

**SEBI UPDATES**

**1. Enhancement of Overseas Investment limits for Mutual Funds**

On **June 03, 2021** SEBI vide its Circular has enhanced the Overseas Investment limits for Mutual Funds (MFs) specified in its earlier Circular dated November 05, 2020 which shall come into force with immediate effect on June 03, 2021. All other conditions specified in the circular dated November 05, 2020 will remain unchanged. New Limits as per the Amendment:

Sr No.	Particulars	New Limits		Old Limits	
		Per MF	Overall Industry Limit	Per MF	Overall Industry Limit
1.	Mutual Funds can make overseas investments	maximum US \$1 billion	US \$ 7 billion.	maximum of US \$ 600 million	US \$ 7 billion
2.	Mutual Funds can make investments in overseas Exchange Traded Fund [ETF(s)]	maximum of US \$ 300 million	US \$ 1 billion	maximum of US \$ 200 million	US \$ 1 billion

In respect of investment limits to be disclosed in the scheme documents at the time of NFO and the investment limits on ongoing schemes, such limits would henceforth be soft limits for the purpose of reporting only by Mutual Funds on monthly basis in the format prescribed vide SEBI circular dated November 5, 2020

The link for the aforesaid Circular is as below:

[https://www.sebi.gov.in/legal/circulars/jun-2021/circular-on-enhancement-of-overseas-investment-limits\\_50415.html](https://www.sebi.gov.in/legal/circulars/jun-2021/circular-on-enhancement-of-overseas-investment-limits_50415.html)

**2. Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021**

On **June 10, 2021** SEBI vide Notification No. **SEBI/LAD-NRO/GN/2021-25** notified SEBI (Delisting of Equity Shares) Regulations, 2021. These Regulations have repealed the previous SEBI (Delisting of Equity Shares) Regulations, 2009.

This new Regulation, 2021 have made the delisting process easier, efficient and time bound. It also has special provisions for delisting of equity shares of Small Companies, Companies Listed on Innovators Growth Platform (IGP) and Subsidiary Companies.

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These Regulations, 2021 provides for the following:

- 1) Scope and applicability of the regulations
- 2) Conditions for delisting the equity shares
- 3) Voluntary Delisting in Two Parts A and B
  - A. Conditions and procedure for delisting where exit opportunity is not required
  - B. Conditions and procedure for delisting where exit opportunity is required
- 4) Exit opportunity
- 5) Compulsory Delisting
- 6) Special provisions for Small Companies
- 7) Special provisions for Companies listed on IGP (Innovators Growth Platform)
- 8) Special provisions for Subsidiary Company getting delisted pursuant to a Scheme of Arrangement where in listed holding company and subsidiary company is in same line of business
- 9) Special provisions for Delisting by operation of Law.

### **Conditions and procedure for delisting where exit opportunity is required**

- 1) The Acquirer before making the Initial Public Announcement (IPA) appoint a Merchant Banker to act as manager to the offer.
- 2) On the date when the Acquirer(s) decides to voluntarily delist the equity shares of the Company, it shall make an IPA to all the stock exchanges on which the shares of the Company are listed and the stock exchanges shall forthwith disseminate the same to the public.
- 3) A copy of the IPA shall also be sent to the Company at its registered office
- 4) Within 21 days from the date of IPA, the Company to obtain the approval of its Board of Directors in respect of the proposal of the Acquirer to delist the equity shares of the Company
- 5) The Board of Directors of the Company , before considering the proposal of delisting ,appoint a Peer Reviewed Company Secretary, who shall be independent of the promoter/ acquirer/Merchant Banker/or their Associates to carry out the necessary due diligence. The Company to submit to stock exchanges the due - diligence report of the Company Secretary.
- 6) Not later than 45 days from approval of the Board, the Company to obtain the approval of the shareholders through a special resolution
- 7) In 15 working days from passing of shareholders special resolution, the company to make an application to the stock exchange for in-principle approval of the proposed delisting of its equity shares. Stock exchange to dispose of the application in 15 days from the date of its receipt, if the application is complete in all respects
- 8) Within 7 days from the date of shareholders approval the Acquirer to open an Escrow Account with scheduled bank and deposit an amount equivalent to 25% of the total consideration and the remaining consideration amount of 75% to be deposited prior to the detailed Public Announcement. Consideration to be calculated on the basis of the number of equity shares outstanding with the public shareholders multiplied with the floor price or the indicative price.
- 9) Within one working day from the date of receipt of in-principle approval for delisting of equity shares from the stock exchange, the Acquirer to make a detailed Public Announcement (PA).

