

Amita Desai & Co. Company Secretaries, Mumbai

SEBI UPDATES

1. Master Circular for all Recognised Stock Exchange and Clearing Corporations having Electronic Gold Receipt Segment, All Depositories, and all Registered Vault Managers:

On **June 01, 2023**, SEBI issued **Master Circular** SEBI/HO/MRD/MRD-PoD-1/P/CIR/2023/82 enabling the users to have access to all the applicable Circulars issued to date in one place.

This Master Circular has covered various circulars issued on Electronic Gold Receipts (EGR) till March 31, 2023. The Master Circular shall come into force immediately. Instruments used for trading in Gold exchange are referred to as EGR.

The Master Circular prescribes the provisions relating to the following subjects:

1. Framework for operationalizing trading of Electronic Gold Receipts
2. Trading Features
3. Standard Operating Guidelines and modalities for the Vault Managers and Depositories
4. Product Specification
5. Comprehensive Risk Management Framework
6. Format for disclosures of Complaint received and Redressal thereof by Vault Manager
7. List of Circulars rescinded

The link for the aforesaid Master Circular is as follows:

<https://www.sebi.gov.in/legal/master-circulars/jun-2023/master-circular-on-electronic-gold-receipts-egr-72195.html>

2. Online Processing of investor service requests and complaints by RTAs (Registrar to an Issue & Share Transfer Agent):

On **June 08, 2023** SEBI issued **Circular** SEBI/HO/MIRSD-PoD-1/P/CIR/2023/72 proposing the digitization of investor service requests and complaints by RTAs in two phases. Digitization will help in maintaining a database and online tracking of service requests and complaints. Hence, pursuant to Digitization the physical securities holder can avail various services in online mode.

1st Phase of Online Portal:

- a. All RTAs servicing listed companies shall have **functional websites** which shall display basic details like registration number, registered address, name and contact details of KMPs, step-by-step process, and FAQs on various service requests, the procedure for filing complaints, and finding out the status of the complaint.
- b. All RTAs shall set up a **user-friendly online mechanism** or portal for service requests/complaints.
- c. Self-attested documents which are required to be submitted to RTAs can also be submitted by **uploading the same on the RTAs portal.**
- d. Upon uploading the documents on the portal, **URN (Unique Reference Number)** will get generated which can be used for tracking the status of the request. URN should also be mentioned on documents submitted physically.

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- e. If an investor service request requires physical submission of the documents, then such requests shall be considered and taken up for processing by RTA only after **receipt of physical documents**.
- f. Online requests shall be kept pending for **receipt of physical documents for 30 days**. Requests pending beyond 30 days awaiting receipt of physical documents will be closed with communication about non-receipt. In such case, the investor will have to raise a fresh request.
- g. At every stage of processing the service requests/ complaints, the **investor shall receive an alert** about the status through SMS and/or email till the matter is concluded. The system shall have a provision for seeking clarifications by the RTAs and submission by the investors in response to the same including the option of uploading additional documents.
- h. Qualified RTAs shall implement the online system and website **from January 01, 2024**, and all other RTAs dealing with listed companies shall implement it **from June 01, 2024**.
- i. RTAs shall also ensure that the online mechanism **complies with existing guidelines** for Business Continuity Plans and Disaster Recovery specified by SEBI.
- j. RTAs shall provide a **Certificate of Compliance** certifying compliance with this Circular from Practising Company Secretary within 30 days of implementation of the 1st Phase.
- k. RTAs and Listed Companies shall **intimate through an email to the investors** about the availability of online mechanisms.

2nd Phase of Online Portal:

From July 01, 2024, a **common website** shall be made that redirects the individuals to the web-based portal/ website of the concerned RTAs for further processing by putting the name of a listed company.

The website shall also have the option of adding Companies or RTAs to its search list, if required.

The link for the aforesaid Circular is as follows:

https://www.sebi.gov.in/legal/circulars/jun-2023/online-processing-of-investor-service-requests-and-complaints-by-rtas_72363.html

3. Filing of Annual Secretarial Compliance Report (ASCR) in XBRL format on BSE Listing Centre:

On **June 14, 2023**, BSE vide Notice No. **20230614-44** informed that the facility for filing ASCR under Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in XBRL Mode will be available with effect from June 15, 2023.

The due date for submission of ASCR in XBRL format for the Financial Year March 31, 2023, is **June 30, 2023**. XBRL utility for the ASCR is available in the XBRL section of the Listing Centre.

To assist Users with their XBRL filings, BSE has provided an online real-time Helpdesk. Users may email queries if any to bse.xbrl@bseindia.com or call the Helpdesk on toll free number 1800 233 0445.

The link for the aforesaid Notice is as follows:

<https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20230614-44>

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4. Filing of Annual Secretarial Compliance Report (ASCR) in XBRL format on NSE Electronic Application Processing System (NEAPS) platform:

On **June 14, 2023**, NSE vide **Circular NSE/CML/ 2023/39** informed that the facility for filing of ASCR under Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR) in XBRL Mode will be available with effect from June 15, 2023.

The due date for submission of ASCR in XBRL format for the Financial Year March 31, 2023, is **June 30, 2023**.

NSE has provided the steps for submitting the Secretarial Compliance Report in XBRL format in the above-mentioned circular.

For assistance with their XBRL filings, users can reach out to the Secretarial Compliance Team of the NSE at nsexbrl@nse.co.in or contact on details available in NEAPS at NEAPS > Help > Contact Us.

The link for the aforesaid Circular is as follows:

https://static.nseindia.com//s3fs-public/inline-files/NSE_Circular_14062023.pdf

5. Seeking of comments/feedback on the XBRL being introduced for submission of Announcements pertaining to Loss of Share Certificate/ Issue of Duplicate Share Certificate and Closure of Trading Window:

Over the period, Stock Exchanges in a phased manner have been aiming to convert filings made under SEBI LODR and/or any other disclosure w.r.t. compliance of any SEBI Act, Regulation, Circular or provision from PDF to XBRL. With an objective to standardize securities market data. it was deliberated that XBRL would be implemented for all corporate filings.

Hence, NSE on **June 14, 2023** vide **Circular NSE/CML/2023/40** issued a consultation paper for seeking comments/feedback of listed entities on the XBRL being introduced for submission of Announcements pertaining to **Loss of Share Certificate/ Issue of Duplicate Share Certificate and Closure of Trading Window** as required under the provisions of SEBI LODR and/ or SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time and such applicable laws.

The format of the XBRL has been provided as Annexure to the Circular and accordingly listed entities can provide their comments/ feedback/ suggestions/ observations pertaining to any additions/modifications in the fields of the said format. The comments may be sent by email to DL-Announcement@nse.co.in latest by June 20, 2023.

