

CIRCULAR

HO/17/11/24(1)2026-DDHS-POD1/I/5967/2026

February 27, 2026

To,

All Issuers who have listed/ propose to list green debt securities,
Recognized Stock Exchanges,
Recognized Depositories,
All Registered Merchant Bankers,
All Registered Debenture Trustees,
All Registered Credit Rating Agencies and
All Registered ESG Ratings Providers

Madam/ Sir,

Subject: Revised Norms for appointment of an independent third-party reviewer/ certifier for green debt security

1. During February 2023, SEBI undertook a review of the regulatory framework for green debt securities and modified the initial and continuous disclosure requirements for issue and listing of green debt securities, vide circular dated February 06, 2023¹. Such requirements were made applicable for issuances of green debt securities (proposed to be listed) with effect from April 01, 2023. The provisions of the said circular are now incorporated in Chapter IX of the *Master Circular for issue and listing of Non-Convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper* [Ref. No. SEBI/HO/DDHS/DDHS-PoD/P/CIR/2025/0000000137] dated October 15, 2025 (hereinafter referred to as “**NCS Master Circular**”).

¹ SEBI circular no. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/023 dated February 06, 2023

2. Chapter IX of the NCS Master Circular specifies requirements regarding appointment of a third-party reviewer/ certifier in respect of the initial and continuous disclosure requirements for green debt securities. (Paragraph 1.8 and 3 of Chapter IX)
3. SEBI, vide amendment notification dated December 11, 2024, expanded the scope of sustainable finance in Indian securities market to include “social bonds, sustainability bonds and sustainability-linked bonds”, which together with green debt securities are termed “Environment, Social and Governance (ESG) Debt Securities”.
4. Subsequently, SEBI, vide circular dated June 05, 2025, specified the operational framework for ESG Debt Securities (other than green debt securities), prescribing initial disclosure requirements, continuous disclosure requirements and requirements relating to appointment of an independent third-party reviewer/ certifier.
5. In order to align the requirements for appointment of an independent third-party reviewer/ certifier for green debt securities with that specified for social bonds/ sustainability bonds, issued vide circular dated June 05, 2025, it has been decided to modify chapter IX of the NCS Master Circular.
6. Accordingly, the following modifications are hereby made in chapter IX of the NCS Master Circular:
 - 6.1. Paragraph 1.8 of Chapter IX of the NCS Master Circular stands deleted.
 - 6.2. Insertion of following paragraph as “paragraph 5” in Chapter IX of the NCS Master Circular:

5.Independent third-party reviewer/ certifier:

5.1 The issuer shall appoint an independent third-party reviewer/ certifier to ascertain that the issuance of green debt securities is in accordance with the definition specified under Regulation 2(1)(q) of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, including review/ certification of the processes, including project evaluation and selection criteria, project categories eligible for financing by green debt security, etc., in compliance with the following conditions:

- a) The reviewer shall be independent of the issuer, its directors, senior management and key managerial personnel;
- b) The reviewer shall be remunerated in a way that prevents any conflicts of interest; and
- c) The reviewer shall have expertise in assessing ESG debt securities.

5.2 The scope of the review(s) conducted by the independent third-party reviewer/ certifier shall be specified in the offer document.

5.3 The independent third-party review may take one or more of the following forms recommended by International Capital Market Association²:

- a) Second Party Opinion;
- b) Verification, including the cases where proceeds are to be utilised for the purpose of re-financing;
- c) Certification;
- d) Scoring / Rating.

²https://www.icmagroup.org/assets/documents/Sustainable-finance/2022-updates/External-Review-Guidelines_June-2022-280622.pdf

- 5.4 The issuer shall ensure that the details regarding the independent third-party reviewer are adequately disclosed in the offer document.
7. The provisions of this circular shall be applicable with immediate effect.
8. The Circular is issued in exercise of the powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992 read with Regulation 55 (1) of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 to protect the interest of investors in securities and to promote the development of, and to regulate the securities market.
9. This Circular is available at www.sebi.gov.in under the link “Legal → Circulars”.

Yours faithfully,

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