

SECURITIES AND EXCHANGE BOARD OF INDIA
NOTIFICATION

Mumbai, the 3rd August, 2021

SECURITIES AND EXCHANGE BOARD OF INDIA (CREDIT RATING AGENCIES)
(AMENDMENT) REGULATIONS, 2021

No. SEBI/LAD-NRO/GN/2021/29.—In exercise of the powers conferred by section 30 read with section 11 of the Securities and Exchange Board of India Act, 1992 (15 of 1992), the Board hereby makes the following regulations to amend the Securities and Exchange Board of India (Credit Rating Agencies) Regulations, 1999, namely: –

1. These regulations may be called the Securities and Exchange Board of India (Credit Rating Agencies) (Amendment) Regulations, 2021.
2. They shall come into force on the date of their publication in the Official Gazette.
3. In the Securities and Exchange Board of India (Credit Rating Agencies) Regulations, 1999, —
 - I. in regulation 2, in sub-regulation (1),
 - i. in clause (d), the words and symbols “clause (7) of section 2 of the Companies Act, 1956 (1 of 1956)” shall be replaced with the words and symbols “clause (11) of section 2 of the Companies Act, 2013 (18 of 2013)”
 - ii. in clause (eii), in sub-clause (i), the words and symbols “Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997” shall be replaced with the words and symbols “regulations framed under clause (h) of sub-section (2) of section 11 of the Act”

- iii. in clause (g), the words and symbols “Companies Act, 1956 (1 of 1956)” shall be replaced with the words and symbols “Companies Act, 2013 (18 of 2013)”
- iv. in clause (h), the words “offered by way of public or rights issue” shall be replaced with the words “that are listed or proposed to be listed on a stock exchange recognized by the Board”
- v. in clause (t), the words and symbols “section 6 of the Companies Act, 1956 (1 of 1956)” shall be replaced with the words and symbols “section 2(77) of the Companies Act, 2013 (18 of 2013)”.
- II. in regulation 2, sub-regulation (2) shall be substituted with the following namely—
- “The words and expressions used and not defined in these regulations but defined in the Act, the Securities Contracts (Regulation) Act, 1956 (42 of 1956), the Companies Act, 2013 (18 of 2013), or any rules or regulations made thereunder shall have the same meanings respectively assigned to them in those Acts, rules or regulations made thereunder or any statutory modification or re-enactment thereto, as the case may be.”.
- III. in regulation 4, in clause (a), the words and symbols “section 4A of the Companies Act, 1956 (1 of 1956)” shall be replaced with the words and symbols “section 2(72) of the Companies Act, 2013 (18 of 2013)”.
- IV. in regulation 5, in clause (a), the words and symbols “Companies Act, 1956” shall be replaced with the words and symbols “Companies Act, 2013 (18 of 2013)”.
- V. in regulation 9,
- i. in clause (f), the words “offered by way of public or rights issue” shall be replaced with the words “that are listed or proposed to be listed on a stock exchange recognized by the Board”
- ii. before the proviso to clause (f), the following shall be inserted —
- “*Explanation:* — For the purposes of this clause, the ratings undertaken by a credit rating agency under the respective guidelines of a financial sector regulator or authority shall be under the purview of the respective financial sector regulator or authority.”.
- VI. in regulation 29, in sub-regulation (2), clause (c) shall be substituted with the following namely—
- “(c) to investigate into complaints received from investors, clients or any other person on any matter having a bearing on activities of credit rating agency in so far as the complaints relate to the rating of securities that are listed or proposed to be listed on a stock exchange recognized by the Board;”.