The link for the aforesaid Circular is as follows:

<https://static.nseindia.com//s3fs-public/inline-files/Circular%20for%20seeking%20comments%2C%20feedback%20on%20XBRL%20being%20introduce%20for%20Loss%20of%20Share%20Certificate%2C%20Issue%20of%20Duplicate%20Share%20Certificate%20and%20Closure%20of%20Trading%20Window.pdf>

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6. Master Circular for Investment Advisors:

On **June 15, 2023**, SEBI issued Master Circular **SEBI/HO/MIRSD-PoD-2/P/CIR/2023/89** enabling the Investments Advisors registered with SEBI to have access to all the applicable circulars to Investment Advisors in one place.

The Master Circular prescribes the provisions relating to the following subjects:

1. Guidelines for Investment Advisors
2. Measures to Strengthen the Conduct of Investment Advisors
3. Administration and Supervision of Investment Advisors
4. Technology Related
5. Investor Complaints
6. Miscellaneous
7. Reporting Requirement
8. Annexures

The link for the aforesaid Master Circular is as follows:

https://www.sebi.gov.in/legal/master-circulars/jun-2023/master-circular-for-investment-advisers_72614.html

7. SEBI (Alternative Investments Funds) 2nd Amendment Regulations, 2023:

On **June 15, 2023**, SEBI amended the SEBI (AIF) Regulations, 2012 vide Gazette Notification **SEBI/LAD-NRO/GN/2023/132**, by prescribing new regulations and amending existing regulations.

1. New Definition of Corporate Debt Market Development Fund, liquidation period Liquidation scheme has been introduced:

(ga) “Corporate Debt Market Development Fund” means an Alternative Investment Fund set up and making investments in terms of Chapter III-C of these regulations.”

(pb) “liquidation period” means a period of one year following the expiry of tenure or extended tenure of the scheme for fully liquidating the scheme of an Alternative Investment Fund.

(pc) “Liquidation scheme” means a close-ended scheme launched by an Alternative Investment Fund only for the purpose of liquidating the unliquidated investments purchased from its scheme, whose tenure has expired.”

2. A new category of AIF Fund has been introduced and named as Specified Alternative Investment Fund along with Category I, II, & III AIFs and added in Schedule Form A.

3. Revised Qualification of Key Investment Team of Manager of AIFs:

The key Investment Team should have **atleast 1 key personnel** with relevant certification as may be specified by SEBI. Hence, requirement of **experience of 5 years has been removed by SEBI**. To ensure continuity in compliance with the certification requirement, the key personnel shall obtain a fresh certificate before expiry of the validity of the existing certification.

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4. AIFs shall issue **units in dematerialised form** as per timeline specified by SEBI through Circular dated June 15, 2023.
5. AIFs or the scheme of the AIFs shall be wound up as per Regulation 29 of AIF Regulation, if **consent of unit holders** to extend tenure or upon expiry of the extended tenure is not received.
6. **Approval of 75% of unitholders in terms of the value of unit holder required for buying or selling from the following persons:**
 - a. Associates; or
 - b. Schemes of AIFs managed or sponsored by its Manager, Sponsor or Associates of its Manager or Sponsor; or
 - c. An investor who has committed to invest at least 50% of the corpus of the scheme of AIF

While obtaining approval of the investors, the investor specified who has committed to invest at least 50 % of the corpus of the scheme of AIF and is buying or selling the investment, from or to, the AIF shall be excluded from the voting process.

7. A new Chapter on Corporate Debt Market Development Fund has been introduced:

The Corporate Debt Market Development Fund will instil confidence amongst the participants in the Corporate Bond Market during times of stress and generally enhance secondary market liquidity by creating a permanent institutional framework for activation in times of market stress and act as a Backstop Facility by purchasing investment grade corporate debt securities.

The new Chapter contains the following provisions:

- a. Applicability
- b. Registration of the Corporate Debt Market Development Fund.
- c. Investment in the Corporate Debt Market Development Fund.
- d. Investment conditions for the Corporate Debt Market Development Fund.
- e. Disclosures.
- f. Governance Mechanism for the Corporate Debt Market Development Fund.
- g. Prohibition of Listing.
- h. Others.

Registration fees for Corporate Debt Market Development Fund is ₹ 5,00,000.

8. Appointment of Compliance Officer:

The Manager shall appoint a Compliance Officer as per criteria specified by SEBI and shall be responsible:

- a. for monitoring compliance with the provisions of the Act, rules, regulations, notifications, circulars, guidelines, instructions, or any other directives issued by the SEBI.
- b. immediately and independently report to the Board about any noncompliance observed by him, as soon as possible but not later than 7 working days from the date of observing such non-compliance.

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9. Valuation of Investments by Independent Valuer:

AIF shall carry out valuation in manner specified by SEBI. NAV of Category III AIFs shall undertake the valuation of their investment in unlisted securities and listed debt securities by an independent valuer who satisfies the criteria prescribed by SEBI. The Manager shall be responsible for the true and fair valuation of the investments of the AIFs scheme.

The Manager shall deviate from the established policies and procedures in order to value the assets or securities at a fair value and document the rationale for such deviation if the established policies and procedures of valuation do not result in fair and appropriate valuation. Such deviation and its rationale shall be reported to the trustee or the trustee company or the Board of Directors or designated partners of the AIF and investors of the AIF.

10. Winding up of the AIF scheme:

The assets of AIF shall be liquidated within the liquidation period and the proceeds accruing to investors in the AIF or scheme of AIFs shall be distributed to them after satisfying all liabilities.

Not affecting any prescribed conditions and, if any, contained in the placement memorandum or contribution agreement or subscription agreement, as the case may be, in specie distribution of assets of the scheme of the AIF, shall be made by the AIF at any time, including on winding up of the scheme of the AIF, as per the preference of investors, subject to conditions prescribed by SEBI.

Not affecting any prescribed conditions during the liquidation period of a scheme, an AIF may distribute investments of a scheme that are not sold due to lack of liquidity, in-specie to the investors or sell such investments to a liquidation scheme, after obtaining approval of at least 75% of the investors by the value of their investment in the scheme of the AIF, subject to conditions prescribed by SEBI.

11. A new Regulation 29A - Liquidation scheme has been introduced:

The liquidation scheme provides various relaxation to AIF during the liquidation period and be filed through Merchant Banker. The tenure of the liquidation scheme of the AIF shall be determined at the time of filing of the placement memorandum and it shall not be extended.