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- 10) Within 2 working days from the date of PA acquirer to dispatch the Letter of Offer to the public shareholders.
- 11) The Board of Directors of the company to constitute a Committee of Independent Directors to provide reasoned recommendations on the delisting offer. The Company to also publish such recommendations of the Committee of Independent Directors, along with the details of the voting pattern, at least two working days before the commencement of the bidding period
- 12) Within 7 working days from the date of PA , bidding period to start and shall remain open for 5 working days.
- 13) Within 2 working days from the closure of the bidding period. The Acquirer shall make a PA announcement in the same newspapers in which IPA was given disclosing the success or failure of the reverse book building process, along with the discovered price accepted by the Acquirer in the event of success of the said process.
- 14) The equity shares shall be tendered/offered by the public shareholders.
- 15) Any holder of depository receipts issued on the basis of underlying equity shares and a custodian keeping custody of such equity shares shall not be entitled to participate in the reverse book building process unless converting such depository receipts into equity shares of the company that are proposed to be delisted.
- 16) Acquirer has option to accept or reject the discovered price or counter offer.
- 17) Payment upon offer and in 5 days from the date of payment makes application to stock exchange for delisting. The Company to compulsorily cancel all outstanding depository receipts in a year from the date of delisting by stock exchanges.

This Regulation has enhanced responsibility on the Board of Directors. It is time bound and Investor friendly regulations.

The link for the aforesaid Notification is as below:

[https://www.sebi.gov.in/legal/regulations/jun-2021/securities-and-exchange-board-of-india-delisting-of-equity-shares-regulations-2021\\_50517.html](https://www.sebi.gov.in/legal/regulations/jun-2021/securities-and-exchange-board-of-india-delisting-of-equity-shares-regulations-2021_50517.html)

### **3. Revised Framework for Regulatory Sandbox**

On **June 14, 2021** SEBI vide circular no. **SEBI/HO/ITD/ITD/CIR/P/2021/575** with the intent to promote innovation in the market has revised framework for Regulatory Sandbox. The objective of Regulatory Sandbox is to grant facilities and flexibilities to the entities regulated by SEBI to experiment with FinTech solutions in a live environment and on limited set of real risers for a limited time frame.

SEBI has revised eligibility criteria for the regulatory sandbox, laying down requirements to apply for the two stages of sandbox testing. The revision has been done in order to enhance the reach and achieve the desired aim. All SEBI-registered entities are eligible for testing in the regulatory sandbox either on its own or in partnership with any other entity. The registered market participant shall be treated as the principal applicant and will be solely responsible for testing of the solution.

The updated guidelines pertaining to the functioning of the Regulatory Sandbox are provided in detail in the Circular.

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The link for the aforesaid Circular is as below:

[https://www.sebi.gov.in/legal/circulars/jun-2021/revised-framework-for-regulatory-sandbox\\_50521.html](https://www.sebi.gov.in/legal/circulars/jun-2021/revised-framework-for-regulatory-sandbox_50521.html)

### **4. Relaxation from the requirement of minimum vesting period in case of death of employee(s) under SEBI (Share Based Employee Benefit) Regulations, 2014**

On **June 15, 2021** SEBI vide Circular No.**SEBI/HO/CFD/DCR2/CIR/P/2021/576** relaxed the requirement of minimum vesting period in case of death of employees under SEBI (Share Based Employee Benefit) Regulations, 2014 (**SBEB Regulations**).

