

Amendments proposed to Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992.

After deliberations, the Board approved the proposals contained in the Memorandum, subject to the below mentioned modifications.

1. In the disclosures to relevant stakeholders, in case the activity of an MB is regulated by an FSR, then MB should specify the name of the relevant regulator.
2. The impact of the amendment may be reviewed after 6 months from issuance of circular post amendment notification.
3. To maintain uniformity in approach w.r.t. the proposals of MB and DT, the term KMP shall be used in place of "Top Management" mentioned at para number 3.3.2 of the Board Memorandum.
4. For RBI-regulated entities, such as banks, MB activities shall be undertaken through an SBU. For other entities, non-SEBI regulated activities shall be undertaken through SBU. However, the proposed requirements relating to separate net worth and disclosures shall continue to be applicable to all MBs.