THE GAZETTE OF INDIA

EXTRAORDINARY

PART – III – SECTION 4

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SECURITIES AND EXCHANGE BOARD OF INDIA

NOTIFICATION

Mumbai, the 23rd September, 2019

SECURITIES AND EXCHANGE BOARD OF INDIA (CREDIT RATING AGENCIES) (AMENDMENT) REGULATIONS, 2019

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No. SEBI/LAD-NRO/GN/2019/34 – In exercise of the powers conferred under Section 30 read with Section 11 of the Securities and Exchange Board of India Act, 1992 (15 of 1992), the Board hereby makes the following regulations to amend the Securities and Exchange Board of India (Credit Rating Agencies) Regulations, 1999, namely: –

1. These regulations may be called the Securities and Exchange Board of India (Credit Rating Agencies) (Amendment) Regulations, 2019**.**

2. They shall come into force on the date of their publication in the Official Gazette.

3. In the Securities and Exchange Board of India (Credit Rating Agencies) Regulations, 1999, –

   I. in regulation 14,

      i. clause (c) shall be substituted with the following, namely-

      "(c) The client shall co-operate with the credit rating agency in order to enable the latter to carry out periodic review of the rating during the tenure of the rated instrument;"

      ii. in clause (d), the words "agree to" shall be omitted.

      iii. in clause (f), the words "agree to" shall be omitted.

iv. in clause (g), the words "agree to" shall be omitted.

v. after clause (g), the following shall be inserted, namely, -

"(h) The client shall provide explicit consent to the credit rating agency to obtain the details related to their existing and/or future borrowing of any nature, its repayment and delay or default, if any, of any nature, in servicing of the borrowing, either from the lender or any other statutory/non-statutory organization maintaining any such information to enable the credit rating agency to have timely information on the same and to consider the impact of such information on the rating assigned by the credit rating agency."

sd/-

AJAY TYAGI

CHAIRMAN

SECURITIES AND EXCHANGE BOARD OF INDIA

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Footnotes:

1. The principal regulations, Securities and Exchange Board of India (Credit Rating Agencies) Regulations, 1999 were issued under S.O. No. 547 (E) dated July 7, 1999 published in the Gazette of India.

2. The Securities and Exchange Board of India (Credit Rating Agencies) Regulations, 1999 were subsequently amended on,-

   (a) March 28, 2000 by the Securities and Exchange Board of India (Appeal to Securities Appellate Tribunal) (Amendment) Regulations, 2000 published in Official Gazette vide S.O. No. 278(E).

   (b) May 29, 2001, by the Securities and Exchange Board of India (Investment Advice by Intermediaries) (Amendment) (Regulations), 2001 vide S.O. No. 476 (E).

   (c) September 27, 2002 by the Securities and Exchange Board of India (Procedure for Holding Enquiry by Enquiry Officer and Imposing Penalty) Regulations, 2002 vide No. S.O. No.1045 (E).

   (d) February 19, 2003 by Securities and Exchange Board of India (Credit Rating Agencies) (Amendment) Regulations, 2003 vide S.O. No. 203 (E).

(e) October 1, 2003 by the Securities and Exchange Board of India (Credit Rating Agencies) (Second Amendment) Regulations, 2003 vide S.O. No. 1160 (E).

(f) March 10, 2004 by Securities and Exchange Board of India (Criteria for Fit and Proper Person) Regulations, 2004 vide S. O. No. 398 (E).

(g) September 7, 2006 by the Securities and Exchange Board of India (Credit Rating Agencies) (Amendment) Regulations, 2006 vide S. O. No. 1454(E).

(h) May 26, 2008 by Securities and Exchange Board of India (Intermediaries) Regulations, 2008 vide no. LAD/ NRO/GN/2008/11/126538.

(i) March 19, 2010 by the Securities and Exchange Board of India (Credit Rating Agencies) (Amendment) Regulations, 2010 vide Notification No. LAD-NRO/GN/2009-2010/30/199044.

(j) April 13, 2011 by the Securities and Exchange Board of India (Change in Conditions of Registration of Certain Intermediaries) (Amendment) Regulations, 2011vide Notification No. LAD/ NRO/ GN/ 2011-12/03/12650.

(k) July 5, 2011 by the Securities and Exchange Board of India (Credit Rating Agencies) (Amendment) Regulations, 2011 vide Notification No. LAD/NRO/GN/2011-12/10/21232.

(l) December 27, 2011 by the Securities and Exchange Board of India (Credit Rating Agencies) (Second Amendment) Regulations, 2011 vide Notification No. LAD/NRO/GN/2011-12/31/39022.

(m) December 08, 2016 by the Securities and Exchange Board of India (Change in Conditions of Registration of Certain Intermediaries) (Amendment) Regulations, 2016 vide Notification No. SEBI/LAD/NRO/GN/2016-17/023.

(n) May 23, 2014 by the Securities and Exchange Board of India (Payment of Fees and Mode of Payment) (Amendment) Regulations, 2014 vide notification no. LAD-NRO/GN/2014-15/03/1089.

(o) March 6, 2017 by the Securities and Exchange Board of India (Payment of Fees and Mode of Payment) (Amendment) Regulations, 2017 vide notification no. SEBI/LAD/NRO/GN/2016-17/037 read with notification no. SEBI/LAD/NRO/GN/2016-17/38 dated March 29, 2017.

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(p) May 30, 2018 by the Securities and Exchange Board of India (Credit Rating Agencies) (Amendment) Regulations, 2018 vide Notification No. SEBI/LAD-NRO/GN/2018-15.

(q) September 11, 2018 by the Securities and Exchange Board of India (Credit Rating Agencies) (Second Amendment) Regulations, 2018 vide Notification No. SEBI/LAD-NRO/GN/2018/36.

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