

Review of provisions related to mandatory listing of outstanding unlisted debt securities under Regulation 62A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

1. Objective

1.1. This Board Memorandum proposes an amendment to Regulation 62A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR Regulations”) to eliminate the requirement for mandatory retrospective listing of all outstanding unlisted non-convertible debt securities (“NCDs”) by an issuer who proposes to list its NCDs for the first time. Therefore, the proposal intends to encourage listing of debt securities by new issuers.

2. Background

2.1. The requirement to list all outstanding unlisted non-convertible debt securities of a listed entity was introduced in September 2023 and was made effective from January 01, 2024. This provision has created a consequence where an unlisted company which wants to get listed today, is required to get all its earlier outstanding debt issuances made post January 01, 2024 to also be listed. While grandfathering was provided for listed issuers at that point in time, there was no grandfathering for new issuers who may list their debt issuances in the distant future. Based on the feedback received from market participants, it is gathered that this has resulted in discouraging new issuers from listing debt since the same entails significant cost for already subscribed issues and also causes various operational challenges in terms of ISIN limits, covenant monitoring system, etc.

2.2. Based on the analysis of quarterly data on issuance of unlisted vis-à-vis listed debt securities, it is observed that the amount of listed debt issuance as a percentage of the total debt issuance (i.e. listed and unlisted) has declined from 80.81% (as on September 30, 2023 – when the requirement under Regulation 62A was introduced) to 76.55% (as on June 30, 2026). From the data it appears that one of the possible reasons for reduction in listing could be the mandatory requirement to get all outstanding debt issues listed.

2.3. Therefore, to encourage listing of debt securities, the said requirement to list all outstanding unlisted non-convertible debt securities by issuers may be removed and it may be left to the discretion of the issuer to list prior issues. However, requirement for listing of all subsequent debt securities issuances, post first time listing of debt securities, may continue to apply.

3. Public consultation

3.1. SEBI issued a consultation paper titled "Review of provisions related to ISIN for Debt Securities" on August 10, 2026. The last date for receiving public comments was August 31, 2026. A copy of the consultation paper is enclosed as **Annexure A**.

3.2. The Consultation Paper, inter alia, sought public comments on the following proposed amendment to Regulation 62A of the LODR Regulations (additions in **bold**, deletions in ~~strikethrough~~):

“(1) A listed entity, whose non-convertible debt securities are listed **on or after the date of the publication of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (...Amendment) Regulations, 2026 in the Official Gazette**, shall list all **subsequent** non-convertible debt securities, ~~proposed to be issued on or after January 1, 2024,~~ on the stock exchange(s).

Nothing provided under this regulation shall apply to the requirement of listing of non-convertible debt securities arising out of Regulation 62A, as applicable before the publication of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (...Amendment) Regulations, 2026.

~~“(2) A listed entity, whose subsequent issues of unlisted non-convertible debt securities made on or before December 31, 2023 are outstanding on the said date, may list such securities, on the stock exchange(s).~~

~~(3) A listed entity that proposes to list the non-convertible debt securities on the stock exchange(s) on or after January 1, 2024, shall list all outstanding unlisted non-convertible debt securities previously issued on or after January 1, 2024, on the stock exchange(s) within three months from the date of the listing of the non-convertible debt securities proposed to be listed.~~

...

3.3. A total of 21 entities responded to the proposal contained in consultation paper with their views/ inputs/ suggestions. The respondents include Stock Exchange, Depository, listed entities, merchant bankers, law firms and stock brokers. A summary of the public comments received is as under:

Strongly Agree	Agree	Partially Agree	Disagree	Strongly Disagree	Total
4	10	5	1	1	21

3.4. While a majority of the respondents have agreed with the proposal, some respondents have made additional suggestions related to the proposal. The detailed comments received, along with SEBI's views on the same, are placed at **Annexure B**. The analysis of public comments is summarised below:

S. No.	Suggestions/ Views received	SEBI comments
1.	Mandating listing of all subsequent NCD issuances post first time listing of NCDs may inadvertently discourage debt raising companies to raise debt from the debt capital market.	The instant proposal relaxes the requirement of listing all <u>outstanding</u> unlisted NCDs by an issuer listing its NCDs for the first-time. The comment seeks to remove the requirement to list all <u>future</u>

		NCDs by a first-time listed NCD issuer. Allowing a company to also issue unlisted debt securities while maintaining a "listed" status would result in a fragmented, opaque parallel market that compromises investor protection. Hence, no change to the proposal is warranted.
2.	The proposal would permanently restrict a company's ability to issue unlisted NCDs once it has undertaken a listed debt issuance. Such a restriction would continue to apply even after all outstanding listed NCDs have matured and been redeemed, despite there being no listed debt outstanding. This would unnecessarily curtail a company's flexibility to raise funds through private placements of unlisted NCDs.	First-time debt listing is a structural transition, not a temporary financing tool. When an entity lists debt, it establishes infrastructure for corporate governance, debenture trustee monitoring and financial disclosures under the LODR Regulations. Maintaining this high standard of disclosure is essential for investor protection, regardless of whether a specific listed instrument is live at any given moment. The absence of said listing requirement would incentivize tactical compliance, wherein an entity may revert to issuing unlisted debt without

		restrictions as soon as its last listed bond matures. This is prone to market misconduct since companies may intentionally clear their listed debt books for a brief window to issue massive amounts of opaque, unlisted debt away from public scrutiny, defeating the intended objective of continuous transparency. Therefore, the proposal may be retained.
3.	Request for transitional grandfathering with an effective cut-off (e.g., April 1, 2026), to relieve issuers who listed shortly before the amendment from their ongoing 3-month retrospective listing window.	Any specific historical cut-off date would be arbitrary and create a new class of disadvantaged issuers. Further, it would result in issuers that already spent significant capital and operational effort to comply with the extant regulations being unfairly penalized compared to those that delayed their compliance. Therefore, it is felt appropriate to implement the relaxation on a prospective basis.

4.	Introduce a scale-based or rating-based exemption framework rather than a blanket relief. The requirement for listing of all outstanding NCDs should remain mandatory for large, highly-rated entities to maintain institutional transparency, while exempting only smaller or lower-rated entities (e.g., BBB+ or lower).	Segregating issuers into scale/rating-based compliance buckets would undermine the intent of introducing overall transparency and market consolidation. It would also create an uneven playing field where large entities face higher compliance barriers to tap listed debt markets, which may also drive them toward alternative financing avenues. A uniform, prospective framework shall provide regulatory certainty for all issuers, encouraging broad participation across the entire credit spectrum.
----	--	---

4. Proposal for the consideration and approval of the Board

4.1. It is proposed to amend Regulation 62A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as provided below:

Extant Regulation 62A	Proposed Regulation 62A (additions in bold, deletions in strikethrough)
Listing of subsequent issuances of non-convertible debt securities	Listing of subsequent issuances of non-convertible debt securities

(1) A listed entity, whose non-convertible debt securities are listed shall list all non-convertible debt securities, proposed to be issued on or after January 1, 2024, on the stock exchange(s). (2) A listed entity, whose subsequent issues of unlisted non-convertible debt securities made on or before December 31, 2023 are outstanding on the said date, may list such securities, on the stock exchange(s). (3) A listed entity that proposes to list the non-convertible debt securities on the stock exchange(s) on or after January 1, 2024, shall list all outstanding unlisted non-convertible debt securities previously issued on or after January 1, 2024, on the stock exchange(s) within three months from the date of the listing of the non-convertible debt securities proposed to be listed. 	(1) A listed entity, whose non-convertible debt securities are listed on or after the date of the publication of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2026, shall list all those non-convertible debt securities issued by it after the date of such listing, ~~proposed to be issued on or after January 1, 2024,~~ on the stock exchange(s). ~~(2) A listed entity, whose subsequent issues of unlisted non-convertible debt securities made on or before December 31, 2023 are outstanding on the said date, may list such securities, on the stock exchange(s).~~ ~~(3) A listed entity that proposes to list the non-convertible debt securities on the stock exchange(s) on or after January 1, 2024, shall list all outstanding unlisted non-convertible debt securities previously issued on or after January 1, 2024, on the stock exchange(s) within three months from the date of the listing of the non-convertible debt securities proposed to be listed.~~
--	---

	...
	...
	...