The liquidation scheme of the AIF shall not accept any fresh commitment from any investor and shall not make any new investment. The investments of the liquidation scheme of the AIF which are unsold due to lack of liquidity till end of its tenure shall be dealt with, in the manner as specified by SEBI.

The link for the aforesaid Notification is as follows:

<https://egazette.gov.in/WriteReadData/2023/246601.pdf>

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8. Adherence to Regulation 51A of SEBI (Issue and Listing of Non- Convertible Securities) Regulations, 2021 by Online Bond Platform (OBP):

On **June 16, 2023**, SEBI vide Circular **SEBI/HO/DDHS/POD1/P/CIR/2023/092** prescribed various provisions relating to the **Online Bond Platform (OBP)**.

Vide these circular, Online bond platform providers are **restricted from offering products** other than listed debt securities on their platforms.

In addition, SEBI allowed them to offer securities such as Government Securities, Treasury Bills, listed Sovereign Gold Bonds, listed municipal debt securities, and listed securitized debt instruments on their online bond platforms.

An entity acting as an Online Bond Platform Provider (OBPP) should cease to offer on its platform or any other platform website, products or services not permitted under the rules.

SEBI noted that a few OBPPs have commenced operations and observed that certain OBPPs continue to offer products other than listed debt securities and debt securities proposed to be listed through a public offering on their platforms.

Also, some OBPPs are offering unlisted bonds on a separate platform or website and have not divested such offerings. Moreover, certain OBPPs have given a link on the OBP to another platform for transacting in unlisted bonds and other products. Such practices are in contravention of NCS (Issue and Listing of Non-Convertible Securities) Regulations.

The holding company, subsidiary, or associate of an online bond platform provider will not utilize the name, brand name, or any name resembling that of the online bond platform provider for offering products and services that are not regulated by a financial sector regulator viz. SEBI, RBI, IRDAI, or PFRDA.

An OBPP shall not have on its OBP or any other platform/website, any link or tab to websites/ platforms of its holding company, subsidiary or associate, undertaking any activity or offering products/ securities or services that are not regulated by a financial sector regulator viz. SEBI, RBI, IRDAI, or PFRDA.

A holding company, subsidiary or associate, undertaking any activity or offering products/ securities or services that are not regulated by a financial sector regulator viz. SEBI, RBI, IRDAI, or PFRDA shall neither have access to or receive information about user of the OBP nor cross-sell products/ securities or services to a user of the OBP.

This Circular aligns the investor grievance redress mechanism for OBP with the Master Circular for Stock Brokers.

The link for the aforesaid Circular is as follows:

https://www.sebi.gov.in/legal/circulars/jun-2023/adherence-to-provisions-of-regulation-51a-of-sebi-issue-and-listing-of-non-convertible-securities-regulations-2021-by-online-bond-platform-providers-on-product-offerings-on-online-bond-platforms_72762.html

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9. Master Circular on Scheme of Arrangement by Listed Entities:

On **June 20, 2023**, SEBI issued Master Circular No. **SEBI/HO/CFD/POD-2/P/CIR/2023/93** in order to enable the users to have access to all the applicable circulars at one place relating to the Scheme of Arrangements by Listed Entities. The provisions of this Circular shall not apply to schemes which solely provide for the merger of a wholly owned subsidiary or its division with the parent company.

However, such draft schemes shall be filed with the Stock Exchanges for the purpose of disclosure and the Stock Exchanges shall disseminate the scheme documents on their website. The Circular also clarifies that the **'relevant date'** for the purpose of computing pricing shall be the date of the Board Meeting in which the scheme is approved.

The Master Circular prescribes the provisions relating to the following subject:

- I. Requirements before the Scheme of Arrangement is submitted for sanction by the National Company Law Tribunal (NCLT)**
 - (A) Requirements to be fulfilled by the Listed Entity
 - (B) Obligations of Stock Exchange(s)
 - (C) Processing of the Draft Scheme by SEBI
 - (D) Fractional entitlements
- II. Application of Relaxation under Rule 19(7) of the Securities Contracts (Regulation) Rules, 1957**
 - (A) Requirements to be fulfilled by the Listed Entity for Listing of Equity Shares
 - (B) Application by a listed entity for Listing of warrants Offered Along with Non-Convertible Debentures (NCDs)
 - (C) Requirements to be fulfilled by Stock Exchange(s)
 - (D) Processing of the Scheme by SEBI
- III. Annexures – Various Annexures are part of this Circular**

The link for the aforesaid Master Circular is as follows:

https://www.sebi.gov.in/legal/master-circulars/jun-2023/master-circular-on-scheme-of-arrangement_72839.html

10. Seeking of comments/feedback on the XBRL being introduced for submission of Announcements pertaining to Corporate Insolvency Resolution Process ('CIRP'):

Over the period, Stock Exchanges in phased manner has been aiming to convert filings made under SEBI LODR and/or any other disclosure w.r.t. compliance of any SEBI Act, Regulation, Circular or provision from PDF to XBRL. With an objective to standardise securities market data it was deliberated that **XBRL would be implemented for all corporate filings.**

Hence, NSE on **June 21, 2023** vide **Circular No. NSE/CML/2023/41** issued a consultation paper for seeking comments / feedback of listed entities on the XBRL being introduced for submission various corporate announcements for Corporate Insolvency Resolution Process ('CIRP') stages as required under the provisions of SEBI LODR, applicable relevant provisions, circulars, guidance note, etc. as amended from time to time.

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The format of the XBRL has been provided as Annexure to the Circular and accordingly listed entities can provide their comments/ feedback/suggestions/observations pertaining to any additions/modifications in the fields of the said format. The comments may be sent by email to DL-Announcement@nse.co.in latest by June 25, 2023.

The link for the aforesaid Circular is as follows:

https://static.nseindia.com//s3fs-public/inline/files/Circular%20for%20seeking%20comments%20on%20XBRL%20for%20Corporate%20Insolvency%20Resolution%20Process_0.pdf

11. Master Circular on Issue of Capital and Disclosure Requirement:

On **June 21, 2023**, SEBI issued vide Master Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 in order to enable the stakeholders to have access to all the applicable circulars with respect to the **Issue of Capital and Disclosure Requirement** in one place.

