



CIRCULAR

SEBI/HO/IMD/DF1/CIR/P/2020/256

December 31, 2020

All SEBI registered Proxy Advisors

Sir / Madam

Subject: Procedural Guidelines for Proxy Advisors

1. In partial modification to SEBI Circular No. SEBI/HO/IMD/DF1/CIR/P/2020/147 dated August 03, 2020 and SEBI Circular No. SEBI/HO/IMD/DF1/CIR/P/2020/157 dated August 27, 2020 on "Procedural Guidelines for Proxy Advisors", the following has been decided:
 - a. Clause 1(c) of the SEBI Circular No. SEBI/HO/IMD/DF1/CIR/P/2020/147 dated August 03, 2020 is modified as under:

"Proxy Advisors shall alert clients, within 24 hours of receipt of information, about any factual errors and any impending material revisions to their reports. Further, any such material revisions to their reports shall be communicated to the clients within 72 hours of receipt of the information, while ensuring that adequate time is available for clients to make an informed decision."
 - b. Clauses 1(c) and 1(e) of SEBI Circular No. SEBI/HO/IMD/DF1/CIR/P/2020/147 dated August 03, 2020 shall be applicable with effect from February 01, 2021.
2. All other conditions specified in the SEBI Circular No. SEBI/HO/IMD/DF1/CIR/P/2020/147 dated August 03, 2020 shall remain unchanged.
3. This circular is issued in exercise of powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992 to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.
4. The circular is available on SEBI website at www.sebi.gov.in under the categories "Legal framework - Circulars" and "Info for – Research Analyst."

Yours faithfully,

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