In view of the COVID-19 Pandemic situation, to provide relief to the families of the deceased employees of listed companies, SEBI has decided that the provisions under the SEBI Regulations relating to **minimum vesting period of one year shall not apply** in case of death (for any reason) of an employee who **have deceased on or after April 01, 2020** and in such instances all the employee stock options, stock appreciation rights (SAR) or any other benefit granted to such employee(s) will vest with his/her legal heir or nominee on the date of death of the employee.

The link for the aforesaid Circular is as below:

[https://www.sebi.gov.in/legal/circulars/jun-2021/relaxation-from-the-requirement-of-minimumvesting-period-in-case-of-death-of-employee-s-under-sebi-share-based-employee-benefitregulations-2014\\_50545.html](https://www.sebi.gov.in/legal/circulars/jun-2021/relaxation-from-the-requirement-of-minimumvesting-period-in-case-of-death-of-employee-s-under-sebi-share-based-employee-benefitregulations-2014_50545.html)

### **5. System Driven disclosures under SEBI (PIT) Regulations 2015 for inclusion of listed Debt Securities**

On **June 16, 2021** SEBI vide circular no. **SEBI/HO/ISD/ISD/CIR/P/2021/578** has decided to include **listed debt securities of equity listed companies** under the purview of System Driven disclosures in phases under SEBI (PIT) Regulations, 2015. The procedure for implementation of System Driven disclosures has been provided under SEBI circular no. SEBI/HO/ISD/ISD/CIR/P/2020/168dt September 09, 2020.

The disclosures for Equity and Equity Derivative segments are being displayed on the exchange website under "System Driven Disclosures".

The Depositories and Stock Exchanges shall make necessary arrangements such that the disclosures mentioned are disseminated on the website of respective stock exchange with effect from **July 01, 2021**.

The link for the aforesaid Circular is as below:

[https://www.sebi.gov.in/legal/circulars/jun-2021/automation-of-continual-disclosures-under-regulation-7-2-of-sebi-prohibition-of-insider-trading-regulations-2015-system-driven-disclosures-for-inclusion-of-listed-debt-securities\\_50572.html](https://www.sebi.gov.in/legal/circulars/jun-2021/automation-of-continual-disclosures-under-regulation-7-2-of-sebi-prohibition-of-insider-trading-regulations-2015-system-driven-disclosures-for-inclusion-of-listed-debt-securities_50572.html)

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### **6. Extension of Timeline for submission of public comments on the Report of Technical Group on Social Stock Exchange**

On **June 18, 2021** SEBI has extended the timeline till **July 20, 2021** for seeking public comments on the Report of the technical group on Social Stock Exchange which was released on SEBI website on May 09, 2021.

The link for the aforesaid Circular is as below:

[https://www.sebi.gov.in/reports-and-statistics/reports/jun-2021/extension-of-timeline-for-submission-of-public-comments-on-the-report-of-the-technical-group-on-social-stock-exchange\\_50610.html](https://www.sebi.gov.in/reports-and-statistics/reports/jun-2021/extension-of-timeline-for-submission-of-public-comments-on-the-report-of-the-technical-group-on-social-stock-exchange_50610.html)

The Report on Social Stock Exchange can be viewed from the following link

[https://www.sebi.gov.in/reports-and-statistics/reports/may-2021/technical-group-report-on-social-stock-exchange\\_50071.html](https://www.sebi.gov.in/reports-and-statistics/reports/may-2021/technical-group-report-on-social-stock-exchange_50071.html)

### **7. Framework for Administration and Supervision of Investment Advisers**

On **June 18, 2021** SEBI vide Circular No. **SEBI/HO/IMD/IMD-I/DOF1/P/CIR/2021/579** SEBI has prescribed the framework for administration and supervision of Investment Advisers under the SEBI (Investment Advisers) Regulations, 2013.

