CIRCULAR

HO/17/11/(2)2026-DDHS-POD1/I/18769/2026 **August 14, 2026**

To,

All Entities operating as online bond platform providers;
All Recognized Stock Exchanges

All Stock Brokers

Madam/ Sir,

Subject: Modification in the regulatory framework for Online Bond Platform Providers (OBPPs) including measures for promoting ease of doing business

1. SEBI, vide notification dated November 09, 2022, prescribed a regulatory framework for entities operating or desirous of operating as OBPPs under Regulation 51A of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ("SEBI NCS Regulations"). This framework was further streamlined through subsequent circulars to provide for registration, specify the permissible list of products/services and other operational requirements.

2. Certain suggestions have been received from various stakeholders to promote ease of doing business. Accordingly, this circular addresses modification of provisions of SEBI NCS Master Circular dated October 15, 2025 on the following areas:
   2.1. OBPPs may be permitted to offer products or securities or services regulated by International Financial Services Centres Authority (IFSCA).
   2.2. OBPPs may be permitted to offer Bonds issued under section 54EC of the Income Tax Act, 1961 or Section 85 of Income-tax Act, 2025.
   2.3. Compliance officer requirements for OBPPs.

3. In view of the above, Chapter XXI of SEBI Master Circular for issue and listing of Non-Convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated October 15, 2025 ("NCS Master circular") shall be modified as under:

3.1. Clause 5.2 is hereby modified as under (modifications have been highlighted for ease of reference):

5.2. An entity acting as an Online Bond Platform Provider, shall offer only the following products or securities or services on its Online Bond Platform:

5.2.1. Listed debt securities, listed municipal debt securities and listed securitised debt instruments;

5.2.2. Debt securities, municipal debt securities and securitised debt instruments proposed to be listed through a public offering;

5.2.3. Listed Government Securities, State Development Loans and Treasury Bills;

5.2.4. Listed Sovereign Gold Bonds

5.2.5. Other products or securities or services that are regulated by a financial sector regulator viz. SEBI, RBI, IRDAI, ***IFSCA*** *or PFRDA;* ***and***

5.2.6. Bonds issued under section 54EC of the Income Tax Act, 1961 or Section 85 of Income-tax Act, 2025

In case of the products or securities or services mentioned at 5.2.5 above,

a. *they may be offered by the entity either under a different tab on its online bond platform or on any other website/ platform.*
b. *they will be governed by the directions / stipulations of the respective financial sector regulator.*
c. ***The grievance redressal mechanism for such products/securities/services shall be specified by the OBPPs on their platform.***
d. ***In the case of products, securities, or services regulated by IFSCA, OBPPs shall offer them in the manner specified for SEBI-registered stock brokers operating within the GIFT-IFSC and in compliance with applicable guidelines under Foreign Exchange Management Act (FEMA), 1999, including Overseas Investment Rules and limits under Liberalised Remittance Scheme (LRS). Further, such products/securities/services shall be clearly labelled as international or overseas instruments, to prevent confusion with domestic debt securities.***

In case of the securities mentioned at 5.2.6 above,

a. ***they may be offered by the entity either under a different tab on its online bond platform or on any other website/ platform.***

b. ***OBPPs shall provide a disclaimer that these are tax specific instruments and grievance redressal mechanism for these instruments does not lie with SEBI but lies with the issuer.***

c. ***OBPPs shall also disclose features of 54EC bonds including eligible issuers, lock-in period, investment limit, non-transferable status, tax features, application size, exemption from listing requirements under SEBI (LODR) Regulations, 2015 etc.***

d. ***OBPPs shall prominently disclose that investment in these instruments is intended for investors seeking to avail the tax benefits associated therewith, subject to satisfaction of the eligibility criteria and other conditions prescribed under the applicable provisions of the Income-tax Act.***

3.2. Clause 1.1 of Annexure-XXIA of the NCS Master circular is hereby modified as follows

1. Roles and obligations:

1.1. The entity has appointed a Compliance officer as per SEBI (Stock Brokers) Regulations, 2026, who shall comply with certification requirements (i.e. NISM-Series-III-A: Securities Intermediaries Compliance (Non-Fund) Certification Examination) for stock brokers, as prescribed from time to time [1]

4. All other provisions of the NCS Master Circular shall remain unchanged.

5. The circular shall come into force with immediate effect.

6. The Stock Exchanges are directed to:
   a. take necessary steps and put in place necessary systems for the implementation of the above;
   b. make necessary amendments to the relevant bye-laws, rules and regulations, wherever applicable, for the implementation of the above; and
   c. bring the provisions of this circular to the notice of the Stock Brokers and also disseminate the same on their website

[1] The earlier provision read as follows: *1.1.The entity has appointed a Company Secretary as a compliance officer.*

7. The Circular is issued in exercise of the powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992 read with Regulation 55 (1) of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 to protect the interest of investors in securities and to promote the development of, and to regulate the securities market.

8. This Circular is available at www.sebi.gov.in under the link "Legal → Circulars".

Yours faithfully,

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