



Consultation Paper

Relaxation in requirement of maintenance of call records for institutional clients - Amendment to the SEBI (Research Analysts) Regulations, 2014

MAY 18, 2026



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OBJECTIVE

1. This consultation paper seeks comments/ views/ suggestions from the public and other stakeholders on the proposal to relax the requirement of maintenance of call records by Research Analysts (RAs) by making amendments to the Securities and Exchange Board of India (Research Analysts) Regulations, 2014 (“RA Regulations”) and Master Circular for Research Analysts (RAs) dated February 06, 2026¹ (“Master Circular for RAs”).

EXTANT REGULATORY PROVISIONS

2. In terms of Regulation 25(1)(vii) of the RA Regulations, a RA or research entity is required to maintain records of communication including emails, call recordings, etc. with all clients including prospective clients in such manner as may be specified.
3. Further, the relevant extracts of the Master Circular for RAs is given below:

3.1. Paragraph 1.13 of Chapter I, *inter-alia*, specifies that:

“1.13 KYC Requirements and maintenance of record

- a.
- b. *RA shall maintain records of interactions, with all clients including prospective clients (prior to onboarding), where any conversation related to its services has taken place, inter-alia, in the form of:*
 - i. *Physical record written & signed by client;*
 - ii. *Telephone recordings;*
 - iii. *Email from registered email id;*
 - iv. *Record of SMS messages;*
 - v. *Any other legally verifiable record.*
- c. *Such records shall begin with first interaction with the client and shall continue till the completion of research services to the client.*
- d. *RA or research entity are required to maintain these records for a period of five years. However, in case where dispute has been raised, such records shall be kept till resolution of the dispute or if SEBI desires that specific*

¹https://www.sebi.gov.in/web/?file=https://www.sebi.gov.in/sebi_data/attachdocs/feb-2026/1770375507051.pdf#page=1&zoom=page-width,-15,842

records be preserved, then such records shall be kept till further intimation from SEBI.”

3.2. Paragraph 33 (iii) of Annexure I of Chapter VII, *inter-alia*, specifies that RA/ research entity shall ensure compliance with the provision for maintenance of records of interactions even in case of their clients who are institutional investors or QIBs.

NEED FOR REVIEW

4. There have been representations from market participants requesting review of requirement of maintenance of call records citing the risk-appropriateness associated with the said requirement for institutional investors.
5. Industry Standard Forum for Research Analysts (RA-ISF) has, *inter-alia*, represented that institutional investors, in general, are sophisticated entities, possessing specialized knowledge and substantial resources required to independently evaluate complex research inputs and investment opportunities. Such investors have adequate knowledge to evaluate investment opportunities vis-à-vis risks involved in the same and to undertake due diligence before making investment basis the research reports.
6. The requirement of recording for client interactions is primarily intended to protect the interest of investors by facilitating supervisory oversight. As compared to retail investors, institutional investors are more likely to be aware about their legal rights and the regulatory mechanisms available to protect their rights.
7. Considering the above representations and the fact that research analyst business does not involve client specific investment advice, asset management or transaction execution, it is proposed to relax the existing requirement of maintenance of call records for clients which are institutional investors by RAs. The RAs shall continue to maintain the other specified records of interactions with clients which are institutional investors as mentioned at paragraph 1.13 (b) of Chapter I of Master Circular for RAs. Further, the RAs shall continue to maintain all records including call records for interactions with retail clients. This will ensure calibrated risk-proportionate approach and will facilitate ease of doing business for RAs by reducing the compliance burden.



PROPOSAL

8. In view of the above, it is proposed that the following amendments may be carried out in the RA Regulations and the Master Circular for RAs:

Proposed amendment in the RA Regulations

Regulation	Existing provision	Proposed provision
25(1)(vii)	25 (1) Research analyst or research entity shall maintain the following records: (i)..... (vii) records of communication including emails, call recordings etc. with all clients including prospective clients in such manner as may be specified;	25 (1) Research analyst or research entity shall maintain the following records: (i)..... (vii) records of communication including emails, call recordings etc. with all clients including prospective clients in such manner as may be specified; Provided that the requirement to maintain call recordings for communication with clients which are institutional investors shall not be mandatory.
-	Currently institutional investor is not defined.	2(1)(ia) "institutional investor" shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time; ²

Proposed changes in the Master Circular for RAs:

Provision	Existing provision	Proposed provision
Paragraph 1.13 of Chapter I of Master Circular – KYC requirements and maintenance of record	(a) As provided under Regulation 25(1) of RA Regulations, RA or research entity shall follow the KYC procedure for their fee paying clients and maintain KYC records for their clients as specified by SEBI from time to time. Regulation 25 (1) of RA Regulations also provides that RA or research entity shall maintain the records with respect to its interaction with clients. In this regard, it is clarified that- (b) RA shall maintain records of interactions, with all clients including prospective clients (prior to onboarding), where any conversation related to its	(a) As provided under Regulation 25(1) of RA Regulations, RA or research entity shall follow the KYC procedure for their fee paying clients and maintain KYC records for their clients as specified by SEBI from time to time. (b) Regulation 25 (1) of RA Regulations also provides that RA or research entity shall maintain the records with respect to its interaction with clients. In this regard, it is clarified that-

