

PR No.36/2024

SEBI Board Meeting

The 208th meeting of the SEBI Board was held in Mumbai today.

The SEBI Board, *inter-alia*, approved the following:

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1. Ease of doing business with respect to Business Responsibility and Sustainability Report (BRSR)

With a view to facilitate ease of doing business for listed entities and their value chain partners with regard to requirements under BRSR on Environmental, Social and Governance (ESG) disclosures and its assurance, and introduction of voluntary disclosure on green credits, the Board approved the following:

- 1.1 Deferring ESG disclosures for value chain, as well as “assessment or assurance” thereof, by one year. Hence, ESG disclosures for value chain shall apply from FY 2025-26 (as against the current requirement of FY 2024-25) and “assessment or assurance” thereof shall be applicable from FY 2026-27 (as against the current requirement of FY 2025-26).
 - 1.2 Providing ESG disclosures for value chain shall be “voluntary”, instead of the present requirement of ‘comply-and-explain’.
 - 1.3 Reducing the scope of value chain to cover the top upstream and downstream partners of a listed entity, individually comprising 2% or more of the listed entity's purchases and sales (by value), respectively, while providing that the listed entity may limit disclosure of value chain to cover 75% of its purchases and sales (by value), respectively.
 - 1.4 Reporting of previous year numbers will be voluntary in case of first year of reporting of ESG disclosures for value chain.
 - 1.5 Introduction of a leadership indicator in Principle 6 of BRSR for disclosure of Green Credits generated or procured by the listed entity and its top-10 value chain partners.
 - 1.6 Substitution of “assurance” with “assessment or assurance” in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, regarding BRSR. “Assessment” will be third-party assessment undertaken as per standards to be developed by the Industry Standards Forum (ISF) in consultation with SEBI. This would be applicable for BRSR Core disclosures for listed entities and value chain from FY 2024-25 and FY 2026-27 onwards, respectively.
- ## **2. Review of SME framework under SEBI (ICDR) Regulations, 2018, and applicability of corporate governance provisions under SEBI (LODR) Regulations, 2015 on SME companies**

In order to strengthen the framework for public issues by Small and Medium Enterprises (SMEs) and to facilitate that SMEs with a sound track record have an opportunity to raise funds from the public and get listed on stock exchanges, and to protect the interests of investors in the SMEs, the Board approved amendments to the SEBI (ICDR) Regulations, 2018 and SEBI (LODR) Regulations, 2015 which inter-alia include following:

- 2.1 An issuer shall make an IPO, only if the issuer has an operating profit (earnings before interest, depreciation and tax) of Rs. 1 crore from operations for any 2 out of 3 previous financial years at the time of filing of its draft red herring prospectus (DRHP).
- 2.2 Offer for sale (OFS) by selling shareholders in SME IPO shall not exceed 20% of the total issue size and selling shareholders cannot sell more than 50% of their holding.
- 2.3 Lock-in on promoters' holding held in excess of minimum promoter contribution (MPC) to be released in phased manner i.e. lock-in for 50% promoters' holding in excess of MPC shall be released after 1 year and lock-in for remaining 50% promoters' holding in excess of MPC shall be released after 2 years.
- 2.4 Allocation methodology for non-institutional investors ("NIIs") in SME IPOs to be aligned with methodology used for NIIs in main board IPOs.
- 2.5 Amount for General Corporate Purpose (GCP) in SME IPO shall be capped to 15% of amount being raised by the issuer or Rs. 10 crores, whichever is lower.
- 2.6 SME issues shall not be permitted, where objects of the issue consist of Repayment of Loan from Promoter, Promoter Group or any related party, from the issue proceeds, whether directly or indirectly.
- 2.7 DRHP of SME IPO filed with the Stock Exchanges to be made available for 21 days for public to provide comments on DRHP, by making public announcement in newspaper with QR code.
- 2.8 Further issue by SME Companies to be permitted without migration to Main Board subject to the issuer undertaking compliance of the provisions of SEBI (LODR) Regulations, 2015 as applicable to the companies listed on the Main Board.
- 2.9 Related party transaction (RPT) norms, as applicable to listed entities on Main Board, to be extended to SME listed entities, provided that the

threshold for considering RPTs as material shall be 10% of annual consolidated turnover or Rs. 50 crore, whichever is lower.