The Master Circular prescribes the provisions relating to the following subjects:

1. Non-compliance with certain provisions of SEBI ICDR Regulations 2018
2. Streamlining the process of Rights Issue
3. Disclosures in the offer document
4. Online Filing System for Offer Documents, Schemes of Arrangement, Takeovers and Buybacks
5. Compensation to Retail Individual Investors (RIIs) in an IPO
6. Guidelines on the issuance of non-convertible debt instruments along with warrants
7. Framework for the process of recognition of investors for the purpose of Innovators Growth Platform
8. Issue Summary Document (ISD) and dissemination of issue advertisements
9. Annexures

The link for the aforesaid Master Circular is as follows:

https://www.sebi.gov.in/legal/master-circulars/jun-2023/master-circular-for-issue-of-capital-and-disclosure-requirements_72905.html

12. Issuance of units of Alternative Investment Funds (“AIFs”) in dematerialised form:

On **June 21, 2023**, SEBI issued Circular **SEBI/HO/AFD/PoD1/CIR/2023/96** directing AIF to dematerialize their units within the following timelines:

Particulars	Schemes of AIFs with corpus ≥ Rs 500 Crore	Schemes of AIFs with corpus ≤ Rs 500 Crore
Dematerialisation of all the units issued	Latest by October 31, 2023	Latest by April 30, 2024
Issuance of units only in dematerialised form	November 01, 2024 onwards	May 01, 2024 onwards

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This circular was issued in pursuance of 2nd Amendment dated June 15, 2023 to SEBI (AIFs) Regulations, 2012. Schemes of AIFs which are ending on or before April 30, 2023 are not required to dematerialize their units.

The terms of transfer of units of AIF in dematerialised form shall continue to be governed by the terms of private placement memorandum ('PPM'), agreements entered between the AIF and the investors and any other fund documents.

The manager of AIF shall submit report on compliance with the provisions of the circular on www.siportal.sebi.gov.in in the specified format. The trustee/sponsor of AIF shall ensure that the 'Compliance Test Report' prepared by the manager in terms of SEBI Circular CIR/IMD/DF/14/2014 dated June 19, 2014, includes compliance with the provisions of this circular.

The link for the aforesaid Circular is as follows:

<https://www.sebi.gov.in/legal/circulars/jun-2023/issuance-of-units-of-aifs-in-dematerialised-form-72921.html>

13. Modalities for launching Liquidation Scheme and for distributing the investments of Alternative Investment Funds (AIFs) in-specie:

On **June 21, 2023**, SEBI issued vide Circular **SEBI/HO/AFD/PoD1/CIR/2023/098** issued procedure for launching **Liquidation Scheme**. The brief summary of procedure are as follows:

1. AIF shall obtain consent of 75% of investors by the value of their investment in the Original Scheme to launch a liquidation scheme.
2. AIF shall arrange a bid for a minimum of 25% of the value of the unliquidated investments.
3. The AIF should disclose the bid value along with the valuation of the unliquidated investments carried out by 2 independent valuers to all the investors of the Original Scheme.
4. Dissenting investors of the Original Scheme who did not consent to sell their unliquidated investments shall be offered an option to fully exit the Original Scheme out of the 25% bid arranged by the AIF/Manager.
5. After exercising the exit option by aforesaid dissenting investors, any unsubscribed portion of the bid shall be used to provide a pro-rata exit to non-dissenting investors.
6. If the bidder or its related parties are investors in the Original Scheme, they shall not be provided exit from the Original Scheme out of the bid.
7. The unliquidated investments of the Original Scheme shall be sold to the Liquidation Scheme.
8. For capturing the track record of the manager and for reporting to Performance Benchmarking Agencies, the value of such sale shall be:
 - a. Bid value, if the AIF/manager arranges bid for a minimum of 25% of the value of unliquidated investments of the Original Scheme.
 - b. Rs. 1, if the AIF/ manager fails to arrange bid for a minimum of 25% of the value of unliquidated investments of the Original Scheme.
9. After receipt of units of Liquidation Scheme, the Original Scheme shall mandatorily distribute such units of Liquidation Scheme in-specie in lieu of its units issued to investors.
10. The Liquidation Scheme shall be launched and Original Scheme shall be wound up, prior to the expiry of the Liquidation Period of the Original Scheme.

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11. Liquidation Scheme shall not extend its tenure or sell its investments to another Liquidation Scheme. Further, Liquidation Period shall not be available to Liquidation Scheme.
12. AIF shall follow procedure similar to liquidation scheme in inspecie distribution of unliquidated investments of a scheme.
13. When AIF fails to obtain requisite investor consent for the launch of the Liquidation Scheme or in-specie distribution of unliquidated investments, then the unliquidated investments shall be mandatorily distributed to investors in-specie, without the requirement of obtaining consent of investors.
14. Manager shall be responsible for compliance with the procedure and submit a report on compliance on www.siportal.seb.gov.in.

The link for the aforesaid Circular is as follows:

<https://www.sebi.gov.in/legal/circulars/jun-2023/modalities-for-launching-liquidation-scheme-and-for-distributing-the-investments-of-alternative-investment-funds-aifs-in-specie-72922.html>

14. Standardised approach to valuation of investment portfolio of Alternative Investment Funds:

On **June 21, 2023**, SEBI issued vide Circular **SEBI/HO/AFD/PoD/CIR/2023/97** issued a standardised approach with respect to the valuation of the investment portfolio of AIFs.

Valuation

The securities whose valuation norms have already been prescribed under SEBI (Mutual Funds) Regulations, 1996 shall be valued as per the norms prescribed therein. **Valuation of securities** which are not covered under SEBI (Mutual Funds) Regulations, 1996 shall be carried out as per valuation guidelines endorsed by any AIF Industry Association. It shall be the responsibility of the Manager to ensure that the investment of schemes is valued in the manner prescribed by SEBI.

Deviation in Valuation

In case of deviation in valuation at each asset level is of more than 20% between two consecutive valuations or a deviation of more than 33% in a financial year, the manager shall inform the investors along with detailed reasons.

Criteria of Independent Valuer:

The Independent valuer shall possess the following criteria:

1. They shall not be associate of manager or sponsor or trustee of the AIF.
2. They shall have at least 3 years of experience in valuation of unlisted securities.
3. They shall Registered Valuer registered with IBBI, ICAI, ICSI, CMA or CFA Institute
Or
They are holding or subsidiary company of Credit Rating Agency registered with SEBI
Or
Any other criteria as specified by SEBI.

Reporting

Manager of the fund shall ensure that a specific timeframe for providing audited accounts is included as one of the terms in the subscription agreement with the investee company. AIFs shall report valuation based on audited data of investee companies to performance benchmarking

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agencies within 6 months. Manager shall report only after the audit of the books of accounts of the fund in accordance with the AIF Regulations.

