

THE GAZETTE OF INDIA

EXTRAORDINARY

PART – III – SECTION 4

PUBLISHED BY AUTHORITY

SECURITIES AND EXCHANGE BOARD OF INDIA

NOTIFICATION

Mumbai, the 29th October, 2020

SECURITIES AND EXCHANGE BOARD OF INDIA (PROHIBITION OF INSIDER TRADING) (SECOND AMENDMENT) REGULATIONS, 2020

No. SEBI/LAD-NRO/GN/2020/38 – In exercise of the powers conferred under section 30 read with clause (g) of sub-section (2) of section 11 and clauses (d) and (e) of section 12A 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 (Prohibition of Insider Trading) Regulations, 2015, namely: –

1. These regulations may be called the Securities and Exchange Board of India (Prohibition of Insider Trading) (Second Amendment) Regulations, 2020.

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 (Prohibition of Insider Trading) Regulations, 2015, –

I. in regulation 7A, in sub-regulation (1), in clause (h), after sub-clause (iii), the following explanation shall be inserted, namely-

“*Explanation.* – Information shall be considered timely, only if as on the date of receipt of the duly completed Voluntary Information Disclosure Form by the Board, a period of not more than three years has elapsed since the date on which the first alleged trade constituting violation of insider trading laws was executed.”;

II. in Schedule D,

i. in the note, for the words “securities laws”, the words “insider trading laws” shall be substituted;

ii. in the table, in the part III,

a. in clause 1, for the words “securities laws”, the words “insider trading laws” shall be substituted;

b. for clause 9, the following shall be substituted, namely, -

“9. Please describe in detail how the information submitted by you constitutes a violation of insider trading laws. The details must include specific information with respect to:

- (i) details of the securities in which insider trading is alleged;
 - (ii) the unpublished price sensitive information based on which insider trading is alleged;
 - (iii) date on which the unpublished price sensitive information was made public;
 - (iv) details of circumstances/evidence leading to possession of unpublished price sensitive information by the alleged violator(s);
 - (v) details of insiders/suspects and their trades (i.e. purchase/sale and quantity purchased/sold) along with dates/period of trades.”
- c. in the clause 10, after the words and symbol “based on?” and before the words “Please attach”, the words and symbols “Please include self-certified copies of all the relevant documents.”, shall be inserted.

Sd/-

AJAY TYAGI
CHAIRMAN
SECURITIES AND EXCHANGE BOARD OF INDIA

Footnotes:

1. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 was published in the Gazette of India on January 15, 2015 vide No. LAD-NRO/GN/2014-15/21/85.
2. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 was subsequently amended on,-
 - i. December 31, 2018 by the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018 vide No. SEBI/LAD-NRO/GN/2018/59.
 - ii. January 21, 2019 by the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2019 vide No. SEBI/LAD-NRO/GN/2019/02.
 - iii. July 25, 2019 by the Securities and Exchange Board of India (Prohibition of Insider Trading) (Second Amendment) Regulations, 2019 vide No. SEBI/LAD-NRO/GN/2019/23.
 - iv. September 17, 2019 by the Securities and Exchange Board of India (Prohibition of Insider Trading) (Third Amendment) Regulations, 2019 vide No. SEBI/LAD-NRO/GN/2019/32.
 - v. July 17, 2020 by the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2020 vide No. SEBI/LAD-NRO/GN/2020/23.
