

SCHEDULE IX – PUBLIC COMMUNICATIONS AND PUBLICITY MATERIALS

[See regulation 42, 83, 138, 199 and 264]

- (1) Any public communication including advertisements, publicity material and research reports (referred to as public communication) issued or made by the issuer or its associate company, or by the lead manager(s) or their associates or any other intermediary connected with the issue or their associates, shall contain only such information as contained in the draft offer document/offer document and shall comply with the following:
- (a) it shall be truthful, fair and shall not be manipulative or deceptive or distorted and it shall not contain any statement, promise or forecast which is untrue or misleading;
 - (b) if it reproduces or purports to reproduce any information contained in the draft offer document or draft letter of offer or offer document, as the case may be, it shall reproduce such information in full and disclose all relevant facts not to be restricted to select extracts relating to that information;
 - (c) it shall be set forth in a clear, concise and understandable language;
 - (d) it shall not include any issue slogans or brand names for the issue except the normal commercial name of the issuer or commercial brand names of its products already in use or disclosed in the draft offer document or draft letter of offer or offer document, as the case may be;
 - (e) it shall not contain slogans, expletives or non-factual and unsubstantiated titles;
 - (f) if it presents any financial data, data for the past three years shall also be included alongwith particulars relating to revenue, net profit, share capital, reserves / other equity (as the case may be), earnings per share, dividends and the book values, to the extent applicable;
 - (g) issue advertisements shall not use technical, legal or complex language and excessive details which may distract the investor;
 - (h) issue advertisements shall not contain statements which promise or guarantee rapid increase in revenue or profits;

- (i) issue advertisements shall not display models, celebrities, fictional characters, landmarks, caricatures or the likes;
- (j) issue advertisements on television shall not appear in the form of crawlers (advertisements which run simultaneously with the programme in a narrow strip at the bottom of the television screen) on television;
- (k) issue advertisements on television shall advise the viewers to refer to the draft offer document or offer document, as the case may be, for the risk factors;
- (l) an advertisement or research report containing highlights, shall advise the readers to refer to the risk factors and other disclosures in the draft offer document or the offer document, as the case may be, for details in not less than point seven size;
- (m) an issue advertisement displayed on a billboard/banners shall contain information as specified in Part D of Schedule X;
- (n) an issue advertisement which contains highlights or information other than the details contained in the formats as specified in Schedule X shall prominently advise the viewers to refer to the draft offer document and offer document for details and risk factors.

(2) All public communications issued or published in any media during the period commencing from the date of the meeting of the board of directors of the issuer in which the public issue is approved till the date of filing draft offer document with the Board shall be consistent with its past practices:

Provided that where such public communication is not consistent with the past practices of the issuer, it shall be prominently displayed or announced in such public communication that the issuer is proposing to make a public issue of specified securities in the near future and is in the process of filing a draft offer document.

(3) All public communications issued or published in any media during the period commencing from the date of filing draft offer document or draft letter of offer till the date of allotment of securities offered in the issue, shall prominently disclose that the issuer is proposing to make a public issue or rights issue of the specified securities and has filed the draft offer document or the draft letter of offer or has filed the offer document or letter of offer, as the case may be, and that it is available on the websites of the Board, lead manager(s) and stock exchanges.

Provided that requirements of this sub-regulation shall not be applicable in case of advertisements of products or services of the issuer.

(4) The issuer shall make a prompt, true and fair disclosure of all material developments which take place between the date of filing offer document and the date of allotment of specified securities, which may have a material effect on the issuer, by issuing public notices in all the newspapers in which the issuer had released pre-issue advertisement under applicable provisions of these regulations;

(5) The issuer shall not, directly or indirectly, release, during any conference or at any other time, any material or information which is not contained in the offer document.

(6) For all issue advertisements and public communications, the issuer shall obtain the approval from the lead manager(s) responsible for marketing the issue and shall also provide copies of all issue related materials to all lead manager(s).