Wholly Owned Subsidiary of BSE Limited, BSE Administration and Supervision Limited (BASL) has been granted recognition as Investment Adviser Administration and Supervisory Bodies (IAASB). SEBI Registered Investment Advisers (RIA) are mandatorily required to obtain membership of BASL. All existing SEBI RIAs shall be required to submit their membership application and obtain their BASL membership before August 31, 2021. Further, new applicants shall also be required to obtain the membership of BASL before applying for registration with SEBI as RIA.

The RIAs will be required to pay the Membership fees to BASL in the manner prescribed by BASL, at the time of payment of fees to SEBI in accordance with Second Schedule to the IA Regulations, to keep their registration in force. All RIAs shall be required to comply with circulars/regulations/guidelines, etc issued by SEBI and BASL from time to time.

The link for the aforesaid Circular is as below:

[https://www.sebi.gov.in/legal/circulars/jun-2021/framework-for-administration-and-supervision-of-investment-advisers-under-the-sebi-investment-advisers-regulations-2013\\_50605.html](https://www.sebi.gov.in/legal/circulars/jun-2021/framework-for-administration-and-supervision-of-investment-advisers-under-the-sebi-investment-advisers-regulations-2013_50605.html)

### **8. Investment and disclosure by Mutual Fund in Derivatives**

On **June 18, 2021** SEBI vide circular no. **SEBI/HO/IMD/IMD-I DOF2/P/CIR/2021/580** modified the guidelines for participation of Mutual Funds Schemes in Interest Rate Swaps as per circular no. **Cir/IMD/DF/11/2020** dated August 18, 2010.

Mutual Funds may enter into plain vanilla Interest Rate Swaps (IRS) for hedging purposes. The value of the notional principal in must not exceed the value of respective existing assets being hedged by the scheme.

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In case of participation in IRS is through over the counter transactions, the counter party needs to be an entity recognized as market maker by RBI. The exposure to a single counterparty in such transactions should not exceed 10% of the net assets of the scheme. However, if mutual funds are transacting in IRS through an electronic trading platform offered by the Clearing Corporation of India Ltd. (CCIL) and CCIL is the central counterparty for such transactions guaranteeing settlement, the single counterparty limit of **10%** shall **not** be applicable.

The link for the aforesaid Circular is as below:

[https://www.sebi.gov.in/legal/circulars/jun-2021/norms-for-investment-and-disclosure-by-mutual-funds-in-derivatives\\_50612.html](https://www.sebi.gov.in/legal/circulars/jun-2021/norms-for-investment-and-disclosure-by-mutual-funds-in-derivatives_50612.html)

### **9. The Securities Contracts (Regulation) (Amendment) Rules, 2021**

On **June 18, 2021** Ministry of Finance vide Notification no. **G.S.R 423(E)** notified the Securities Contracts (Regulation) (Amendment) Rules, 2021 which amends Rule 19 and 19A of the Securities Contracts (Regulation) Rules, 1957

1. A Company desirous of getting its securities listed on a Stock Exchange shall offer and allot to public in terms of an offer document at least 10% of "each class or kind of equity shares or debentures convertible into equity shares" (securities) issued by the company, if the post issue capital of the company calculated at offer price is above ₹4000 crore but less than or equal to ₹100,000 crore.
2. A Company desirous of getting its securities listed on a Stock Exchange shall offer and allot to public in terms of an offer document at least such percentage of securities issued by the company equivalent to the value of ₹5000 crore and at least 5% of each such securities issued by the company, if the post issue capital of the company calculated at offer price is above ₹100,000 crore. Further, the Company shall increase its public shareholding to at least 10% within a period of 2 years and at least 25% within a period of 5 years from the date of listing of the securities.
3. In case of acquisition of a listed company under CIRP (Corporate Insolvency Resolution Process) under insolvency & Bankruptcy Code, 2016 (IBC), if the public shareholding falls below 10% then the same shall be increased to 10% within 12 months from the date of such shortfall.
4. Every listed company shall maintain public shareholding of at least 5% as a result of implementation of the Resolution Plan u/s 31 of IBC.