The link for the aforesaid Circular is as follows:

<https://www.sebi.gov.in/legal/circulars/jun-2023/standardised-approach-to-valuation-of-investment-portfolio-of-alternative-investment-funds-aifs-72924.html>

15. Format for Annual Secretarial Compliance Report for InvITs:

On **June 26, 2023**, SEBI vide Circular **SEBI/HO/DDHS-PoD-2/P/CIR/2023/102** issued Format for Annual Secretarial Compliance Report as required under Regulation 26J of SEBI (Infrastructure Investment Trusts) Regulations, 2014.

This circular shall come into force with effect from the **financial year 2023-24 onwards**.

The **Annual Secretarial Compliance Report** shall be issued by Practising Company Secretary (PCS). The investment manager of the InvIT, on an annual basis, appoint a PCS to examine the compliance of all applicable SEBI Regulations and circulars/guidelines issued thereunder, consequent to which, the PCS shall submit a report to the investment manager of the InvIT.

The Investment Manager shall provide all necessary information to PCS. The investment manager of the InvIT shall submit the Annual Secretarial Compliance Report in the format as specified in this Circular **to the stock exchanges within 60 days** from the end of each financial year. The Annual Secretarial Compliance Report shall also be part of the Annual Report of the InvIT.

The link for the aforesaid Circular is as follows:

<https://www.sebi.gov.in/legal/circulars/jun-2023/format-for-annual-secretarial-compliance-report-for-invits-73076.html>

16. Format for Annual Secretarial Compliance Report for REITs:

On **June 26, 2023**, SEBI vide Circular **SEBI/HO/DDHS-PoD-2/P/CIR/2023/103** issued Format for Annual Secretarial Compliance Report as required under Regulation 26D of SEBI (Real Estate Investment Trusts) Regulations, 2014.

This circular shall come into force with effect from the financial year 2023-24 onwards.

The Annual Secretarial Compliance Report shall be issued by Practising Company Secretary (PCS). The manager of the REIT, on an annual basis, appoint a PCS to examine the compliance of all applicable SEBI Regulations and circulars/guidelines issued thereunder, consequent to which, the PCS shall submit a report to the manager of the REIT.

The Manager shall provide all necessary information to PCS. The manager of the REIT shall submit the Annual Secretarial Compliance Report in the format as specified in this Circular to the stock exchanges within 60 days from the end of each financial year. The Annual Secretarial Compliance Report shall also be part of the Annual Report of the REIT.

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The link for the aforesaid Circular is as follows:

https://www.sebi.gov.in/legal/circulars/jun-2023/format-for-annual-secretarial-compliance-report-for-reits_73077.html

17. Format of Compliance Report on Governance for REITs:

On **June 26, 2023**, SEBI vide Circular **SEBI/HO/DDHS-PoD-2/P/CIR/2023/101** issued Format for Compliance Report on Governance prescribed under Regulation 26E of (Real Estate Investment Trusts) Regulations, 2014.

This circular shall come into force with effect from the financial year 2023-24 onwards. Accordingly, the first reporting shall be made for the quarter ended June 2023.

The Manager of REIT shall submit quarterly Compliance Report signed by Compliance Officer or CEO of the Manager to the stock exchanges within 21 days from end on the quarter. Accordingly, the formats of Compliance Report on Governance shall be as per the following Annexures to the above-mentioned Circular:

1. **Annexure I** - To be submitted within 21 days from the end of each quarter.
2. **Annexure II** - To be submitted within 21 days from the end of financial year.
3. **Annexure III** - To be submitted within 3 months from the end of financial year on an annual basis

The link for the aforesaid Circular is as follows:

https://www.sebi.gov.in/legal/circulars/jun-2023/format-of-compliance-report-on-governance-for-reits_73078.html

18. Format of Compliance Report on Governance for InvITs:

On **June 26, 2023**, SEBI vide Circular **SEBI/HO/DDHS-PoD-2/P/CIR/2023/100** issued Format for Compliance Report on Governance prescribed under Regulation 26K of (Infrastructure Investment Trusts) Regulations, 2014.

This circular shall come into force with effect from the financial year 2023-24 onwards. Accordingly, the first reporting shall be made for the quarter ended June 2023.

The Investment Manager of InvIT shall submit quarterly Compliance Report signed by Compliance Officer or CEO of the Investment Manager to the stock exchanges within 21 days from end on the quarter. Accordingly, the formats of Compliance Report on Governance shall be as per the following Annexures to the above-mentioned Circular:

1. **Annexure I** - To be submitted within 21 days from the end of each quarter.
2. **Annexure II** - To be submitted within 21 days from the end of financial year.
3. **Annexure III** - To be submitted within 3 months from the end of financial year on an annual basis

The link for the aforesaid Circular is as follows:

https://www.sebi.gov.in/legal/circulars/jun-2023/format-of-compliance-report-on-governance-for-invits_73079.html

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19. Disclosure of Information on Issuers Not Cooperating (INC) with CRAs:

As per Regulation 15 of the SEBI (Credit rating Agencies) Regulations, 1999 ('CRA Regulations') every **Credit Rating Agency ('CRA') shall continuously monitor** the rating of securities rated by it during the lifetime of such securities, unless the rating is withdrawn.

Further under Regulation 16 of the CRA Regulations every CRA shall **carry out periodic reviews** of all published ratings during the lifetime of the securities, unless the rating is withdrawn.

However, in case a client does not cooperate with the CRA, the **CRA is required to carry out the review based on best available information or in the manner specified by SEBI.** Further, in such cases, CRAs are required to disclose that such ratings have been assigned based on the best available information. Over time, the number of issuers that are non-cooperative with CRAs have increased, with a vast majority of INC issuers being unlisted and small entities.

Accordingly, to provide enhanced transparency and information regarding INC issuers to various stakeholders, market participants and investors, SEBI on **June 27, 2023** vide Circular **SEBI/HO/DDHS/DDHS-POD2/P/CIR/2023/ 105** ('the Circular') prescribed a format for the CRAs to disclose the INC issuers and such disclosure shall be made separately for:

- i. Securities that are listed, or proposed to be listed, on a recognized stock exchange, and
- ii. Other ratings

The format requires the following disclosures:

- i. Name of Non-cooperative issuer;
- ii. Date of categorization of issuer as non-cooperative; and
- iii. Link to the webpage hosting the issuer's press releases

The above-mentioned disclosure shall be updated by the CRA on daily basis.

The circular shall be applicable with effect from July 15, 2023, and CRAs shall report on their compliance with this circular (as ratified by their respective board of directors) to SEBI within one quarter from the date of applicability of this circular.

Monitoring of this circular shall be done in terms of the half-yearly internal audit for CRAs, mandated under Regulation 22 of the CRA Regulations and circulars issued thereunder.