3. Review of Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992

SEBI has undertaken a comprehensive review of the SEBI (Merchant Bankers) Regulations, 1992, which lays down the regulatory framework for the registration of Merchant Bankers (MBs), their eligibility, activities they can undertake and revision in net worth including liquid net worth criteria. The Board approved the amendment to SEBI (Merchant Bankers) Regulations, 1992. The main features of the amendment, inter alia, are as under:

- 3.1 Merchant Bankers, other than Banks, Public Financial Institution and their subsidiaries, shall undertake only permitted activities. MBs may carry out other regulated activities as a separate business unit after obtaining registration/ confirmation from the respective regulatory authority.
 - 3.1.1 Permitted activities which come under the purview of SEBI have been specified.
 - 3.1.2 Activities other than permitted activities by MB shall be hived off to a separate legal entity with a separate brand name, within a period of two years. MBs which have to hive off activities and the hived off entity, shall abide by such code of conduct as may be specified by SEBI from time to time.
 - 3.1.3 The separate entity may be allowed to carry out activities other than the permitted activities by sharing the resources with the MB on an arm's length basis without casting any legal liability in respect of the same, on the MB.
- 3.2 MBs shall not undertake fresh valuation activities as part of its MB Registration. However, existing valuation assignments taken up by MBs may be completed. If an MB wishes to take up valuation activities, it shall obtain registration from the concerned regulator or authority, within a period of nine months.
- 3.3 There will be two categories of MBs based on net worth and activities.
 - 3.3.1 Category 1 - Net worth not less than Rs. 50 crores and allowed to undertake all permitted activities.

3.3.2 Category 2 - Net worth not less than Rs. 10 crores and allowed to undertake all permitted activities except managing equity issues on the Main Board.

3.4 MBs shall maintain a liquid net worth of at least 25% of the minimum net worth requirement, at all times.

3.5 It will be mandated for MBs to earn revenue from permitted activities as given below, failing which, registration as MB shall be liable for cancellation.

3.5.1 Category 1: Earn revenue of at least Rs. 25 crores, on a cumulative basis, in three immediately preceding financial years.

3.5.2 Category 2: Earn revenue of at least Rs. 5 crores, on a cumulative basis, in three immediately preceding financial years.

MBs managing only the issue of listed / to be listed Debt and Hybrid securities shall be exempted from complying with the aforementioned requirement of minimum revenue.

The certificate of registration of an MB may not be liable for cancellation if the minimum revenue criteria could not be met due to certain situation(s) as may be specified.

3.6 The underwriting limit for MBs has been prescribed as 20 times of liquid net worth.

3.7 In order to curb conflict of interest and to ensure adequate due diligence, a merchant banker shall not lead manage any public issue, if its directors, other key managerial personnel, compliance officer, employees or relative(s) of the said persons, individually or in aggregate hold more than 0.1% of paid up share capital or shares whose nominal value is Rs. 10,00,000, whichever is lower, in the issuer: Such MB may be appointed, if it is involved only in the marketing of the issue, subject to appropriate disclosures.

3.8 Minimum educational qualification of Company Secretary or graduate degree in law and post qualification work experience of two years, has been prescribed for the Compliance Officer.

Existing Compliance Officers may continue, provided, they have five years' experience and have obtained the prescribed NISM Certifications.

4. Amendments to SEBI (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008 ('SDI Regulations')

With a view to refresh and restate the SDI Regulations, the Board *inter alia* approved the following salient proposals:

- 4.1 Mandating listed or to be listed Securitised Debt Instruments (SDI) issuance and its transfer only in demat form;
- 4.2 Defining the minimum ticket size for a single investor, whether during initial subscription or subsequent purchase of a listed or to be listed SDI:
 - (i) For originators regulated by the RBI, Rs 1 crore at initial subscription and no specification for subsequent transfers;
 - (ii) ₹1 crore for originators that are not regulated by RBI for both initial and subsequent transfers (subject to amortized value of such instrument for purposes of trading lot);
 - (iii) For SDIs backed by listed securities, the amount shall be the highest face value among such listed securities for both initial and subsequent transfers;
- 4.3 Revision to the definition of debt/receivables to define in a more detailed way what can be securitised;
- 4.4 Introduction of conditions governing securitisation resulting in the issuance of listed or to be listed SDIs as follows:
 - (i) No single obligor constituting more than 25% of the asset pool provided that the requirements may be relaxed on a risk based approach as may be specified from time to time;
 - (ii) The assets comprising the securitisation pool must be homogeneous;
 - (iii) SDIs must be fully paid-up upfront;
 - (iv) Originators must have a track record of operations spanning 3 financial years, which resulted in the creation of the type of debt or receivable they are seeking to securitize;
 - (v) Obligors must have a track record of operations spanning 3 financial years, which resulted in the creation of the type of debt or receivable the originator is seeking to securitise. Last two conditions will not be applicable to originators regulated by RBI;
- 4.5 Introduction of provisions related to Minimum Retention Requirement (MRR), Minimum Holding Period (MHP), clean-up call option, liquidity facility and advertisement;
- 4.6 Flexibility in offer period as minimum 2 working days and maximum 10 working days;

- 4.7 Revising the eligibility for trustees of a Special Purpose Distinct Entity (SPDE) of a listed or to be listed SDI to SEBI registered Debenture Trustee and amendment to 'Duties of Trustees' and Trustee Code of Conduct to provide clarity, increase accountability and transparency;
- 4.8 Introduction of periodic disclosure requirements and other amendments, including: (i) about the Servicer; (ii) outstanding litigations, and material developments disclosure to be made on an annual basis; (iii) allowing any authorized person of the originator, instead of directors, to make declarations in the offer document when the issuance is done through private placement; and (iv) Introduction of e-Voting for investors of SDIs; and
- 4.9 Introduction of an optional safe harbour (by harnessing the depository mechanism) for private securitisation transactions that are not intended to be made available to the public at large.

5. Measures for Reforms to Debenture Trustees Regulations including towards Ease of Doing Business

- 5.1 With a view to facilitating ease of doing business for Debenture Trustees (DTs), the Board approved the following proposals: (a) Insertion of provisions in DT Regulations specifying Rights of DTs exercisable to aid in performance of their fiduciary duties, obligations, roles & responsibilities and corresponding obligations on the issuer under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to enable timely fulfilment of duties by DTs, and (b) Standardisation of model Debenture Trust Deeds, by Industry Standards Forum in consultation with SEBI, that can be utilized by issuers (or when deviated, disclosing the deviations for investors to review).
- 5.2 Board also approved an activity based regulatory framework for DTs to undertake activities falling under the purview of other financial sector regulators/ authorities and to hive off non-regulated activities to a separate entity within two years from the date of notification. DTs may share resources with the hived-off entity so that their efficiency is not impacted. This should be ensured without incurring any legal liability on the regulated entity. The hived-off entity should not use the brand name of the DT beyond the aforesaid period of two years. DTs which have to hive off

activities and the hived-off entity when using the same brand name have to abide by such code of conduct as SEBI may specify from time to time.

6. Measures towards Ease of Doing Business for ESG Rating Providers (ERPs)

- 6.1 With a view to facilitating ease of doing business for ERPs following a subscriber-pays business model, the Board approved the following proposals: (a) Sharing of ESG rating report with subscribers and the rated issuer at the same time; and (b) Process of dealing with appeal and representation by the rated issuer.
- 6.2 The Board also approved an activity based regulatory framework for ERPs to undertake activities falling under the purview of other financial sector regulators/ authorities and to hive off non-regulated activities to a separate entity. ERPs may share resources with the hived-off entity so that their efficiency is not impacted. This should be ensured without incurring any legal liability by the regulated entity. The hived-off entity should not use the brand name of the ERP. ERPs which have to hive off activities and for hived-off entity, if any, when using the same brand name have to abide by such code of conduct as SEBI may specify from time to time.