The link for the aforesaid Notification is as below:

[https://www.sebi.gov.in/legal/rules/jun-2021/securities-contracts-regulation-amendment-rules-2021\\_50642.html](https://www.sebi.gov.in/legal/rules/jun-2021/securities-contracts-regulation-amendment-rules-2021_50642.html)

### **10. Framework for AIFs to invest simultaneously in units of other AIFs and directly in securities of investee companies**

On **June 25, 2021** SEBI vide circular no. **SEBI/HO/IMD-I/DF6/P/CIR/2021/584** notified that AIFs may invest in an Investee Company up to a specified limit, directly or through investment in the units of other AIFs.

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AIFs may invest in units of other AIFs without labelling themselves as a Fund of AIFs. Existing AIFs may also invest simultaneously in securities of investee companies and in units of other AIFs, subject to appropriate disclosures in the Private Placement Memorandum (PPM) and with the consent of at least **2/3<sup>rd</sup>** of unit holders by value of their investment in the AIF in terms of Regulation 9(2) of the AIF Regulations.

Category III AIFs investing in units of other AIFs may undertake leverage not exceeding **2 times** of the value of portfolio (NAV) after excluding the value of investment in units of other AIFs.

The link for the aforesaid Circular is as below:

[https://www.sebi.gov.in/legal/circulars/jun-2021/circular-on-amendment-to-sebi-alternative-investment-funds-regulations-2012\\_50694.html](https://www.sebi.gov.in/legal/circulars/jun-2021/circular-on-amendment-to-sebi-alternative-investment-funds-regulations-2012_50694.html)

### **11. Alignment of interest of Key Employees of Asset Management Companies (AMCs) with the Unit holders of the Mutual Fund Schemes**

On **June 25, 2021** SEBI vide circular no. **SEBI/HO/IMD/IMD-I/DOF5/P/CIR/2021/582** has extended the date of implementation of Circular no. SEBI/HO/IMD/IMD-I/DOF5/P/CIR/2021/553 regarding Alignment of interest of Key Employees of Asset Management Companies (AMCs) with the Unit holders of the Mutual Fund Schemes from July 01, 2021 to **October 01, 2021**.

The link for the aforesaid Circular is as below:

[https://www.sebi.gov.in/legal/circulars/jun-2021/alignment-of-interest-of-key-employees-of-asset-management-companies-amcs-with-the-unitholders-of-the-mutual-fund-schemes\\_50693.html](https://www.sebi.gov.in/legal/circulars/jun-2021/alignment-of-interest-of-key-employees-of-asset-management-companies-amcs-with-the-unitholders-of-the-mutual-fund-schemes_50693.html)

### **12. Prudential Norms for liquidity risk management for open-ended debt schemes applicable to MF, AMC and Trustee companies**

On June 25, 2021 SEBI vide circular no. **SEBI/HO/IMD/IMD-I/DOF5/P/CIR/2021/583** notified the Prudential Norms for **liquidity risk management** for open-ended debt schemes which shall come into force from December 01, 2021 and it shall be applicable for all the existing open ended debt schemes (except Overnight Fund, Gilt Fund and Gilt Fund with 10-year constant duration) and schemes to be launched on or thereafter.

All regulatory limit calculations other than Asset Allocation Limits (e.g. Macaulay Duration, Risk-o-meter, investment restrictions pertaining to issuer, sector and group), the base to be considered is 100% of Net Assets.