5. Comments of the Corporate Bonds & Securitization Advisory Committee (CoBoSAC):

The above proposals were placed before the members of CoBoSAC for deliberation during the meeting held on July 24, 2026. Members of CoBoSAC agreed with the proposals.

6. Proposal to the Board:

6.1. The Board is requested to:

6.1.1. consider and approve the proposals as detailed in para 4 above and the consequent draft amendment notification enclosed as **Annexure C**;

6.1.2. authorize the Chairman to make consequential and incidental changes and take necessary steps to give effect to the decisions of the Board.

Enclosed:

- 1. Annexure A - Consultation paper dated August 10, 2026**
- 2. Annexure B - Summary of public comments and views of SEBI thereon**
- 3. Annexure C - Draft Amendment Notification**

Consultation paper dated August 10, 2026

Consultation paper can be accessed at https://www.sebi.gov.in/reports-and-statistics/reports/aug-2026/consultation-paper-on-review-of-provisions-related-to-isin-for-debt-securities_103475.html

Summary of public comments and views of SEBI thereon (refer para 3.4 of the Board Memorandum)

S. No.	Public Comment	SEBI comments
1.	As drafted, the grandfathering relief is tied to a listed entity whose non-convertible debt securities "are listed on or after the date of the publication" of the amending Regulations. This means an issuer whose first debt listing occurred even a few weeks or months before the amendment is published and who is consequently still running the 3-month clock under the extant Regulation 62A(3) to list all outstanding unlisted NCDs issued after January 1, 2024 would remain fully bound by the very requirement SEBI has now concluded is undesirable, purely as a function of listing date. We recommend that the grandfathering cut-off instead be fixed at April 1, 2026, i.e., that any issuer whose first debt listing on the stock exchange(s) occurred on or after April 1, 2026 be grandfathered and relieved of the obligation to list its outstanding unlisted NCDs issued prior to such first listing, regardless of whether such first listing occurred before or after the date of publication of the amending Regulations. Such issuers should also be permitted (but not required) to list such outstanding NCDs voluntarily. We suggest the proposed Regulation 62A(1) proviso be recast to read along the following lines: "Provided that nothing in this regulation shall require a listed entity, whose first listing of non-convertible debt securities on the stock exchange(s) occurred on or after April 1, 2026, to list any non-convertible debt security issued prior	Any specific historical cut-off date would be arbitrary and create a new class of disadvantaged issuers. Further, it would result in issuers that already spent significant capital and operational effort to comply with the extant regulations being unfairly penalized compared to those that delayed their compliance. Therefore, it is felt appropriate to implement the relaxation on a prospective basis.

S. No.	Public Comment	SEBI comments
	to such first listing, regardless of whether such first listing occurred before or after the date of publication of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (... Amendment) Regulations, 2026." Correspondingly, sub-regulations (2) and (3) proposed to be omitted may instead be retained in modified form, so that the mandatory retrospective listing requirement continues to apply only to listed entities whose first listing of non-convertible debt securities occurred before April 1, 2026.	
2.	We partially agree with the proposal at para 4.2. We support moving to a prospective listing requirement but flag 3 drafting issues in the proposed text of regulation 62A and one concern about whether the amendment will achieve its stated objective. 1. Amended sub regulation 1 retains the qualifier proposed to be issued on or after January 1 2024 alongside the new trigger of listed on or after the date of publication of the 2026 amendment. For any entity that meets the new trigger the retained qualifier adds nothing and creates ambiguity about whether it is dead language or intended to have independent effect. We recommend either removing it or clarifying its continuing purpose. 2. The word "subsequent" in amended sub regulation 1 is not tied to any specific date or event. We recommend defining it explicitly for example as issued after the date on which such securities are first listed. 3. The savings paragraph refers only to this regulation without specifying whether it covers the whole of Regulation 62A or only the amended sub regulation 1. Sub regulations 2 and 3 are not amended by this proposal. Sub regulations 3 independently requires an issuer that proposes to list non convertible debt securities to also list	1. In the amended Regulation, as proposed in the Consultation Paper, reference to the date "January 1, 2024" has been deleted. 2. The word "subsequent" in the amended sub-regulation 1 is tied to the date of the publication of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (...Amendment) Regulations, 2026 in the Official Gazette. 3. The proposed amendment deletes sub-regulations (2) and (3). 4. Under the extant SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, an entity coming to the market for a first-time public or private debt listing is already required to disclose its comprehensive capital structure, including all existing

