



N. A. SHAH ADVISORS LLP

BULLETIN

CAPITAL MARKETS BULLETIN – JUNE 2023



EXECUTIVE SUMMARY

- ◆ SEBI has introduced Legal Entity Identifier (LEI) for issuers of listed or proposed to be listed debt securities.
- ◆ Dematerialisation of securities of Holding Company (Hold Cos) and Special Purpose Vehicle (SPVs) held by REITs and InvITs.
- ◆ Amendments in SEBI (ICDR) Regulation with respect to bonus issue.

INTRODUCTION OF LEGAL ENTITY IDENTIFIER (LEI) FOR ISSUERS OF DEBT SECURITIES

- ◆ To create a global reference data system, LEI is introduced as a unique global identifier for legal entities participating in financial transactions.
- ◆ The issuer companies shall obtain LEI for debt securities which are listed or proposed to be listed such as non-convertible securities, securitised debt instruments and security receipts.
- ◆ In India, LEI code may be obtained from Legal Entity Identifier India Ltd (LEIIL), which is recognised by RBI.
- ◆ The timelines for obtaining and reporting LEI are as follows:


Type of Securities	Applicability	Report to	Timeline
Non-convertible Securities (NCS)	Issuer having outstanding listed NCS as on August 31, 2023	Centralized Database of corporate bonds	On or before 1 st September, 2023
	Issuer proposing to issue and list NCS on or after September 01, 2023		Before the allotment of ISIN
Securitized Debt Instruments (SDI) and Security Receipts (SR)	Issuer having outstanding listed SDI and SR as on August 31, 2023	Depositories	On or before 1 st September, 2023
	Issuer proposing to issue and list SDI or SR on or after September 01, 2023		Before the allotment of ISIN

DEMATERIALIZATION OF SECURITIES BY REITS AND INVITS (“INVESTMENT FUNDS”)

- ◆ In order to improve transparency in dealings of securities, SEBI has mandated Investment Funds to hold securities of Hold Cos and SPVs in dematerialised form only.
- ◆ For existing holdings in physical form, the managers of the Investment Funds are required to ensure the securities are dematerialized on or before 30th June 2023.

AMENDMENTS IN ICDR REGULATIONS

- ◆ SEBI has mandated the listed entities to obtain approval from stock exchange for listing and trading of all the securities, excluding options granted under ESOP scheme and convertible securities before any bonus issue.
- ◆ Further, all the allotment of shares in bonus issue shall be in dematerialised form only.



The contents provided in this newsletter are for information purpose only and are intended, but not promised or guaranteed, to be correct, complete and up-to-date. The firm hereby disclaims any and all liability to any person for any loss or damage caused by errors or omissions, whether such errors or omissions result from negligence, accident or any other cause.

B41-45, Paragon Centre,
Pandurang Budhkar Marg, Mumbai – 400013
Tel: 91-022-4073 3014
E-mail Id: info@nashahadvisors.com