



PR No.21/2023

## SEBI Board Meeting

The 202<sup>nd</sup> meeting of the SEBI Board was held in Mumbai today. The SEBI Board discussed various trends in the securities markets including technology trends and SEBI's approach to proactively planning for the same going forward.

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

### 1. Flexibility in the framework for Large Corporates (LCs) for meeting incremental financing needs through issuance of debt securities

1.1 The Board approved the proposal to provide flexibility in the framework for LCs for meeting their financing needs from debt market through the following measures to the existing LC framework:

- 1.1.1 A higher monetary threshold has been specified for defining LCs, thereby reducing the number of entities qualifying as LCs.
- 1.1.2 Removal of penalty on LCs which are not able to raise a certain percentage of incremental borrowing from the debt market; and
- 1.1.3 Introduction of incentives and moderated disincentives

1.2 With the view to facilitate ease of compliance and ease of doing business, the Board also decided to retain the requirement that compliance with the framework will be met over a contiguous block of three years. Further, it has been decided to dispense with the requirement on LCs for filing a statement

identifying itself as an LC and statement regarding compliance with the framework.

**2. Streamlining the Framework for credit of unclaimed amounts of investors in listed entities other than companies, REITS and InvITs to the Investor Protection and Education Fund (IPEF) and process of refund from the IPEF.**

2.1 The proposal for transfer of unclaimed amounts lying in escrow account for more than seven years, to the IPEF for debt listed entities other than companies under LODR Regulations was approved by the SEBI Board in its meeting held on September 30, 2022. Similarly, the proposal to transfer the unclaimed or unpaid amounts to investors in REITS and InvITs to IPEF was approved by the SEBI Board in its meeting held on December 20, 2022. Accordingly, changes were made in the REITs Regulations and InvIT Regulations.

2.2 Consequently, with a view to further streamline the credit of unclaimed amounts and provide for claim of such unclaimed amounts, the Board has approved amendments to the IPEF Regulations, LODR Regulations, REIT Regulations and InvIT Regulations with the objective of

2.2.1 prescribing a uniform process of claim for such amounts in a streamlined manner for the ease and convenience of investors. Investors may approach the debt listed entity/ REIT/ InvIT to claim their unclaimed amounts, thereby ensuring minimal disruptions in the claim process for investors.

2.2.2 creating a regulatory framework for segregation of unclaimed amounts of investors in the IPEF, to facilitate utilization and processing of such amounts in the manner prescribed by the Board.

### **3. SEBI extends timeline for compliance with enhanced qualification and experience requirements for Investment Advisers**

3.1 SEBI, vide SEBI (Investment Advisers) (Amendment) Regulations, 2020, required individual investment advisers, principal officers of non-individual investment advisers and persons who are with the investment advisers and associated with investment advice to comply with enhanced qualification and experience requirements by September 30, 2023.

3.2 Based on representations received from various stakeholders and in view of the emerging landscape of the domain of investment advice, it has been decided to allow time up to September 30, 2025 to comply with these requirements.

**Mumbai**

**September 21, 2023**