² Defined in Regulation 2(1)(y) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018;



Provision	Existing provision	Proposed provision
	<p>services has taken place, inter-alia, in the form of:</p> <ol style="list-style-type: none">Physical record written & signed by client;Telephone recordings;Email from registered email id;Record of SMS messages;Any other legally verifiable record. <p>(c) Such records shall begin with first interaction with the client and shall continue till the completion of research services to the client.</p> <p>(d) RA or research entity are required to maintain these records for a period of five years. However, in case where dispute has been raised, such records shall be kept till resolution of the dispute or if SEBI desires that specific records be preserved, then such records shall be kept till further intimation from SEBI.</p>	<ol style="list-style-type: none">RA shall maintain records of interactions, with all clients including prospective clients (prior to onboarding), where any conversation related to its services has taken place, inter-alia, in the form of:<ol style="list-style-type: none">Physical record written & signed by client;Call recordings;Email from registered email id;Record of SMS messages;Any other legally verifiable record. <p>Provided that the requirement to maintain call recordings for interactions with clients which are institutional investors shall not be mandatory.</p> <ol style="list-style-type: none">Such records shall begin with first interaction with the client and shall continue till the completion of research services to the client.RA or research entity are required to maintain these records for a period of five years. However, in case where dispute has been raised, such records shall be kept till resolution of the dispute or if SEBI desires that specific records be preserved, then such records shall be kept till further intimation from SEBI. <p>For the purpose of this Master Circular, "institutional investor" shall have the same meaning as assigned under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.</p>
Paragraph 33 of	33. Whether the following compliance requirements are also applicable in case	33. Whether the following compliance requirements are



Provision	Existing provision	Proposed provision
Annexure I of Chapter VII of Master Circular – FAQs related to regulatory provisions for RAs	<p>of non-fee paying clients including institutional investors?</p> <p>i... ii.... iii. Maintenance of records of interactions with clients such as call recordings, emails, sms</p> <p>Response: i.... ii..... iii. The requirement of maintenance of records of interactions with clients such as call recordings, emails, etc. is applicable for fee-paying as well as non-fee paying clients whereas non-fee paying clients are the clients receiving research services as a value added service along with other services availed from the research entity or any other entity at family/ group level on payable basis. For the purpose of abundant clarity, it is to be stated that call recording is not required if the interaction with client is made through means such as email, etc. for which digital footprint is available.</p> <p>The purpose of the records of the client interaction is to document the interaction to cater to potential client grievances related to research services provided by the research analyst/ research entity. Access to an effective grievance redressal mechanism is a basic right of every investor irrespective of the nature of the investors i.e. individual/ HUF/ institutions etc. Hence, RAs/ research entities shall ensure compliance with the provision for maintenance of records of interactions even in case of their clients who are institutional investors or QIBs.</p>	<p>also applicable in case of non-fee paying clients including clients which are institutional investors?</p> <p>i... ii.... iii. Maintenance of records of interactions with clients such as call recordings, emails, sms</p> <p>Response: i.... ii..... iii. The requirement of maintenance of records of interactions with clients such as call recordings, emails, etc. is applicable for fee-paying as well as non-fee paying clients whereas non-fee paying clients are the clients receiving research services as a value added service along with other services availed from the research entity or any other entity at family/ group level on payable basis. For the purpose of abundant clarity, it is to be stated that call recording is not required if the interaction with client is made through means such as email, etc. for which digital footprint is available.</p> <p>The purpose of the records of the client interaction is to document the interaction to cater to potential client grievances related to research services provided by the research analyst/ research entity. Hence, RAs/ research entities shall ensure compliance with the provision for maintenance of records of interactions for all their clients.</p> <p>Provided that the requirement to maintain call recordings for interactions with clients which are institutional investors shall not be mandatory.</p>



PUBLIC COMMENTS

9. Public comments along with supporting rationale are invited on the below mentioned proposal:

Whether the proposal to relax the requirement of maintenance of call recordings of interaction with clients which are institutional investors by RAs is appropriate and adequate?

10. The comments/ suggestions should be submitted not later than **June 08, 2026**, through the following link:

<https://www.sebi.gov.in/sebiweb/publiccommentv2/PublicCommentAction.do?doPublicComments=yes>

11. In case of any technical issue in submitting your comment through web based public comments form, you may write to consultationMIRSD@sebi.gov.in, divyah@sebi.gov.in, tammanar@sebi.gov.in, with the subject: "*Comments on Relaxation in requirement of maintenance of call records for institutional clients - Amendment to the SEBI (Research Analysts) Regulations, 2014*".