AJAY TYAGI, Chairman

[ADV.T.-III/4/Exty./174/2021-22]

Footnotes:

1. The principal regulations, Securities and Exchange Board of India (Credit Rating Agencies) Regulations, 1999 were issued under S.O. No. 547 (E) dated July 7, 1999 published in the Gazette of India.
2. The Securities and Exchange Board of India (Credit Rating Agencies) Regulations, 1999 were subsequently amended on,-
 - (a) March 28, 2000 by the Securities and Exchange Board of India (Appeal to Securities Appellate Tribunal) (Amendment) Regulations, 2000 published in Official Gazette vide S.O. No. 278(E).
 - (b) May 29, 2001, by the Securities and Exchange Board of India (Investment Advice by Intermediaries) (Amendment) (Regulations), 2001 vide S.O. No. 476 (E).
 - (c) September 27, 2002 by the Securities and Exchange Board of India (Procedure for Holding Enquiry by Enquiry Officer and Imposing Penalty) Regulations, 2002 vide No. S.O. No.1045 (E).

- (d) February 19, 2003 by the Securities and Exchange Board of India (Credit Rating Agencies) (Amendment) Regulations, 2003 vide S.O. No. 203 (E).
- (e) October 1, 2003 by the Securities and Exchange Board of India (Credit Rating Agencies) Second Amendment) Regulations, 2003 vide S.O. No. 1160 (E).
- (f) March 10, 2004 by Securities and Exchange Board of India (Criteria for Fit and Proper Person) Regulations, 2004 vide S. O. No. 398 (E).
- (g) September 7, 2006 by the Securities and Exchange Board of India (Credit Rating Agencies) (Amendment) Regulations, 2006 vide S. O. No. 1454(E).
- (h) May 26, 2008 by the Securities and Exchange Board of India (Intermediaries) Regulations, 2008 vide no. LAD/ NRO/GN/2008/11/126538.
- (i) March 19, 2010 by the Securities and Exchange Board of India (Credit Rating Agencies) (Amendment) Regulations, 2010 vide Notification No. LAD-NRO/GN/2009-2010/30/199044.
- (j) April 13, 2011 by the Securities and Exchange Board of India (Change in Conditions of Registration of Certain Intermediaries) (Amendment) Regulations, 2011 vide Notification No. LAD/ NRO/ GN/ 2011-12/03/12650.
- (k) July 5, 2011 by the Securities and Exchange Board of India (Credit Rating Agencies) (Amendment) Regulations, 2011 vide Notification No. LAD/NRO/GN/2011- 12/10/21232.
- (l) December 27, 2011 by the Securities and Exchange Board of India (Credit Rating Agencies) (Second Amendment) Regulations, 2011 vide Notification No. LAD/NRO/ GN/2011-12/31/39022.
- (m) May 23, 2014 by the Securities and Exchange Board of India (Payment of Fees and Mode of Payment) (Amendment) Regulations, 2014 vide notification no. LAD-NRO/GN/2014-15/03/1089.
- (n) December 08, 2016 by the Securities and Exchange Board of India (Change in Conditions of Registration of Certain Intermediaries) (Amendment) Regulations, 2016 vide Notification No. SEBI/LAD/NRO/GN/2016-17/023.
- (o) March 6, 2017 by the Securities and Exchange Board of India (Payment of Fees and Mode of Payment) (Amendment) Regulations, 2017 vide notification no. SEBI/LAD/NRO/GN/2016-17/037 read with notification no. SEBI/LAD/NRO/GN/2016-17/38 dated March 29, 2017.
- (p) May 30, 2018 by the Securities and Exchange Board of India (Credit Rating Agencies) (Amendment) Regulations, 2018 vide Notification No. SEBI/LAD-NRO/GN/2018-15.
- (q) September 11, 2018 by the Securities and Exchange Board of India (Credit Rating Agencies) (Second Amendment) Regulations, 2018 vide Notification No. SEBI/LAD-NRO/GN/2018/36.
- (r) September 23, 2019 by the Securities and Exchange Board of India (Credit Rating Agencies) (Amendment) Regulations, 2019 vide Notification No. SEBI/LAD-NRO/GN/2019/34.
- (s) April 17, 2020 by the by the Securities and Exchange Board of India (Regulatory Sandbox) (Amendment) Regulations, 2020 vide Notification No. SEBI/LAD-NRO/GN/2020/10.
- (t) May 05, 2021 by the Securities and Exchange Board of India (Payment of Fees and Mode of Payment) (Amendment) Regulations, 2021 vide Notification No. SEBI/LAD-NRO/GN/2021/23.