



भारतीय प्रतिभूति और विनिमय बोर्ड
Securities and Exchange Board of India

Consultation Paper

RECOMMENDATIONS OF THE EXPERT COMMITTEE
FOR FACILITATING EASE OF DOING BUSINESS
UNDER SEBI (MERCHANT BANKERS) REGULATIONS
1992, SEBI (BANKERS TO AN ISSUE) REGULATIONS
1994 AND SEBI BUYBACK REGULATIONS 2018

MAY 21, 2024



OBJECTIVE

1. The objective of this consultation paper is to seek comments / views / suggestions from the public and other stakeholders on recommendations of the Expert Committee for facilitating ease of doing business under the provision of SEBI(Merchant Bankers) Regulations 1992, SEBI (Bankers to an Issue) Regulations 1994 and SEBI Buyback Regulations 2018 (“**Expert Committee**”).

BACKGROUND AND CONSTITUTION OF AN EXPERT COMMITTEE

2. One of the announcements in the Union Budget for FY 2023-24, was:
“To simplify, ease and reduce cost of compliance, financial sector regulators will be requested to carry out a comprehensive review of existing regulations. For this, they will consider suggestions from public and regulated entities.....”
3. Pursuant to the Budget Announcement, an Expert Committee chaired by Shri S.K. Mohanty, ex-Whole Time Member, SEBI was set up to *inter-alia* review the Merchant Bankers Regulations, Bankers to an Issue and Buyback Regulations from the point of view of facilitating ease of doing business.
4. Further, SEBI, pursuant to its press release dated October 4, 2023, invited suggestions from the public and regulated entities to simplify, ease and reduce the cost of compliance under various SEBI regulations, including SEBI (Merchant Bankers) Regulations, 1992 (“**MB Regulations**”), SEBI (Bankers to an Issue) Regulations, 1994 (“**BTI Regulations**”) & SEBI (Buy-back of Securities) Regulations, 2018 (“**Buyback Regulations**”). The comments received from the public were deliberated in the Working Groups formed by the Expert Committee.
5. Pursuant to deliberations, the Expert Committee has submitted a report containing recommendations alongwith rationale for facilitating ease of doing business under the MB Regulations, BTI Regulations and Buyback Regulations. The committee has



also suggested draft amendments to relevant Regulations. The report of the Expert Committee can be accessed [here](#).

RECOMMENDATIONS OF THE EXPERT COMMITTEE

6. The Expert Committee has given its recommendations on the following -

6.1. MB Regulations

- 6.1.1. Responsibilities of Lead Managers
- 6.1.2. Merchant Banker not to act as such for an Associate
- 6.1.3. Underwriting Obligations
- 6.1.4. Consideration of Application
- 6.1.5. Definition of 'net worth'
- 6.1.6. References to 'Partner' and 'Proprietor'
- 6.1.7. Conditions of Registration
- 6.1.8. Issuance of e-certificates
- 6.1.9. References to repealed SEBI regulations and Companies Act, 1956

6.2. BTI Regulations

- 6.2.1. Responsibilities of bankers to an issue
- 6.2.2. Grant of certificate of registration

6.3. Buyback Regulations

- 6.3.1. Issuance of Shares or other specified securities during the Buyback Period
- 6.3.2. Manner of computation of Entitlement ratio
- 6.3.3. Reference date for opening of Buyback Offer through Stock Exchange Route
- 6.3.4. Disclosures in the Letter of Offer
- 6.3.5. Other Miscellaneous Issues

The summary of the recommendations made by the Expert Committee can be accessed [here](#).



PUBLIC COMMENTS

7. Public comments are invited on the recommendations of the Committee. The comments/ suggestions should be submitted latest by **June 11, 2024** through the following link:

<https://www.sebi.gov.in/sebiweb/publiccommentv2/PublicCommentAction.do?doPublicComments=yes>

8. In case of any technical issue in submitting your comment through web based public comments form, you may send your comments through e-mail to consultationcf@sebi.gov.in with the subject "Consultation Paper on "Recommendations of the Expert Committee for facilitating ease of doing business under SEBI (Merchant Bankers) Regulations 1992, SEBI (Bankers to an Issue) Regulations 1994 and SEBI Buyback Regulations 2018".