S. No.	Public Comment	SEBI comments
	all outstanding unlisted non convertible debt securities previously issued on or after January 1 2024 within 3 months. As drafted an issuer making its first debt listing could be exempted under amended sub regulation 1 yet still be caught by unmodified sub regulation 3. We recommend that SEBI expressly modify sub regulation 3 rather than relying on the savings paragraph alone. 4. We recommend that the proposal be accompanied by a disclosure requirement for pre existing unlisted debt. An issuer could be required to disclose at the time of its first listed debt issuance the aggregate outstanding amount and maturity profile of its unlisted NCDs without requiring those securities to be listed. This preserves the compliance cost reduction while maintaining investor visibility into the issuers total debt obligations.	borrowings, secured and unsecured loans, maturity profiles and outstanding unlisted debt obligations in its Placement Memorandum or Offer Document. Therefore, no change to the proposal may be warranted.
3.	SEBI proposes dispensing with the current requirement (under Regulation 62A of the LODR Regulations) which mandates that if an entity lists a new debt security on or after January 1, 2024, it must also retrospectively list all of its outstanding unlisted non-convertible debt securities issued prior to that date within three months. <u>We recommend against a blanket exemption for all entities. Instead, we propose a scale-based or rating-based exemption framework.</u> For an unlisted company contemplating its first listed bond issuance, the requirement to retrospectively list dozens of legacy, privately-placed bonds is financially and operationally devastating. The compliance burden, legal fees, documentation tracking, and the integration of old bonds into the modern covenant monitoring system are massive deterrents. As a result, many	Segregating issuers into scale/ rating-based compliance buckets would undermine the intent of introducing overall transparency and market consolidation. It would also create an uneven playing field where large entities face higher compliance barriers to tap listed debt markets, which may also drive them toward alternative financing avenues. A uniform, prospective framework shall provide regulatory certainty for all issuers, encouraging broad participation across the entire credit spectrum. Therefore, no change to the proposal may be warranted.

S. No.	Public Comment	SEBI comments
	prospective issuers are simply choosing to remain entirely in the unlisted, opaque shadow market to avoid this punitive retrospective cost. Conversely, from the perspective of an institutional investor, a blanket exemption permanently grandfathers in unlisted bonds. This creates a bifurcated market where an issuer's new investors enjoy the transparency, liquidity, and mark-to-market benefits of exchange listing, while legacy investors remain trapped in illiquid, unlisted instruments. Investors inherently prefer that all outstanding bonds of a newly listed entity be brought onto the exchange to ensure parity. A blanket policy either strictly enforcing retrospective listing or totally exempting it fails to account for the diverse spectrum of the Indian credit market. SEBI has spent significant resources trying to deepen the bond market by encouraging lower-rated entities (e.g., BBB+, BBB, A-) to access public capital and Online Bond Platform Providers (OBPPs). We strongly recommend that the exemption from retrospective listing be exclusively carved out only for these smaller or lower-rated entities.	
4.	The removal of the retrospective listing requirement is a welcome step, as is the shift to a prospective trigger keyed to the date of first debt listing. The existing mandate under Regulation 62A acted as a significant deterrent for unlisted entities seeking to access the public debt markets for the first time. The retrospective burden of cleaning up and listing prior private issuances, often structured specifically for private participants, introduced substantial compliance costs and operational hurdles. Removing this requirement will undoubtedly encourage more unlisted issuers to list new debt securities. The proposal correctly shifts the compliance burden to a prospective model,	The respondent, while agreeing with the proposal, has suggested that the final regulations explicitly confirm that pre-existing unlisted debt securities (issued prior to the first public listing) can remain unlisted until maturity and issue transitional guidelines. The draft Regulations already explicitly specify a prospectively applicable framework, through deletion of the sub-regulations providing the cut-off dates for listing of outstanding debt by issuers seeking first-time listing. This amendment removes the requirement