7. Review of provisions regarding corporate governance norms for High Value Debt Listed entities (HVDLEs) - amendments to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR Regulations)

The Board has *inter-alia* approved the proposals regarding corporate governance norms for HVDLEs:

- 7.1 Increase in threshold for identification of HVDLE from Rs.500 crores to Rs. 1000 crores for aligning the same with the threshold specified for Large Corporates;
- 7.2 Introduction of a separate chapter, and a sunset clause for corporate governance norms in the LODR Regulations which will be applicable to entities which have only debt listed securities, to facilitate ease of reference;
- 7.3 Increased flexibility on the constitution of the Nomination and Remuneration Committee (NRC), Risk Management Committee (RMC) and Stakeholder Relationship Committee (SRC) by HVDLEs;

- 7.4 HVDLEs shall be included in computation of listed entities while counting the ceiling on the number of directorships, memberships or chairpersonships so as to ensure that a director is able to give adequate attention to each listed entity. The restriction on maximum number of directorships shall not apply for directorships that arise due to ex-officio position by virtue of statute or applicable contractual framework in case of PSUs and entities set up under the Public Private Partnership (PPP) mode respectively;
- 7.5 For debt listed entities where the shareholding is wholly/ substantially held by one or a few related party shareholders, material related party transactions shall require No-Objection Certificate (NOC) from the Debenture Trustee (who in turn shall obtain debenture holders' approval). The said NOC shall be obtained before seeking shareholder's approval on the same through resolution. If the NOC has been withheld, the matter shall not be taken forward for shareholders' consideration/ action; This shall be applicable for RPTs undertaken by HVDLEs from April 01, 2025 onwards;
- 7.6 Introduction of Business Responsibility and Sustainability Report (BRSR) for HVDLEs on a voluntary basis to introduce the practice of good governance at par with equity listed entities; and
- 7.7 Relaxation to entities set up under the Public Private Partnership mode (PPP) mode from provisions relating to composition of directors under the LODR Regulations akin to PSUs or statutory entities.

8. Measures towards Ease of Doing Business and Investor Protection for Infrastructure Investment Trusts (InvITs) and Real Estate Investment Trusts (REITs)

- 8.1 The Board approved ease of doing business proposals for REITs and InvITs which inter-alia included: permitting inter-se transfer of locked-in units amongst a sponsor group entity; providing the definition of "common infrastructure" in the REIT Regulations; permitting investment in interest rate derivatives for hedging (as a user or client) subject to RBI guidelines as applicable; and providing three months for filling up of vacancy of director.
- 8.2 Further, the Board approved investor protection measures wherein REITs / InvITs shall be permitted to invest in unlisted equity shares, but only of a company which provides property management / property

maintenance / housekeeping / project management and other incidental services to the REIT / InvIT assets subject to conditions; shall be permitted to invest in liquid mutual funds schemes only where the credit risk value is at least 12 and falls under the Class A-I in the potential risk class matrix; and expanding the roles and responsibilities of the trustee to strengthen and enhance their role for the benefit of unitholders.

9. Measures towards Ease of Doing Business for Small and Medium Real Estate Investment Trusts (SM REITs)

The Board approved the following proposals to facilitate ease of doing business related to activities of SM REITs: (a) Standardizing the disclosures in scheme offer document including bifurcation of the scheme offer document into Key Information of the Trust (KIT) and Key Information of the Scheme (KIS), manner of filing and processing of KIT and KIS, manner of updation of KIT and preparation of scheme offer document in a manner which facilitates automated processing; (b) Guidelines for public issue of units by a scheme of SM REIT including allocation in public issue, subscription period, price band, allotment procedure in case of oversubscription and minimum subscription amount; and (c) Alignment of certain provisions pertaining to investment conditions and borrowings for SM REITs vis-à-vis REITs.

10. Facilitating ease of doing business for employees of Asset Management Companies (AMCs) with respect to the framework related to “Alignment of interest of the designated employees of the Asset Management Company (AMC) with the interest of the unitholders”

10.1 The Board approved amendments to SEBI (Mutual Funds) Regulations, 1996 (‘Regulations’) for relaxing the regulatory framework related to ‘Alignment of interest of the designated employees of the AMCs with the interest of the unitholders’ to facilitate ease of doing business for Mutual Funds while mandating disclosure of results of stress testing of all mutual fund schemes.

10.2 The relaxations inter alia pertain to reduction of minimum investment amount, reduction of frequency of disclosure, lower lock-in period for employees who have resigned, empowering Nomination and Remuneration Committee to verify compliances by designated employee,

relaxed requirements for employees managing liquid funds and relaxed redemption norms.

