement 'not' applicable

2 Filing Copy of Public Announcement

(I) SEBI Regulations, 1998

Filing needed simultaneous with public announcement

(II) Companies Act, 2013

Concept of filing 'not' applicable

3 Dissemination of Information of Buy Back to Stock Exchange

SEBI Regulations, 1998

Needed submission of informations of buy back to stock exchange on daily basis

& (b) Also needed to upload the informations on website by stock exchange

(II) Companies Act, 2013

Concept of submission of informations to stock exchange 'not' applicable

4 Uploading of Information of Buy Back on Website by Company

(I) SEBI Regulations, 1998

Needed to upload the informations on website by company

(II) Companies Act, 2013

Concept of uploading the informations on website by company 'not' applicable

5 Required Period for offer of Buy Back

(I) SEBI Regulation, 1998

(a) Offer be opened with in '7' working days from date of public announcement

& (b) Also be closed with in '6' months from date of opening of offer

(II) Companies Act, 2013

Buy back process be completed with in '1' year from date of passing of resolution for authorizing buy back

6 Extinguishment of Certificates

(I) SEBI Regulation, 1998

Extinguishment of certificates be completed with in '15' days from end of month of completion of buy back

(II) Companies Act, 2013

Extinguishment of certificates be completed with in '7' days from completion of buy back

(C) Obligations on Company

1 Restrictions on Promoters for Dealings in Shares

SEBI Regulations, 1998

(a) Restrictions needed against dealings in shares in stock exchange

&

	(b) **Also** 'off' **market** during **period** of **passing** of **resolution** till **closure** of **buy bank** (II) **Companies** Act, **2013** **Concept** of **restrictions** on **promoters** for **dealing** in **shares** 'not' **applicable**		(I) **SEBI** Regulations, **1998** **Minimum** '1' **year** from **closure** of **buy** back **offer** 'except' for **discharge** subsisting **obligations** (II) **Companies** Act, **2013** **Minimum** '6' **months** 'except' **issue** of **bonus** shares **or** for **discharge** subsisting **obligations**
2	**Restrictions** on 'Further' **Raising** of **capitals**		