

Info Capsule

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THE INSTITUTE OF
Company Secretaries of India

भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE

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1. **SEBI seeks public comments on Report submitted by the working group on Issues related to Proxy Advisers.**

SEBI regulates the activities of proxy advisors in India under SEBI (Research Analyst) Regulations, 2014. Under these regulations, such entities are required to register with SEBI and comply with the provisions pertaining to formation of internal policies and procedures, disclosures in the reports, code of conduct, maintaining record of voting recommendations etc.

SEBI had formed a Working Group with respect to Issues of Proxy Advisors in November 2018. The working group has submitted a report to SEBI, providing recommendations on various aspects of proxy adviser and also suggested that SEBI may like to obtain public comments on the substantive matters stated in the report before any regulatory review is undertaken. In addition to the recommendations of the working group on regulating foreign proxy advisors, it is also proposed that institutional investors like Foreign Portfolio Investors, Portfolio Managers, Alternative Investment Funds, Real Estate Investment Trusts, and Infrastructure Investment Trusts etc. may be mandated to ensure that proxy advisory firms employed by them (if any) should have appropriate capacity & capability to issue proxy advice and such firm is complying with code of conduct for proxy advisers as specified by SEBI.

Comments/suggestions may be forwarded by email to naveens@sebi.gov.in and taruns@sebi.gov.in latest by August 18, 2019.

The detailed report is available at: https://www.sebi.gov.in/reports/reports/jul-2019/report-of-working-group-on-issues-concerning-proxy-advisors-seeking-public-comments_43710.html