The link for the aforesaid Circular is as follows:

https://www.sebi.gov.in/legal/circulars/jun-2023/disclosure-of-information-on-issuers-not-cooperating-inc-with-cras_73172.html

20. Manner of achieving minimum public unitholding - REITs:

As per SEBI (Real Estate Investment Trusts) Regulations, 2014 ('REIT Regulations') any listed REIT which has public unitholding below 25%, **shall increase its public unitholding to at least 25% within a period of 3 years from the date of listing of units pursuant to initial offer.**

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Accordingly, to facilitate a listed REIT to achieve minimum public unitholding, SEBI on **June 27, 2023** vide **Circular SEBI/HO/DDHS/PoD2/P/CIR/2023/106** prescribed the following methods along with specific conditions, if any, applicable for adoption by Investment Manager:

- i. Issuance of units to public through offer document;
- ii. Offer for sale of units held by Sponsor(s)/Manager/and their associates/related parties and Sponsor Group to public through offer document;
- iii. Offer for sale of units held by Sponsor(s)/Manager/and their associates/related parties and Sponsor Group through the Stock Exchange mechanism i.e., the secondary market;
- iv. Rights issue to public unitholders;
- v. Bonus Issue to public unitholders;
- vi. Allotment of units under Institutional placement;
- vii. Sale of units held by Sponsor(s)/Manager/and their associates/related parties and Sponsor Group in the open market in any one of the following ways, subject to compliance with the conditions specified:
 - a. Sponsor(s)/Manager and their associates/related parties and Sponsor Group can sell up to **2% of the total paid-up** unit capital of the REIT, subject to **5 times' average monthly trading volume of the units of the REIT**, every financial year till the due date for minimum public unitholding requirement as per REIT Regulations; **or**
 - b. Sponsor(s)/Manager and their associates/related parties and Sponsor Group can sell up to a **maximum of 5% of the paid-up unit capital of the REIT during a financial year** subject to the condition that the public unitholding in the REIT shall become 25% after completion of such sale. The sale can be a single tranche or in multiple tranches not exceeding a period of 12 months and the number of units to be sold shall not exceed the trading volume of the units of the REIT during the preceding 12 months from the date of announcement.
- viii. Transfer of units held by Sponsor(s)/Manager/and their associates/related parties and Sponsor Group to an Exchange Traded Fund (ETF) managed by a SEBI-registered mutual fund, subject to a **maximum of 5% of the paid-up unit capital of the REIT.**
- ix. Any other method as may be approved by the Board on a case-to-case basis.

The Stock Exchange(s) shall monitor the methods adopted by REITs to increase their public unitholding and comply with minimum public unitholding requirements in terms of this circular. Non-compliance, if any, observed by the Stock Exchange(s) with respect to the method(s) and/or conditions prescribed herein, shall be reported to SEBI on a quarterly basis.

The link for the aforesaid Circular is as follows:

https://www.sebi.gov.in/legal/circulars/jun-2023/manner-of-achieving-minimum-public-unitholding-reits_73171.html

21. Manner of achieving minimum public unitholding - InvITs:

As per SEBI (Infrastructure Investment Trusts) Regulations, 2014 ('InvIT Regulations') any listed InvIT which has public unitholding below 25%, ***shall increase its public unitholding to at least 25% within a period of 3 years from the date of listing of units pursuant to initial offer.***

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Accordingly, to facilitate a listed InvIT to achieve minimum public unitholding, SEBI on **June 27, 2023** vide **Circular No. SEBI/HO/DDHS/PoD2/P/CIR/2023/107** prescribed the following methods:

- i. Issuance of units to public through offer document;
- ii. Offer for sale of units held by Sponsor(s)/Investment Manager/Project Manager and their associates/related parties to public through offer;
- iii. Offer for sale of units held by Sponsor(s)/Investment Manager/Project Manager and their associates/related parties through the Stock Exchange mechanism i.e. the secondary market;
- iv. Rights issue to public unitholders;
- v. Bonus Issue to public unitholders;
- vi. Allotment of units under Institutional placement;
- vii. Sale of units held by Sponsor(s)/Investment Manager/Project Manager and their associates/related parties in the open market in any one of the following ways, subject to compliance with the conditions specified:
 - a. Sponsor(s) / Investment Manager / Project Manager and their associates/related parties can **sell up to 2% of the total paid-up unit capital of the InvIT**, subject to five times' average monthly trading volume of the units of the InvIT, every financial year till the due date for minimum public unitholding requirement as per InvIT Regulations; **or**
 - b. Sponsor(s) / Investment Manager / Project Manager and their associates/related parties can sell up to a **maximum of 5% of the paid-up unit capital of the InvIT** during a financial year subject to the condition that the public unitholding in the InvIT shall become 25% after completion of such sale. The sale can be a single tranche or in multiple tranches not exceeding a period of 12 months and the amount of units to be sold shall not exceed the trading volume of the units of the InvIT during the preceding 12 months from the date of announcement.
- viii. Transfer of units held by Sponsor(s)/Investment Manager/Project Manager and their associates/related parties to an Exchange Traded Fund (ETF) managed by a SEBI-registered mutual fund, **subject to a maximum of 5% of the paid-up unit capital of the InvIT.**
- ix. Any other method as may be approved by the Board on a case-to-case basis.

The Stock Exchange(s) shall monitor the methods adopted by InvITs to increase their public unitholding and comply with minimum public unitholding requirements in terms of this circular. Non-compliance, if any, observed by the Stock Exchange(s) with respect to the method(s) and / or conditions prescribed herein, shall be reported to SEBI on a quarterly basis.

The link for the aforesaid Circular is as follows:

https://www.sebi.gov.in/legal/circulars/jun-2023/manner-of-achieving-minimum-public-unitholding-invits_73149.html

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22. SEBI Board Meeting dated June 28, 2023 approving decisions related to Primary Market, Debt and Hybrid securities, Foreign Portfolio Investors (FPIs), Investor Grievances Redressal and SEBI Annual Report:

On **June 28, 2023**, SEBI issued a Press Release No. 12/2023, informing the stakeholders of its Board Meeting in which the following decisions were approved:

1. Primary Market related (Reduction of timeline for listing of shares in Public Issue from existing 6 days (T+6) to 3 days (T+3) from the date of issue closure (T Day):

The revised timeline of T+3 days for listing of shares in Public Issue shall be made applicable in two phases:

- i. voluntary for all public issues opening on or after September 01, 2023; and
- ii. mandatory for all public issues opening on or after December 01, 2023.

The above decision has been taken pursuant to extensive consultation with all stakeholders including Anchor investors, Registrar & Transfer Agents, Broker-distributors, Banks, etc.