S. No.	Public Comment	SEBI comments
	stating that issuers will only need to list subsequent non-convertible debt securities following the publication of the amendment. However, to avoid any interpretive ambiguity, it is crucial that the final regulations explicitly confirm that pre-existing unlisted debt securities (issued prior to the first public listing) can remain unlisted until maturity without triggering any non-compliance. SEBI may also consider issuing transitional guidance for entities that are currently in the process of listing debt or those that have issuances pending in the interim period before the amendment is enforced.	for any retrospective non-compliance, removing the need for any intermediate transitional guidelines. Therefore, no change to the proposal may be warranted.
5.	The Company requests SEBI to provide transitional grandfathering under Regulation 62A of the SEBI Listing obligations and disclosure regulations for its outstanding unlisted non convertible debentures issued prior to the Company first debt listing. The Company undertook its first listing of NCDs on July 14 2026. Consequently under the existing Regulation 62A framework the Company is required to all of its outstanding unlisted NCDs issued after January 1 2024 within three months of its first debt listing. The Company presently has approximately 24 such ISINs. The Company request that all outstanding unlisted NCDs issued prior to July 14 2026 be grandfathered and exempted from mandatory listing. The Company also requests SEBI to consider providing such transitional relief with effect from April 1 2026 or such other date that SEBI may deem fit so that issuers whose first debt listing occurred shortly before the proposed amendment are not subjected to materially different compliance obligations merely due to the timing of their first listing.	Any specific historical cut-off date would be arbitrary and create a new class of disadvantaged issuers. Further, it would result in issuers that already spent significant capital and operational effort to comply with the extant regulations being unfairly penalized compared to those that delayed their compliance. Therefore, it is felt appropriate to implement the relaxation on a prospective basis.

S. No.	Public Comment	SEBI comments
6.	The requirement should be reconsidered, as it would prevent a company from issuing unlisted NCDs after all outstanding NCDs are matured, thereby limiting legitimate funding and structuring flexibility.	First-time debt listing is a structural transition, not a temporary financing tool. When an entity lists debt, it establishes infrastructure for corporate governance, debenture trustee monitoring and financial disclosures under the LODR Regulations. Maintaining this high standard of disclosure is essential for investor protection, regardless of whether a specific listed instrument is live at any given moment. The absence of said listing requirement would incentivize tactical compliance, wherein an entity may revert to issuing unlisted debt without restrictions as soon as its last listed bond matures. This is prone to market misconduct since companies may intentionally clear their listed debt books for a brief window to issue massive amounts of opaque, unlisted debt away from public scrutiny, defeating the intended objective of continuous transparency. Therefore, the proposal may be retained.
7.	1. As drafted, the grandfathering relief is tied to a listed entity whose non-convertible debt securities "are listed on or after the date of the publication" of the amending Regulations. This means an issuer whose first debt listing occurred even a few weeks or months before the amendment is published and who is consequently still running the 3-month clock under the extant Regulation 62A(3) to list all outstanding unlisted NCDs issued after January 1, 2024 would remain fully bound by the very	Any specific historical cut-off date would be arbitrary and create a new class of disadvantaged issuers. Further, it would result in issuers that already spent significant capital and operational effort to comply with the extant regulations being unfairly penalized compared to those that delayed their compliance.

