

### Highlights of SEBI FPI Regulations Amendments, June 03 2024

SEBI vide notification dated June 03, 2024 has specified amendments to Foreign Portfolio Investors Regulations which are effective immediately. Following are the highlights of the amendments:

- i. Sub-regulation (5) has been added to permit those FPIs whose certificate of registration is not valid as on June 03, 2024 and are holding securities or derivatives in India, to sell such securities or wind up their open position in derivatives in India within 365 days from the said date.
- ii. Sub-regulation (6) has been added to specify that the FPIs shall pay the registration fees, as provided in Part A of the Second Schedule for every block of three years, before the beginning of such block. However, it allows the FPIs to pay the registration fee with late fee within a period of 30 days from date of expiry of previous block.
- iii. If the FPIs do not pay the registration fee with late fee within the aforesaid timeline, they shall be permitted to sell the securities or wind up their open position in derivatives in India within 365 days from the date of expiry of the 30 days' timeline.
- iv. Regulation 9 relating to Suspension, Cancellation or Surrender of Certificate has been amended to add that FPIs who have paid registration fee and late fee as per above provision shall be considered to have paid the fees within due date.
- v. Sub- regulation (8) has been added to specify that an FPI whose registration certificate is not valid and has not sold off the securities or wound up their open position in derivatives in India as per the provisions of these regulations shall be deemed to have written off the securities in such manner as may be specified by SEBI.
- vi. It may be noted that though additional period has been provided under sub-regulation (5) and (6), SEBI can initiate any other action as per relevant provisions.
- vii. Regulation 22 of the said regulations has been amended to relax the timelines for disclosure of material changes/events and other obligations by FPIs.

Source- [https://www.sebi.gov.in/legal/regulations/jun-2024/securities-and-exchange-board-of-india-foreign-portfolio-investors-amendment-regulations-2024\\_83915.html](https://www.sebi.gov.in/legal/regulations/jun-2024/securities-and-exchange-board-of-india-foreign-portfolio-investors-amendment-regulations-2024_83915.html)

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