

**CIRCULAR**

HO/49/14/14(13)2026-CFD-POD2/ I/8772/2026

April 7, 2026

To,

All listed entities

All recognised Stock Exchanges

All registered Depositories

Madam / Sir,

**Subject: Relaxation from the applicability of SEBI Master Circular for compliance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on non-compliance with the Minimum Public Shareholding (MPS) requirements**

1. SEBI Master Circular dated July 11, 2023 for compliance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 by listed entities (Master Circular), *inter alia*, prescribes the procedure to be followed by recognized stock exchanges and depositories in respect of listed entities not complying with MPS requirements, including levy of fines, freezing of promoter shareholding, and other consequential actions.
2. SEBI has received representation from an Industry body highlighting the difficulties faced by listed entities in achieving compliance with MPS requirements, *inter alia*, on account of capital market volatility arising from ongoing geopolitical tensions in the Middle East.
3. Considering the above representation and the prevailing market conditions, it has been decided to grant one-time relaxation from the applicability of penal provisions under the Master Circular for listed entities whose due date for compliance with MPS requirements falls during the period from April 1, 2026 to September 30, 2026. Accordingly, recognised stock exchanges and depositories are advised not to take any penal action as envisaged under the Master Circular against such entities for non-compliance during the said period. Further, any penal actions initiated by the stock exchanges or depositories against such

listed entities for non-compliance with MPS requirements during the period from April 1, 2026 till date may be withdrawn.

4. The circular shall be applicable with immediate effect.
5. The stock exchanges are accordingly advised to:
  - 5.1. Bring the provisions of this circular to the notice of all the entities whose securities are listed in the stock exchange and also to disseminate the same on its website.
  - 5.2. Make amendments to the relevant bye-laws, rules and regulations for the implementation of the terms of this circular, if necessary.
6. This Circular is issued in exercise of powers conferred under Section 11 and Section 11A 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.
7. This Circular is available at [www.sebi.gov.in](http://www.sebi.gov.in) under the link "Legal→Circulars".

Yours faithfully,

**Raj Kumar Das**  
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