Further, for asset allocation limits (applicable for Banking and PSU Bond Fund, Floater Fund, Credit Risk Fund and Corporate Bond Funds scheme categories in terms of SEBI circular on 'Categorization and Rationalization of Mutual Fund Schemes') the base shall be considered as Net Assets excluding the extent of minimum stipulated liquid assets i.e. 10%.

The link for the aforesaid Circular is as below:

[https://www.sebi.gov.in/legal/circulars/jun-2021/circular-on-prudential-norms-for-liquidity-risk-management-for-open-ended-debt-schemes\\_50692.html](https://www.sebi.gov.in/legal/circulars/jun-2021/circular-on-prudential-norms-for-liquidity-risk-management-for-open-ended-debt-schemes_50692.html)

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### **13. FAQs by NSE**

NSE on **Jun 28, 2021** vide notification no. **NSE/CML/2021/23** has released FAQs on LODR amendments dated May 05, 2021 and addressed queries received from listed companies for assistance purpose on following queries

- (a) Risk Management Committee,
- (b) Corporate Governance,
- (c) Re-classification of the status of any person as a promoter or public and
- (d) submission of Financial Results in case the BM continues for more than one day etc.

The link for the NSE FAQ is as below:

[https://static.nseindia.com//s3fs-public/inline-files/NSE\\_Circular\\_28062021.pdf](https://static.nseindia.com//s3fs-public/inline-files/NSE_Circular_28062021.pdf)

### **14. SEBI Board Meeting on June 29, 2021**

On **June 29, 2021** SEBI vide Press Release No. **22/2021** has released the following decisions taken by SEBI in its Board Meeting held on June 29, 2021.

#### **1. SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021.**

SEBI has merged SEBI (Issue and Listing of Debt Securities) Regulations, 2008 and SEBI (Non-Convertible Redeemable Preference Shares) Regulations, 2013 into a single Regulation which shall be called as SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021

#### **2. Introduction of Framework for Accredited Investors in securities market.**

SEBI introduce a framework for 'Accredited Investors' in the Indian securities market, a class of investors who may be considered to be well informed or well advised about investment products and there will be certain benefits linked to 'Accredited Investors'

#### **3. Review of Regulatory provisions related to Independent Directors vide SEBI LODR, 2015**

- A. These amendments shall be made applicable with effect from Jan 01, 2022.
- B. Appointment/Re-appointment and Removal of IDs shall be through a special resolution of shareholders for all listed entities.
- C. The composition of NRC has been modified to include **2/3rd IDs** instead of existing requirement of majority of IDs.
- D. Shareholder approval for appointment of all directors including IDs shall be taken at the next general meeting, or within **3 months** of the appointment on the Board, whichever is earlier.
- E. A cooling off period of **3 years** has been introduced for Key Managerial Personnel (and their relatives) or employees of the promoter group companies, for appointment as an ID.
- F. Relatives of employees of the company, its holding, subsidiary or associate company have been permitted to become IDs, without the requirement of a cooling off period, in line with Companies Act, 2013.
- G. The entire resignation letter of an ID shall be disclosed along with a list of her/his present directorships and membership in board committees.

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- H. A cooling-off period of **one year** has been introduced for an ID transitioning to a whole-time director in the same company/ holding/ subsidiary/ associate company or any company belonging to the promoter group.
- I. At least **2/3<sup>rd</sup>** of the members of the Audit Committee shall be independent directors and all related party transactions shall be approved by only Independent Directors on the Audit Committee.
- J. The requirement of undertaking Directors and Officers Insurance (D & O Insurance) has been extended to the top **1000 companies** (by market capitalization).

SEBI shall be making a reference to the Ministry of Corporate Affairs (MCA), for giving greater flexibility to companies while deciding the remuneration for all directors (including IDs), which may include profit linked commissions, sitting fees, **ESOPs, etc.**, within the overall prescribed limit specified under Companies Act, 2013.

