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# SEBI revises PIT FAQs

## 4 key changes from December 2024 to November 2026



**Separate SDDs for intermediaries and fiduciaries**



**UPSI sharing by nominee directors**



**Contra-trade restrictions**



**System-driven disclosures and immediate relatives**

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# Separate SDDs for intermediaries and fiduciaries

New FAQ 12A | Regulation 3(5)

## Position in 2024

**Intermediaries and fiduciaries handling UPSI were already required to maintain an SDD. However, the FAQs did not specifically clarify whether separate SDDs were required for their own UPSI and UPSI relating to other listed companies.**

## Clarification in 2026

**SEBI has expressly clarified that a listed intermediary or fiduciary, such as a bank or merchant banker, must maintain separate SDDs for:**

- **UPSI pertaining to itself and its own securities.**
- **UPSI of listed companies handled during business operations.**

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# UPSI shared by nominee directors: Recording by both entities

Revised FAQ 11 | Regulation 3(5)

## Position in 2024

**Where a nominee director shared UPSI with the nominating bank or financial institution for a legitimate purpose, the communication was required to be recorded in the company's SDD.**

## Clarification in 2026

**SEBI expressly requires the UPSI communication to be recorded in:**

- **The SDD of the company whose UPSI is shared.**
- **The SDD of the bank or financial institution receiving the information.**

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# Contra-trade restrictions: Open-market qualification removed



**Revised FAQ 36 | Schedule B, Clause 10**

## Position in 2024

**The FAQ explained contra-trade restrictions with reference to opposite transactions executed within six months, where both transactions were undertaken in the open market.**

## Clarification in 2026

**SEBI has removed the express qualification that both trades must be undertaken in the open market. Example has been amended in the said question which clarifies ESOP disposal within 6 months of non-open market acquisition (rights issue, FPO, etc.) still counts as contra trade.**

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# System-driven disclosures: Are immediate relatives covered?

Revised FAQ 17 | Regulations 6(2) and 7(2)



## Position in 2024

**SEBI identified the following categories for system-driven disclosures:**

**Promoters, Members of the promoter group, Directors, Designated persons**

**Immediate relatives were not separately included in the specified categories.**

## Clarification in 2026

**SEBI has retained the same categories and updated the reference to paragraph 4.3.2 of its Master Circular dated 15 May 2026.**

## Important distinction

**Immediate relatives are not separately identified under FAQ 17 as a category covered by the system-driven disclosure mechanism. However, under Regulation 6(2), disclosures under Chapter III must include trades undertaken by immediate relatives and persons for whom the reporting person takes trading decisions.**

**Non-inclusion in system-driven disclosures does not mean exemption from the applicable statutory disclosure requirements.**

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# Key takeaways for compliance teams

## What should compliance teams revisit?

### 1. Separate SDDs

**Listed intermediaries and fiduciaries must maintain separate SDDs for their own UPSI and UPSI relating to other listed companies.**

### 2. Nominee directors

**UPSI shared with a bank or financial institution for a legitimate purpose must be recorded in the SDDs of both entities.**

### 3. Contra-trade

**Review contra-trade controls for transactions beyond the open market, while considering applicable exemptions and the company's code of conduct.**

### 4. System-driven disclosures

**Distinguish the categories covered by automated disclosures from manual disclosures that include trades of immediate relatives.**

Reference: SEBI Comprehensive FAQs on PIT Regulations, 31 December 2024 and 5 November 2026.