S. No.	Public Comment	SEBI comments
	requirement SEBI has now concluded is undesirable, purely as a function of listing date. We recommend that the grandfathering cut-off instead be fixed at April 1, 2026, i.e., that any issuer whose first debt listing on the stock exchange(s) occurred on or after April 1, 2026 be grandfathered and relieved of the obligation to list its outstanding unlisted NCDs issued prior to such first listing, regardless of whether such first listing occurred before or after the date of publication of the amending Regulations. Such issuers should also be permitted (but not required) to list such outstanding NCDs voluntarily. 2. We suggest the proposed Regulation 62A(1) proviso be recast to read along the following lines: "Provided that nothing in this regulation shall require a listed entity, whose first listing of non-convertible debt securities on the stock exchange(s) occurred on or after April 1, 2026, to list any non-convertible debt security issued prior to such first listing, regardless of whether such first listing occurred before or after the date of publication of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (... Amendment) Regulations, 2026." Correspondingly, sub-regulations (2) and (3) proposed to be omitted may instead be retained in modified form, so that the mandatory retrospective listing requirement continues to apply only to listed entities whose first listing of non-convertible debt securities occurred before April 1, 2026.	Therefore, it is felt appropriate to implement the relaxation on a prospective basis.
8.	We respectfully recommend that SEBI consider extending the benefit of the proposed amendment to all listed entities, irrespective of the date on which they first listed their debt securities. Specifically:	The proposal is intended to address challenges faced by new issuers who are currently discouraged from entering the listed debt market due to an immediate, existential cost barrier to list

S. No.	Public Comment	SEBI comments
	i. The requirement under the extant Regulation 62A(3) to list outstanding unlisted NCDs issued on or after January 1, 2024 may be dispensed with for all listed entities, and not only for issuers undertaking their first debt listing after the amendment comes into effect; ii. The proposed grandfathering of debt securities issued prior to an issuer's first debt listing may be made uniformly applicable across all listed entities, regardless of when such first listing occurred; and iii. A transitional period of six months may be provided for issuers that have already commenced steps towards listing outstanding unlisted NCDs under the existing framework, enabling them to discontinue such processes in an orderly manner without adverse regulatory consequences. Such an approach would eliminate the proposed dual-track asymmetry, establish a level playing field across market participants and ensure that the benefits of the reform are available to all issuers facing similar compliance and operational challenges. It would also more fully advance the Consultation Paper's stated objective of promoting listed debt issuances, enhancing market participation and reducing regulatory frictions that may discourage issuers from accessing the listed debt market.	prior outstanding debt. Providing grandfathering benefits to already-listed debt issuers may not be appropriate for the following reasons: i. It may impact actions that may have already been finalized against issuers for non-compliance with the said listing requirement. ii. It would result in issuers that already spent significant capital and operational effort to comply with the extant regulations being unfairly penalized compared to those that delayed their compliance.
9.	The decision to list in case of privately placed NCDs shall be made between the issuer and the relevant investor. Everything possible to encourage companies to raise debt from the debt capital market albeit unlisted needs to be tried. Mandating listing of all subsequent NCD issuances post first time listing of NCDs may	The instant proposal relaxes the requirement of listing all outstanding unlisted NCDs by an issuer listing its NCDs for the first-time. The comment seeks to remove the requirement to list all future NCDs by a first-time listed NCD issuer. Allowing a

S. No.	Public Comment	SEBI comments
	inadvertently debt raising companies to raise debt from the debt capital market. Such a mandate may push debt raising companies to continue relying on loans and advances from financial institutions and external commercial borrowings rather than raising debt through the capital markets as they might prefer the relative ease of bilateral loans.	company to also issue unlisted debt securities while maintaining a "listed" status would result in a fragmented, opaque parallel market that compromises investor protection. Hence, no change to the proposal is warranted.

Note: The remaining 12 comments are in agreement with the proposal made in the Consultation Paper, without providing any additional suggestions.

Draft Amendment Notification

Amendment shall be notified after following the due process