### **4. Amendments to SEBI (Infrastructure Investment Trusts) Regulations, 2014**

The requirement of minimum number of unit holders has been introduced for unlisted InvITs, minimum number of unit holders other than sponsor, its related parties and its associates shall be 5 together holding not less than 25% of the total unit capital of the InvIT.

### **5. Amendments to SEBI (Infrastructure Investment Trusts) Regulations, 2014 and SEBI (Real Estate Investment Trusts) Regulations, 2014**

SEBI approved the amendments to SEBI (Real Estate Investment Trusts) Regulations, 2014 and SEBI (Infrastructure Investment Trusts) Regulations, 2014, for revision in minimum subscription and trading lot for publicly issued REITs and InvITs.

The revised minimum application value shall be within the range of INR 10,000-15,000 and the revised trading lot shall be of one unit.

### **6. Permitting Resident Indian fund managers to be constituents of FPIs**

SEBI approved the proposal to amend the SEBI (Foreign Portfolio Investors) Regulations, 2019 to permit eligible Resident Indian Fund Managers (other than individuals) to be constituents of Foreign Portfolio Investors (FPIs).

Such FPIs shall be investment funds approved by Central Board of Direct Taxes (CBDT) under Section 9A of the Income-Tax (IT) Act, 1961, read with the IT Rules, 1962. These amendments shall bring the SEBI (FPI) Regulations, 2019 in line with the recent amendments in Section 9A of the IT Act, thereby facilitating Indian fund managers in managing investment funds incorporated/established/ registered outside India.

### **7. Amendment to SEBI (Mutual Funds) Regulations, 1996**

SEBI approved amendment to SEBI (Mutual Funds) Regulations, 1996, to provide for investment of a minimum amount as skin in the game in the Mutual Fund (MF) schemes by Asset Management Companies (AMCs) based on the risk associated with the scheme, instead of the current requirement of one percent of the amount raised in New Fund Offer or an amount of INR fifty lacs, whichever is less.

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**8. Amendment to SEBI (Credit Rating Agencies) Regulations, 1999**

SEBI (Credit Rating Agencies) Regulations were amended to define a Credit Rating Agency (CRA) in terms of rating of securities that are listed or proposed to be listed on a recognized stock exchange, and to provide for an explanation under Regulation 9 (f) specifying that ratings undertaken by a CRA under the respective guidelines of a financial sector regulator or authority shall be under the purview of the concerned financial sector regulator or authority.

**9. Amendment to SEBI (Bankers to an Issue) Regulations, 1994**

To provide easy access to investors to participate in Public/Rights issues by using various payment avenues, SEBI has approved the proposal of amending the SEBI (Bankers to an Issue) Regulations, 1994 by way of permitting such other banks, other than scheduled banks, as may be specified by SEBI from time to time, to register as a Banker to an Issue.

**10. Amendments to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 – SEBI (PIT) Regulations, 2015**

With a view to streamlining the process of reward payment and to enhance the quantum of reward under the informant mechanism, SEBI has approved certain amendments to SEBI (PIT) Regulations, 2015. The amendments, inter alia, include the following

- A. The maximum amount of reward has been increased from Re. 1 Cr to Rs.5 Cr
- B. If the total reward payable to the informant is less than or equal to Rs.1 Crore, then the reward may be granted by SEBI, after the final order is issued.
- C. If the total reward payable to the informant is more than Rs.1 Crore, then an interim reward not exceeding Rs.1 Crore may be granted by SEBI, after the final order is issued. The remaining reward amount will be granted only upon receipt of the monetary sanctions amounting to at least twice the balance of the reward amount payable by SEBI

The link for the aforesaid Press Release is as below:

[https://www.sebi.gov.in/media/press-releases/jun-2021/sebi-board-meeting\\_50771.html](https://www.sebi.gov.in/media/press-releases/jun-2021/sebi-board-meeting_50771.html)

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