(7) Any advertisement or research report issued/ made by the issuer/cause to be issued by the issuer or its associate company (as defined under the Companies Act, 2013), or by the lead manager(s) or their associates (as defined in the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) or any other intermediary connected with the issue or their associates (as

defined under Securities and Exchange Board of India (Intermediaries) Regulations, 2008) shall comply with the following:

- a) it shall be truthful, fair and shall not be manipulative or deceptive or distorted and it shall not contain any statement, promise or forecast which is untrue or misleading;
- b) if it reproduces or purports to reproduce any information contained in the draft an offer document or draft letter of offer or offer document, as the case may be, it shall reproduce such information in full and disclose all relevant facts not to be restricted to select extracts relating to that information;
- c) it shall be set forth in a clear, concise and understandable language;
- d) it shall not include any issue slogans or brand names for the issue except the normal commercial name of the issuer or commercial brand names of its products already in use or and disclosed in the draft offer document or draft letter of offer or offer document, as the case may be;
- e) if it presents any financial data, data for the past three years shall also be included along with particulars relating to sales, gross profit, net profit, share capital, reserves, earnings per share, dividends and the book values, to the extent applicable;
- f) no advertisement shall use extensive technical, legal terminology or complex language and excessive details which may distract the investor;
- g) no issue advertisement shall contain statements which promise or guarantee rapid increase in profits;
- h) no issue advertisement shall display models, celebrities, fictional characters, landmarks or caricatures or the likes;
- i) no issue advertisement shall appear in the form of crawlers (the advertisements which run simultaneously with the programme in a narrow strip at the bottom of the television screen) on television;
- j) in any issue advertisement on television screen, the risk factors shall not be scrolled on the television screen and the advertisement shall advise the viewers to refer to draft offer document or draft letter of offer or offer document, as the case may be, or other documents, the red herring prospectus or other offer document for details;
- k) no issue advertisement shall contain slogans, expletives or non-factual and unsubstantiated titles;
- l) if an advertisement or research report contains highlights, the advertisement or research report, as applicable, shall prominently advise the viewers to refer to the draft offer document or draft letter of offer or offer document, as the case may be, for details contains highlights, it shall also contain risk factors with equal importance in all respects including print size of not less than point seven size;
- m) an issue advertisement displayed on a billboard shall not contain information other than that specified in Part D of Schedule X;
- n) an issue advertisement which contains highlights or information other than the details contained in the format as specified in Schedule X shall prominently advise the viewers to refer to the offer document for details and risk factors.

(8) No public information with respect to the issue shall contain any offer of incentives, to the investors whether direct or indirect, in any manner, whether in cash or kind or services or otherwise.

(9) No advertisement relating to product or service provided by the issuer shall contain any reference, directly or indirectly, to the performance of the issuer during the period commencing from the date of the resolution of the board of directors of the issuer approving the public issue till the date of allotment of specified securities offered in such issue.

(10) No information which is extraneous to the information disclosed in the draft offer document or offer document, as the case may be, or otherwise, shall be given by the issuer or any member of

the issue management team or syndicate to any particular section of the investors or to any research analyst in any manner whatsoever, including at road shows, presentations, in research or sales reports or at bidding centres.

(11) The lead manager(s) shall submit a compliance certificate in the format specified in Part E of Schedule X for the period between the date of filing the draft offer document and the date of closure of the issue, in respect of news reports appearing in any of the following media:

- a) newspapers mentioned in these regulations;
- b) print and electronic media controlled by a media group where the media group has a private treaty or shareholders' agreement with the issuer or promoters of the issuer.

Explanation: For the purpose of this schedule:

- (I) "public communication or publicity material" includes corporate, issue advertisements of the issuer, interviews by its promoters, directors, duly authorized employees or representatives of the issuer, documentaries about the issuer or its promoters, periodical reports and press releases.
- (II) Any advertisement issued by the issuer shall be considered to be misleading, if it contains:
 - a) Statements made about the performance or activities of the issuer without necessary explanatory or qualifying statements, which may give an exaggerated picture of such performance or activities.
 - b) An inaccurate portrayal of past performance or its portrayal in a manner which implies that past gains or income will be repeated in the future.