The stakeholders are expected to benefit in the following ways due to the reduction in timeline:

- a. Issuers would receive their funds and allottees would receive their securities in a shorter time period;
- b. Subscribers who were not allotted shares would receive their moneys back quickly;
- c. Kerb trading of securities, if any, will be curbed; and
- d. Resources of all stakeholders like stock exchanges, banks, depositories, brokers in public issue process will be deployed for a shorter period.

2. Debt and Hybrids related:

Introduction of provisions in respect of:

- a. Listing of Non-Convertible Debt Securities; and
- b. Voluntary Delisting of Non-Convertible Debt Securities

a. Listing of Non-Convertible Debt Securities:

Regulation 28 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR Regulations), inter alia, provides that every listed entity shall before issuing any security, obtain in-principle approval from a recognised stock exchange(s). Hence, it precludes any entity having listed specified securities from issuing further specified securities without necessarily listing them.

However, there are no provisions in this regard in the LODR Regulations, for issuers of debt securities. Hence, presently, there exist entities which have outstanding unlisted as well as listed debt securities.

Accordingly, the Board approved the amendment to LODR Regulations requiring listed entities having outstanding listed NCDs (as on December 31, 2023) to list their subsequent issuances of NCDs at the stock exchange(s). This new requirement will be effective from January 01, 2024 and is aimed at:

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- i. facilitating transparency in price discovery of non-convertible debt securities;
- ii. better disclosures to investors and the market; and
- iii. avoiding ISIN level confusion and possible mis-selling of unlisted bonds.

Based on feedback during the consultation process, the following types of issuances are **exempted from the applicability of the aforesaid requirement:**

- a. Capital Gains Tax debt securities issued under section 54 EC of the Income Tax Act, 1961;
- b. Non-convertible securities issued pursuant to an agreement entered into between the listed entity of such securities and multilateral institutions, subject to the condition that such non-convertible debt securities shall be locked-in and held till maturity and accordingly shall be unencumbered; and
- c. Non-convertible debt securities issued pursuant to an order of any Court or Tribunal or regulatory requirement as stipulated by a financial sector regulator namely, SEBI, RBI, IRDA, PFRDA or IBBI.

If an entity with listed debt securities has outstanding unlisted NCDs as on December 31, 2023, the entity will have the option to list them, but it would not be mandatory to do so.

b. Voluntary Delisting of Non-Convertible Debt Securities:

The Board also approved the proposal for enabling entities having listed debt securities to delist such securities, subject to compliance with certain requirements including approval from all the debt securities holders, suitable disclosures to the Stock Exchanges, etc.

Listed debt securities having finite term of maturity, approval of 100% of the debt security holders is mandated for delisting of debt securities unlike equity, wherein approval by a threshold majority is sufficient for approval of delisting. Entities having privately placed, listed debt securities wherein the number of debt security holders is less than 200, shall be eligible to delist their debt securities under this framework.

3. Enablement of direct participation by participants (clients) in the Limited Purpose Clearing Corporation (LPCC):

With the objective of development and improving the liquidity of the corporate bond market, SEBI in its Board Meeting dated on September 29, 2020 approved a proposal to facilitate the setting up of a Limited Purpose Clearing Corporation (LPCC) for clearing and settling repo transactions in corporate debt securities.

Since timely availability of funds and securities is critical in a repo market, direct participation of both borrowers and lenders can widen the market. Accordingly, SEBI approved the proposal to additionally facilitate participation by entities desiring direct participation (not through a clearing member) in repo transactions in corporate bonds of the LPCC.

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4. Revision of minimum unitholding requirement for Sponsor(s) and introduction of provision for Self-Sponsored Investment Manager/ Manager of InvITs/ REITs:

InvITs and REITs are asset monetization vehicles through which the Sponsor who sets up the InvIT/REIT, monetizes assets by transferring them to the InvIT/REIT and exert control over the decisions of the InvIT/REIT through significant shareholding in the Investment Manager/ Manager. Therefore, it is essential that the interests of the Sponsor remain aligned with the interests of investors during the life of these investment vehicles. To ensure continued alignment of interests the Board has approved that Sponsor of InvIT/ REIT be required to hold a certain minimum unitholding on a reducing scale for the entire life of the InvIT/ REIT as opposed earlier requirement of holding minimum 15% of the units for a period of at least 3 years from the date of listing of units. Further, the mandatory minimum unitholding shall be locked-in and be unencumbered.

The Board, in order to create an opportunity for mature and independent, professionally managed Investment Managers to emerge, and to provide an additional exit option for the Sponsor of InvIT/ REIT, has also approved the proposal for introduction of Self-Sponsored Investment Manager/ Manager i.e. an Investment Manager/ Manager who also takes on the responsibilities of the Sponsor of InvIT/ REIT.

Some of the key conditions for conversion of Investment Manager/ Manager to Self-Sponsored Investment Manager/ Manager include–

- i. the InvIT/ REIT to have been listed for at least 5 years;
- ii. at least 1 of the sponsor(s) proposing to disassociate to have been a sponsor of the InvIT/ REIT for a minimum period of 5 years;
- iii. the Investment Manager/ Manager to meet the net worth criteria specified for the Sponsor;
- iv. post conversion, the minimum unitholding requirement applicable to sponsor(s) and sponsor group(s) to be complied with by the Investment Manager/Manager, shareholders of the Investment Manager/Manager and/or group entities of Investment Manager/ Manager; and
- v. the existing sponsor(s) or its associate(s) to not own or control the Investment Manager/ Manager, on or after the date of conversion.

5. Revision of minimum unitholding requirement for Sponsor(s) and introduction of provision for Self-Sponsored Investment Manager/ Manager of InvITs/ REITs:

Currently the regulatory framework for InvITs/REITs (“Funds”) does not explicitly provide for the retail unitholders to have a say in any decisions taken by the Investment Managers/ Managers of these Funds. However, big investors in InvITs/ REITs have a say in the decisions by nominating a director on the Board of the Investment Manager/ Manager. REITs/InvITs often acquire their assets from one of the sponsors (i.e. related party transactions) and these Funds are permitted to take on leverage, the decisions of the Investment Manager/ Manager have a long term material implications on the returns to unitholders.

Considering the significant increase in retail investor interest over the years in these Funds, it is important that all unitholders have a say in the decisions made by the Investment Manager/ Manager and not only those who have a significant unitholding.

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Accordingly, the Board approved amendments to the SEBI (Infrastructure Investment Trusts) Regulations, 2014 and SEBI (Real Estate Investment Trusts) Regulations, 2014 to provide nomination rights to unitholders holding 10% or more of the total outstanding units of the InvIT/REIT, either individually or collectively, on the board of directors of the Investment Manager/Manager. This ensures pro-rata rights to all unitholders.