11. Amendments to the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 for specifying timelines for deployment of funds collected by Asset Management Companies (AMC's) in New Fund Offer (NFO) as per asset allocation of the scheme

- 11.1 The Board approved amendments to SEBI (Mutual Funds) Regulations, 1996 ('Regulations') to specify timelines for deployment of funds collected by Mutual Funds in New Fund Offers (NFO), as per the specified asset allocation of a scheme.
- 11.2 The objective of the framework is to provide a timeline within which the fund manager would be required to deploy the funds garnered in an NFO as per the required asset allocation of the scheme. The new framework is aimed at encouraging AMCs to collect only as much funds in NFOs as can be deployed in a reasonable period of time (i.e. ordinarily 30 days), since in the open-ended funds investors always have the option to enter the scheme at a later date at the prevailing NAV. The framework provides an option to investors to exit the scheme without exit load in case the fund manager is unable to deploy the fund within the specified timeline. Further, to address the issue of possible mis-selling in NFOs, for switch transactions, the distributor shall be entitled to the lower of the two commissions offered under the two schemes of the switch transaction.

12. Review of SEBI (Custodian) Regulations, 1996

- 12.1 The Board approved the proposal to review SEBI (Custodian) Regulations, 1996. Overall, these measures are expected to simplify compliances while also strengthening the risk management and governance amongst Custodians.
- 12.2 Some of the key proposals that have been approved by the Board are-
- 12.2.1 Risk Management:
- a) A dedicated net worth of Rs. 75 Crore shall be maintained by Custodians. Existing Custodians shall achieve the same within three years.
 - b) Custodians shall adopt a framework on Business Continuity Plan and Disaster Recovery, orderly winding down and

enhanced obligations, similar to that of Qualified Stock Brokers.

- c) Custodians may undertake activities incidental to regulated activities as may be specified from time to time (eg. fund accounting), provided there are effective controls in place to address potential conflicts of interest. They shall hive-off activities that are not under the purview of any financial sector regulator to a separate legal entity within two years.
- d) The Code of Conduct applicable for Custodians shall be amended in line with that applicable for other intermediaries.

12.2.2 Ease of Doing Business:

- a) In the context of norms regarding outsourcing of non-core custodian activities, the Custodians and Depositories Standard Setting Forum (CDSSF) may categorise a list of core/non-core activities, in consultation with SEBI.
- b) The requirement of vaults shall apply only if the custodian is holding any physical securities. The specifications of such vault may be harmoniously adopted by the industry through the CDSSF, in consultation with SEBI, subject to full disclosure and taking informed consent from the clients.
- c) Certain reports submitted by custodians to SEBI shall be discontinued to remove duplicate reporting requirements to SEBI and Depositories.

13. Proposal for recognition of Past Risk and Return Verification Agency (PaRRVA)

13.1 In order to facilitate persons regulated by the Board or their agents to market their services to investors using their risk-return metrics, the Board has approved the proposal to recognise a “Past Risk and Return Verification Agency (PaRRVA)” which shall verify the risk-return metrics in respect of services of such persons or their agents. A Credit Rating Agency (CRA) shall act as PaRRVA with a recognized stock exchange serving as PaRRVA Data Centre (PDC).

13.2 PaRRVA shall carry out the verification of risk-return metrics for Investment Advisors (IAs), Research Analysts (RAs) and Algorithmic Trading, and those persons permitted by the Board to offer these services. It is clarified

that the risk return metrics verification shall be made only on a prospective basis from the effective date of opting for the PaRRVA service.

- 13.3 Initially, PaRRVA shall be operational on pilot basis for a period of two months. During the pilot period, the agency shall seek feedback from stakeholders and fine-tune technological systems and processes (if required) for a stable and streamlined experience for the stakeholders. Post such fine tuning, PaRRVA shall be operational on a regular basis for above mention entities. It would not be mandatory to avail the services of the agency in case one does not wish to make a claim regarding their past risk-return metrics.

14. Assigning responsibility for the use of Artificial Intelligence tools by Market Infrastructure Institutions, Registered Intermediaries and other persons regulated by SEBI

- 14.1 The Board approved the proposal to amend the provisions of Securities and Exchange Board of India (Intermediaries) Regulations, 2008, Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018, and the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, to require persons regulated by SEBI (including MIIs, registered intermediaries, AMCs, managers of pooled investment vehicles) who use Artificial Intelligence tools, either designed by them or procured from third-party technology service providers, to take full responsibility for their use of such tools. The Regulations shall be applicable irrespective of the scale and scenario of adoption of such tools for conducting its business and servicing its investors. Such SEBI regulated persons shall be solely responsible for –

14.1.1 the privacy, security and integrity of investors' and stakeholders' data including data maintained by it in a fiduciary capacity, throughout the processes involved;

14.1.2 the output arising from the usage of such tools and techniques it relies upon or deals with; and

14.1.3 the compliance with applicable laws in force.

