

SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI")

- A. Additional information regarding 'protected cell company', 'multi class share vehicle' or equivalent structure by Foreign Institutional Investors ("FII")

SEBI, vide circular dated April 15, 2010¹, has decided to gather additional information pertaining to the structure of FIIs and Sub Accounts ("SA") in order to ascertain their constitution. For the same, all applications submitted for registration w.e.f April 07, 2010 are required to be accompanied by declarations as listed in the circular. The undertakings on the letter heads of respective FIIs are required to be duly signed by their authorised signatory on behalf of the FII as well as all its SAs.

¹ CIR/IMD/FIIC/1/ 2010

For more information please see

<http://www.sebi.gov.in/circulars/2010/cirimdfiic12010.pdf>

- B. Reduction in time between issue closure and listing

SEBI, vide its circular dated April 22, 2010², has reduced the time between issue closure and listing to 12 working days, which previously took an average of 22 working days. In order to achieve the same a new process has been put in place described in the said circular. The revised procedure is applicable to all public issues opening on or after May 3, 2010.

For more information please see

<http://www.sebi.gov.in/circulars/2010/circfdil03.pdf>

² CIR/CFD/DIL/3/2010

C. Guidelines for Credit Rating Agencies (“CRA”)

SEBI, vide circular dated May 3, 2010³, has issued certain transparency and disclosure norms required to be complied by all CRAs registered with SEBI. The norms include, among others, maintenance of records of credit reviews undertaken, publishing of information about the historical default rates of CRAs and formulation of policies and internal codes for dealing with conflict of interests. CRAs have been permitted to make disclosures other than those stipulated in the said circular only after obtaining prior approval of its board. The CRAs are required to communicate to SEBI the status of the implementation of the provisions by July 15, 2010.

For more information please see

<http://www.sebi.gov.in/circulars/2010/cirmirsd06.pdf>

³ CIR/MIRSD/CRA/6/2010

D. SEBI (Credit Rating Agencies) (Amendment) Regulations, 2010

SEBI, vide circular dated May 13, 2010⁴, has made available the Securities and Exchange Board of India (Credit Rating Agencies) (Amendment) Regulations, 2010 published in the Gazette of India dated March 19, 2010. The amendment introduces the definition of “change of status or constitution”, “change in control” in relation to CRAs. Pursuant to the amendment where a CRA “proposes to change its status or constitution, it shall be required to obtain prior approval of the Board for continuing to act as such after the change.”

For more information please see

<http://www.sebi.gov.in/circulars/2010/cirmirsdcra2010.pdf>

E. Disclosure of investor complaints with respect to Mutual Funds

SEBI, vide circular dated May 13, 2010⁵, has made it mandatory for Mutual Funds to disclose on their websites, on the AMFI

⁴ CIR/MIRSD/CRA/7/2010

⁵ Cir / IMD / DF / 2 / 2010

website as well as in their Annual Reports, details of investor complaints received by them from all sources. The details are to be vetted and signed off by the Trustees of the concerned Mutual Fund. The format in which the disclosures are to be made has been annexed to the said circular.

For more information please see

<http://www.sebi.gov.in/circulars/2010/cirimddf22010.pdf>

F. Conditions of listing for issuers seeking listing on SME Exchange - Model SME Equity Listing Agreement

SEBI, through notification dated April 13, 2010, had amended the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("ICDR Regulations") by inserting a Chapter XA on "Issue of specified securities by small and medium enterprises". In order to facilitate listing of specified securities in the Small and Medium Enterprises ("SME") exchange, the "Model Equity Listing Agreement" to be executed between the issuer and the Stock Exchange has been annexed to the circular dated May 17, 2010⁶. The said circular also provides certain relaxations to the issuers whose securities are

listed on SME exchange in comparison to the listing requirements in Main Board, as listed therein.

For more information please see

<http://www.sebi.gov.in/circulars/2010/circfddil062010.pdf>

⁶ CIR/CFD/DIL/6/2010

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