Further, the principles of Stewardship Code shall be applicable for all unit holders holding 10% or more of the total outstanding units of the InvIT/ REIT.

6. Introduction of provisions for additional disclosures from Foreign Portfolio Investors (FPIs) that fulfil certain objective criteria:

With an objective to guard against:

- i. possible circumvention of regulations such as the requirement for Minimum Public Shareholding (“MPS”) or disclosures under Substantial Acquisition of Shares and Takeovers Regulations, 2011 (“SAST”); and/ or
 - ii. possible misuse of the FPI route to circumvent the requirements of Press Note 3 (“PN3”).
- the Board approved the amendment to SEBI (Foreign Portfolio Investors) Regulations, 2019 (‘FPI Regulations’).

This amendment is approved to mandate additional granular level disclosures regarding ownership, economic interest, and control, of objectively identified below FPIs, on a full look through basis, subject to the conditions and exemptions as specified by the Board from time to time:

- i. FPIs holding more than 50% of their Indian equity AUM (‘**Assets Under Management**’) in a single Indian corporate group; (or)
- ii. FPIs that individually, or along with their investor group as defined under Regulation 22(3) of the FPI Regulations, hold more than INR 25,000 crore of equity AUM in the Indian markets.

Certain entities including Government and Government related investors, Pension Funds and Public Retail Funds, certain listed ETFs, corporate entities and verified pooled investment vehicles meeting certain conditions are exempted from making such additional disclosures.

Currently, applicants with investors contributing 25% or more in the corpus that are mentioned in the Sanctions List notified by UN Security Council are ineligible for registration as FPIs.

In March 2023, PML Rules threshold requirements for identification of BO (‘Beneficial Owner’) were amended and currently stand at 10% for companies and trusts and 15% for partnerships and unincorporated association or body of individuals. The Board has approved changes to the FPI Regulations, to align the aforesaid eligibility criteria in the FPI Regulations with the reduced threshold prescribed under PML Rules.

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7. Strengthening of investor grievance handling mechanism through SCORES and linking the new platform with the Online Dispute Resolution Mechanism:

In order to strengthen the redressal process of grievances of the investors in the securities market, the Board approved the proposal to revamp SEBI Complaint Redress System (SCORES) by:

- i. Reducing timelines, introducing auto-routing of the complaint to concerned regulated entities and auto-escalation of **complaints** in case of non-adherence to the prescribed timelines by the regulated entity;
- ii. Recognition of designated bodies for **monitoring and handling of grievances** of the investors against the respective regulated entities;
- iii. Providing **two levels of review**, first review by the designated body if investor is dissatisfied with resolution provided by concerned regulated entity. Second review by SEBI if the investor is still dissatisfied after first review;
- iv. **Linking SCORES with Online Dispute resolution (ODR) platform**, thereby providing an additional option for investors of all regulated entities; and
- v. Creation of a **new portal for collection of market intelligence inputs**.

8. SEBI Annual Report: 2022-23:

The Board considered and approved the SEBI Annual Report: 2022-23. In compliance with Section 18(2) of SEBI Act, 1992, the Annual Report would be submitted to the Central Government.

The link for the aforesaid Press release is as follows:

https://www.sebi.gov.in/media/press-releases/jun-2023/sebi-board-meeting_73278.html

Reader can also review ET News article on the aforesaid Press release from the link below:

<https://www.msn.com/en-in/money/news/sebi-to-strengthen-investor-grievance-handling-mechanism/ar-AA1daOqv?ocid=msedgntp&cvid=674ba64307cd4d5ebd5fa4e5516345ee&ei=8>

23. Trading Window closure period under Clause 4 of Schedule B read with Regulation 9 of SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations") – Framework for restricting trading by Designated Persons ("DPs") by freezing PAN at security level:

NSE and SEBI had issued Circulars on August 05, 2022 with regards to Framework for restricting trading by Designated Persons ("DPs") during **Trading Window closure period** under Clause 4 of Schedule B read with Regulation 9 of SEBI (Prohibition of Insider Trading) Regulations, 2015 ('PIT Regulations') by freezing PAN at security level.

According to the Circular issued by SEBI, to begin with, it was implemented for listed entities forming part of **SENSEX 30 and NIFTY 50, for and from the quarter ended September 30, 2022.**

NSE on **June 28, 2023** vide **Circular No. NSE/CML/2023/49** ('the Circular'), provided that to ensure smooth implementation, the provisions of said SEBI circular dated August 05, 2022, shall be made applicable to declaration of financial results by the listed company in a **phased manner as follows:**

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- a. For list of companies **shortlisted, which shall be shared separately by July 21, 2023**, the provisions of the SEBI circular shall be applicable from Quarter ended September 30, 2023, for which trading window closure date shall start from October 01, 2023;
- b. For list of **additional companies shortlisted, which shall be shared separately by October 20, 2023**, the provisions of the SEBI circular shall be applicable from Quarter ended December 31, 2023, for which trading window closure date shall start from January 01, 2024;
- c. **For all listed companies**, the provisions of the SEBI circular shall be applicable for Quarter **ended March 31, 2024**, for which trading window closure date shall start from April 01, 2024;

The circular shall come into force with effect from the quarter ending September 30, 2023. Companies that qualify must include **all equity ISIN and ISINs that are convertible into equity**.

Listed entities are required to designate one of the depositories as its designated depository and provide the information including **PAN of Promoter(s), promoter group, director(s) and designated person(s) in the manner as specified by the depositories according to SEBI Circular No. SEBI/HO/ISD/ISD/CIR/P/2020/168 dated September 9, 2020**.

Further, listed entities shall update their designated person list in the manner specified by the depositories on regular basis.

The link for the aforesaid Circular is as follows:

https://static.nseindia.com//s3fs-public/inline-files/NSE_CIRCULAR_05082022.pdf

24. Link to the Press Release relating to amendment to Securities and Exchange Board of India (Informal Guidance) Scheme 2003

https://www.sebi.gov.in/media/press-releases/jun-2023/amendment-to-securities-and-exchange-board-of-india-informal-guidance-scheme-2003_73175.html

25. Link to Interim Order-cum-Show Cause Notice in case of market manipulation of shares of five small cap companies through circulation of Bulk SMSs to induce Investors

https://www.sebi.gov.in/media/press-releases/jun-2023/interim-order-cum-show-cause-notice-in-case-of-market-manipulation-of-shares-of-five-small-cap-companies-through-circulation-of-bulk-smss-to-induce-investors_72917.html

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