Proposals approved in SEBI [Board Meeting dated June 28, 2023]

Introduction of provisions in respect of NCDs w.e.f. January 01, 2024)

Mandatory listing of NCDs

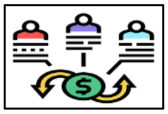
- Listed Entities ('LE') having outstanding Listed NCDs (as on December 31, 2023) to list all the subsequent issuances of NCDs at Stock exchanges
- Following issuances to be excluded from the above requirement:
  - Capital Gain tax debt securities issued under section 54IC of Income Tax Act, 2013
  - NCDs issued pursuant to an order of any court or any financial sector regulatory
  - NCS issued pursuant to agreement entered between LE and multilateral institutions in the manner prescribed
- LEs having unlisted NCDs outstanding on December 31, 2023 can list them voluntarily

Voluntary delisting of NCDs

- Issuer may go for voluntary delisting of listed debt securities subject to certain conditions and disclosures *(more details awaited)*
- Approval of 100% of debt security holders shall be required
- Privately placed, listed debt securities maybe delisted in case the number of security holders is less than 200.

Revision of minimum holding of sponsors in REITs/ InvITs

- In line with SEBI Consultation Paper dated February 23, 2023, SEBI approved a revised limit on the sponsor holding in REITs/ InvITs ***(No new limit has been indicated yet)***
- The said limit to be locked-in and unencumbered
- Introduction of the concept of: Self sponsored Investment Manager('SSIM') - an Investment manager who also is a sponsor of REITs/ InvITs. Key conditions for converting into a SSIM will be:
  - REIT/InvIT to be listed for minimum 5 years
  - Sponsor disassociating should have been a sponsor for atleast 5 years
  - Investment manager to meet networth criteria of sponsors
  - Post conversion, the investment manager to meet minimum unit holding criteria of sponsors
  - Investment manager not to be owned or controlled by the outgoing sponsor on or after the date of conversion.



Reduction in timeline for listing of shares in Public issue

- Board has reduced the time period for listing of shares in public issue from T+6 to T+3.
- Revised timeline to be implemented in two phases:
  - **Voluntary -**For issues **opening on or after September 01, 2023.**
  - **Mandatory** – for issues **opening on or after December 01, 2023.**

Enablement of direct participation by participants (clients) in the Limited Purpose Clearing Corporation

Introduction of additional disclosures for FPIs

- Following FPIs to make additional granular level disclosures:
  - FPIs holding >50% of their Indian equity AUM in a single Indian corporate group; OR
  - FPIs that individually, or along with their investor group hold more than INR 25,000 crore of equity AUM in the Indian markets.
- Government and Government related investors, Pension funds, Public Retail Funds, certain listed ETFs, corporate entities and verified pooled investment vehicles meeting certain conditions are exempt
- Identification of BO streamlined with amendments in PMLA rules.

Unitholders to have board nomination in REITs/ InvITs

- Unitholders holding 10% or more of the total o/s units either individually or collectively can nominate a director on the board of the Investment manager
- Principles of stewardship code to be applicable to such unit holders

Other decisions:

- **Enhancing the process of investor grievance redressal through SCORES and linking of new platform Online Dispute Resolution (ODR) with SCORES**

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