

SEBI tightens norms for Green Debt Securities and mandates Independent Reviewers

The **Securities and Exchange Board of India (SEBI)** vide its **Circular No: HO/17/11/24(1)2026-DDHS-POD1/I/5967/2026** dated **February 27, 2026**, has revised the norms governing the appointment of independent third-party reviewers or certifiers for green debt securities.

Green debt securities are bonds or similar instruments issued to raise funds specifically for environmentally sustainable projects, such as renewable energy, clean transportation, or energy efficiency initiatives.

The move aligns the requirements for green debt instruments with the framework applicable to other ESG (Environment, Social, and Governance) debt instruments, including social and sustainability bonds.

SEBI has removed the earlier provision under Chapter IX of the Non-Convertible Securities Master Circular and introduced a revised framework specifying the eligibility and independence criteria for such reviewers.

Under the revised norms, issuers are required to appoint an independent third-party reviewer or certifier to ensure that the issuance of green debt securities complies with regulatory definitions and disclosure requirements.

The reviewer must be independent of the issuer, its directors, and senior management, free from conflicts of interest, and possess expertise in assessing ESG debt securities. Additionally, the scope of the review must be disclosed in the offer document. The circular takes immediate effect.

[Click here to read/ download the original circular](#)