

SEBI

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Circulars

SEBI has pursuant to its circular prescribed SEBI/HO/FPI&C/P/CIR/2021/0569 dated June 1, 2021 permitted off-market transfer of securities by Foreign Portfolio Investors from one fund to the other based out of foreign location to IFSC GIFT City.

Overseas investment limit by mutual funds has been enhanced from USD 600 Mn to USD 1 Bn and the limit for overall mutual fund industry for overseas investment has been raised to USD 7 Bn pursuant to SEBI circular bearing no. SEBI/HO/IMD/IMD-II/DOF3/P/CIR/2021/571 dated June 3, 2021.

SEBI vide its circular bearing no. SEBI/HO/IMD/IMD-II DOF3/P/CIR/2021/573 dated June 7, 2021 advised that all debt schemes should also be classified in terms of a potential risk class matrix based on maximum interest rate risk and credit risk.

Additionally, SEBI has also prescribed the 9 cell matrix in which each scheme shall be classified and any upward movement of a debt scheme in the cell shall be considered as a fundamental attribute change of the scheme in terms of Regulation 18 (15A) of SEBI (Mutual Fund) Regulations, 1996.

SEBI relaxed the requirement of minimum 1 year of vesting period of Employee Stock Options or Stock Appreciation Rights in case of death of an employee and directed that said ESOPs or SARs shall vest in legal heirs with effect from the date of death of the said employee.

Issued instructions on settling of running account of client's funds lying with the Trading Member after considering all the client obligations across exchanges which will avoid Trading Members from retaining excess funds of client after settlement of running account.

Press Release

SEBI vide press release no. 21/2021 dated June 14, 2021 declared that BSE Administration & Supervision Limited (BASL), a subsidiary of BSE Limited has been granted recognition for administration and supervision of Investment Advisers (IAs). All existing SEBI registered IAs shall be required to seek membership of BASL.

Further, new applicants shall be required to obtain membership of BASL before applying for registration with SEBI as IA. SEBI shall issue detailed circular separately, in this regard.

The Standard Operating Procedure (SOP) for obtaining BASL's membership and FAQs on the membership and other information in this regard are available on the websites of BASL at <https://www.bseasl.com/ria/member.html> and BSE at <https://www.bseindia.com/investor.html>.

Comments Sought

On account of outbreak of COVID-19 pandemic, SEBI has extended the timeline for submission of comments on the Report of the Technical Group on Social Stock Exchange from June 20, 2021 to July 20, 2021.