



CIRCULAR

SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/8

January 10, 2023

To,

**All Portfolio Managers**

Dear Sir/Madam,

**Subject: Change in control of Portfolio Managers providing Co-investment services**

1. SEBI vide Circular No. SEBI/HO/IMD-1/ DOF1/P/CIR/2022/77 dated June 02, 2022 specified the procedure for seeking prior approval in case of change in control of Portfolio Manager. The Circular stands partially modified and para 2 (iv) of the said Circular may be read as under:

*“Pursuant to grant of prior approval by SEBI, in order to enable existing investors/ clients to take well informed decision regarding their continuance or otherwise with the changed management, the portfolio manager shall inform its existing investors/ clients about the proposed change prior to effecting the same and give an option to exit without any exit load, within a period of not less than 30 calendar days, from the date of such communication. However, for the clients under co-investment portfolio management services, the Portfolio Manager shall ensure compliance with the second proviso of Regulation 22 (2) of PMS Regulations. “*

2. All other requirements, terms and conditions specified in the Circular shall remain unchanged.
3. This Circular is issued in exercise of powers conferred under Section 11(1) of the SEBI Act, 1992 read with the provisions of Regulation 43 of the SEBI (Portfolio Managers) Regulations, 2020 to protect the interest of investors in securities and to promote the development of, and to regulate the securities market.



भारतीय प्रतिभूति और विनिमय बोर्ड  
Securities and Exchange Board of India

4. The circular is available on SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in) under the categories "Info for –Portfolio Managers" and "Legal framework -Circulars".

Yours faithfully,

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