

SEBI

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- As per regulation 292D of ICDR Regulations, every Social Stock Exchange shall constitute a “Social Stock Exchange Governing Council”. SEBI vide circular dated 13th October 2022 have specified Functioning, Composition and Terms of Reference of “Social Stock Exchange Governing Council”.
- In furtherance to PMS regulations related to mandatory segregation of each clients funds and portfolio of securities and keeping separately from Own Funds & Securities, SEBI vide circular dated 30th September 2022 specifies that Portfolio Managers shall put in place a written down policy in compliance with the PMS Regulations and circulars, which inter-alia detail the specific activities, role and responsibilities of various teams engaged in fund management, dealing, compliance, risk management, back-office etc. with regards to clients funds and securities management. Portfolio Managers shall ensure that all clients are treated in fair and equitable manner.
- In order to facilitate wider participation in the corporate bond market, SEBI vide circular dated 19th October 2022 have decided to allow stock brokers registered under Debt Segment of Stock Exchange to place / seek bids on the RFQ platform on behalf of Clients in addition to the existing option of placing bids in proprietary capacity.
- SEBI have issued Consultation Paper on Cloud Framework for Public Comments on 4th November 2022. The proposed framework will guide SEBI regulated entity to adopt cloud computing for augmenting the business prospects by scalability, reduced operational cost, digital transformation and reducing IT Infrastructure complexity. The proposed cloud framework is a principle-based framework which has nine suggested high-level principles. It attempts to address the risks associated with cloud adoption and the necessary mandatory controls. It suggests baseline security required to be implemented and regulated entity shall decide as per the business and technology risk assessment, and risk appetite of their organization, and as per compliance with all the applicable circulars/ guidelines/ advisories issued by SEBI from time to time.
- SEBI on 9th November 2022, have amended SEBI (Issue of Non-Convertible Securities) Regulations, 2022 whereby Online Bond Platform providers need to register themselves as stock broker under the SEBI (Stock Broker) Regulations, 1992. Online bond platform provider means any person operating or providing an online bond platform and online bond platform means any electronic system, other than a recognised stock exchange or an electronic book provider platform, on which the debt securities which are listed or proposed to be listed, are offered and transacted.
- SEBI vide circular dated 17th November 2022, have issued guidelines for Alternate Investment Funds for declaration of first close of its scheme, calculation of tenure of close ended scheme and fee for change of sponsor / manager or change in control of sponsor manager.
- Regulatory Framework for Online Bond Platform Providers

There has been a tremendous increase in the number of Online Bond Platforms offering Debt securities. With a view to place checks and balances in the form of transparency in operations and disclosures to the investor dealing with such online bond platforms, their measure of mitigation of payment and settlement risks, the availability of redress mechanism in case of complaints etc and also to streamline the operations of Online Bond Platforms, SEBI have issued framework for registration of such Online Bond Platforms: -

- 1) Such entity (online bond platform provider) shall be a company incorporated in India and register itself as a stock broker in the debt segment of the Stock Exchange
- 2) An entity acting as an online bond platform provider on or prior to this circular coming into force shall cease to offer products or services or securities on its platform other than the following: -
 - a) Listed Debt Securities and
 - b) Debt securities proposed to be listed through a public offering
- 3) Such entity shall comply with regulation 51A of SEBI (Issue of Non – Convertible Securities) Regulations.

The circular also defines various requirements for online bond platform provider such as Roles & Obligation, Technology, Operating Framework, Access & Participation, Agreement with Sellers of Debt Securities, Know Your Client (KYC) for on-boarding investors and sellers, Execution of order, Risk Profiling, Issue of order receipt, deal sheet and quote receipt, issuance of alerts to investors and sellers, disclosure requirements, advertisements, investor grievances, risk management, handling exigencies, disclosure of conflict of Interest, Data Integrity, Reporting & disclosure requirements.