15. Aligning the modes for payment of dividend, interest, etc. for demat account holders in line with physical securityholders to promote online/digital transactions

The Board approved the proposal for mandating any kind of payment including dividend or interest or redemption or repayment by a listed entity to its security holders in electronic form only. In case of returned dividend/interest/redemption, there will be an obligation on the Company to inform the demat account holders by way of registered post as well as by email/sms to update their correct bank account details. The companies and Depositories shall engage in a sustained campaign to facilitate that investors populate their bank account details so as to receive their payments in electronic mode. The amendment will take effect from a date subsequent to such sustained campaign.

16. Amendments to include events in the illustrative list of the definition of Unpublished Price Sensitive Information (UPSI) under SEBI (Prohibition of Insider Trading) Regulations, 2015.

16.1 The Board, inter-alia, approved the amendments to the definition of UPSI under Regulation 2(1)(n) of SEBI (Prohibition of Insider Trading) Regulations, 2015 by including in the illustrative list, 17 out of the 27 items not already covered from events considered as material events requiring disclosures under Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. This is being done to enhance regulatory clarity, certainty and uniformity in compliance in the ecosystem.

16.2 In addition, for identification of events as UPSI, threshold limits as prescribed for events from Para A and Para B of Part A of Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been made applicable. Further, for events emanating from outside the company, flexibility has been provided to make entries in the structured digital database on a deferred basis, within two days, as well as to not have mandatory trading window closure. This has been done to enhance the ease of doing business (EODB) for listed companies.

17. Amendments to Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 for provisions related to payment of Annual Fee and Annual Charge by the depositories

In order to align the provisions applicable to depositories regarding timelines for payment of annual fee, requirement for Chartered Accountant (CA)

certification to ensure correctness of statement of annual fee paid, and levy of interest in case of delay in payment of fees, with those applicable to stock exchanges, the Board approved amendments to Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 for the following:

- 17.1 The payment of annual fee to the Board by depositories shall be within fifteen days from the beginning of each financial year.
- 17.2 The depository shall intimate the Board, the details of remittance along with the statement of computation of annual charges certified to be correct by a Chartered Accountant, to ensure correctness in computation and independent verification of annual charges paid to the Board by the depository.
- 17.3 In case of non-payment, late payment or short payment of annual fee or annual charge, depository shall be liable for payment of interest of 15% per annum on the amount remaining unpaid or belatedly paid or short-paid, for every month of delay or part thereof to the Board.

18. Securities and Exchange Board of India (Procedure for making, amending and reviewing of Regulations) Regulations, 2024

- 18.1 The Board approved the Securities and Exchange Board of India (Procedure for making, amending, and reviewing of Regulations) Regulations, 2024, which *inter alia* codifies SEBI's approach of undertaking public consultation for making and amending regulations. It also lays down the requirement of reviewing regulations. Key features of the said regulations include following:
- 18.2 Public Consultation: It mandates that the proposal(s) containing the suggested changes to the policy, including the draft regulations, shall be published for public feedback ordinarily for a minimum of 21 calendar days.
- 18.3 Rationale for acceptance/non-acceptance will be made public.
- 18.4 Board Agendas will carry structured analysis of feedback from public consultation.
- 18.5 Regulations in exigency: It allows for expedited processes (without public consultation or with public consultation but with reduced time period) when it is expedient in the interest of the investors, the regulation or development of the securities market. The Board shall be apprised of cases where procedure laid down in the regulations has been exempted.

18.6 Periodic Review: It mandates periodic review of regulations *inter alia* based on objectives, outcomes, and best practices.

19. Updation with respect to Investor Charter for Securities Market

The Board considered and approved the proposal to insert a provision in the appropriate SEBI Regulations, requiring the respective SEBI Intermediaries/Regulated entities to adhere to the Investor Charter as specified by SEBI from time to time.

Mumbai

December 18, 2024