



PR No.14/2021

SEBI advises registered entities including MIs to comply with TRAI's TCCCP Regulations, 2018

All SEBI registered entities including MIs (which use bulk SMS for providing their services to the investors) are advised to ensure strict compliance with the Telecom Regulatory Authority of India's (TRAI) Telecom Commercial Communications Customer Preference Regulations, 2018 (TCCCP Regulations). Non-compliance with the provisions of said regulations may result in disruption of delivery of their messages to the investors.

TRAI had notified TCCCP Regulations in July 2018 to, inter alia, curb the problem of unsolicited commercial communication. These new regulations have a provision for Principal Entities (PE) (i.e. entities who intent to send bulk SMS) to register with the telecom service providers and are also required to register the template of the message. It may be noted that effective implementation of these new regulations will help to protect investors and the general public from unsolicited and often misleading messages.

It has come to the notice of SEBI that unsolicited messages containing stock tips/ investment advice with respect to listed companies are increasingly being circulated through bulk SMS, inducing investors and the general public to invest in or purchase the stocks of certain listed companies.

The circulation of misleading messages is not only detrimental to the interest of the investors but also adversely affects the integrity of the securities market.

Mumbai
March 23, 2021