



# NEWSLETTER <sup>Weekly</sup>

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## RESERVE BANK OF INDIA

### **1. Some perspectives on Banking Supervision (Opening remarks by Shri M K Jain, Deputy Governor, Reserve Bank of India - June 14, 2023 - at the 25th SEACEN-FSI Conference of the Directors of Supervision of Asia Pacific Economies in Mumbai)**

Reserve Bank of India, vide notification dated 15.06.2023, hosted the Conference of Directors of Supervision and listed out perspective on some of the emerging issues, the Indian experience, and a few areas that are important for supervisors to focus upon.

Notification can be accessed from here:

[https://www.rbi.org.in/Scripts/BS\\_SpeechesView.aspx?Id=1371](https://www.rbi.org.in/Scripts/BS_SpeechesView.aspx?Id=1371)

### **2. Reserve Bank of India (Call, Notice and Term Money Markets) Directions, 2021-Review**

Reserve Bank of India, vide notification dated 08.06.2023, scheduled a review and decided that Scheduled Commercial Banks (excluding small finance banks and payment banks) may set their own limits for borrowing in Call and Notice Money Markets. As in the case of Term Money Market borrowing, Scheduled Commercial Banks shall put in place internal board approved limits for borrowing through Call and Notice Money Markets within the prudential limits for inter-bank liabilities prescribed by Department of Regulation.

Notification can be accessed from here:

<https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=12511&Mode=0>

### **3. Framework for Compromise Settlements and Technical Write-offs**

Reserve Bank of India, in exercise of the powers conferred by the Sections 21 and 35A of the Banking Regulation Act, 1949 read with Section 56 of the Banking Regulation Act, 1949; Chapter IIIB of the Reserve Bank of India Act, 1934 and Sections 30A, 32 and 33 of the National Housing Bank Act, 1987 vide notification dated 08.06.2023, issued various instructions to regulated entities (REs) regarding compromise settlements in respect of stressed accounts from time to time, including the Prudential Framework for Resolution of Stressed Assets dated June 7, 2019, which recognises compromise settlements as a valid resolution plan.

Notification can be accessed from here:

<https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=12513&Mode=0>

#### **4. Guidelines on Default Loss Guarantee (DLG) in Digital Lending**

Reserve Bank of India, in exercise of the powers conferred by the sections 21, 35A and 56 of the Banking Regulation Act, 1949, sections 45JA, 45L and 45M of the Reserve Bank of India Act, 1934, section 30A of the National Housing Bank Act, 1987 and section 6 of the Factoring Regulation Act vide notification dated 08.06.2023, gave Guidelines on Default Loss Guarantee (DLG) in Digital Lending.

Notification can be accessed from here:

<https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=12514&Mode=0>

#### **5. Sovereign Gold Bond (SGB) Scheme 2023-24**

Reserve Bank of India, vide notification dated 15.06.2023, gave effect to Sovereign Gold Bond (SGB) Scheme 2023-24 giving a distinct series (starting from series I) which will be indicated on the Bond issued to the investor.

Notification can be accessed from here:

<https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=12517&Mode=0>

### **MINISTRY OF CORPORATE AFFAIRS**

On 2-6-2023, the Ministry of Corporate Affairs notified the Limited Liability Partnership (Amendment) Rules, 2023 to amend the Limited Liability Partnership Rules, 2009. LLP Form No. 3 relating to “Information with regard to Limited Liability Partnership Agreement and changes, if any, made therein” has been revised with effect from 2-6-2023.

You can access the notification here:

<https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MzM5MDg1NzQy&docCategory=Notifications&type=open>

### **SECURITIES EXCHANGE BOARD OF INDIA**

#### **1. Master Circular on Electronic Gold Receipts (EGR)**

Securities and Exchange Board of India (SEBI) on 1<sup>ST</sup> June, 2023 issued a master circular for Electronic Gold Receipts (EGR). This circular covers various circulars issued on EGRs till March 31<sup>st</sup> 2023.

You can access the Master Circular here:

<https://www.sebi.gov.in/legal/master-circulars/jun-2023/master-circular-on-electronic-gold-receipts-egr-72195.html>

#### **2. Regulatory framework for Execution Only Platforms for facilitating transactions in direct plans of schemes of Mutual Funds**

SEBI on June 13, 2023 has issued a Regulatory framework for Execution Only Platforms (EOP) for facilitating transactions in direct plans of schemes of Mutual Funds. The framework provides that the Stock Exchanges shall enact appropriate framework for EOP segment.

You can access the Circular here:

<https://www.sebi.gov.in/legal/circulars/jun-2023/regulatory-framework-for-execution-only-platforms-for-facilitating-transactions-in-direct-plans-of-schemes-of-mutual-funds-72479.html>

### **3. Corrigendum to Circular on Participation of Mutual funds in repo transactions on Corporate Debt Securities dated June 8, 2023**

SEBI on June 13, 2023 has issued a Corrigendum to Circular on Participation of Mutual funds in repo transactions on Corporate Debt Securities dated June 8, 2023. The corrigendum has clarified that the circular dated June 8, 2023 has revised the Master Circular for Mutual Funds dated May 19, 2023. The parent circular allowed Mutual Funds to participate in repos on following corporate debt securities, the circular also provided that for transactions where settlement is guaranteed by a Clearing Corporation, the exposure shall not be considered for the purpose of determination of investment limits for single issuer, group issuer and sector level limits.

You can access the Circular here:

<https://www.sebi.gov.in/legal/circulars/jun-2023/corrigendum-to-circular-on-participation-of-mutual-funds-in-repo-transactions-on-corporate-debt-securities-dated-june-8-2023-72486.html>

### **4. Amendment to Circular on issue of Certified copies of Orders and Circulars**

The Securities and Exchange Board of India (SEBI) has announced an amendment to its Circular on the issue of certified copies of orders and circulars. The new circular dated June 13, 2023, aims to streamline the procedure for issuance of certified copies based on requests for orders and circulars passed or issued by the board.

You can access the Circular here:

<https://www.sebi.gov.in/legal/circulars/jun-2023/amendment-to-circular-on-issue-of-certified-copies-of-orders-and-circulars-72525.html>

### **5. Master Circular for Research Analysts**

SEBI on June 15 2023, issued the Master Circular for Research Analysts registered with SEBI to enable users to have access to the applicable circulars in one place. The Master Circular is a compilation of all the existing/applicable circulars issued by SEBI pertaining to Research Analysts.

You can access the Master Circular here:

<https://www.sebi.gov.in/legal/master-circulars/jun-2023/master-circular-for-research-analysts-72612.html>

### **6. Master Circular for Investment Advisors**

The Securities and Exchange Board of India (SEBI) has issued a Master Circular consolidating the guidelines for Investment Advisors (IAs). This circular aims to provide a single point of reference for IAs by compiling all the applicable circulars issued by SEBI pertaining to their operations.

You can access the Master Circular here:

[https://www.sebi.gov.in/legal/master-circulars/jun-2023/master-circular-for-investment-advisers\\_72614.html](https://www.sebi.gov.in/legal/master-circulars/jun-2023/master-circular-for-investment-advisers_72614.html)

**7. Amendment to Guidelines on Anti-Money Laundering (AML) Standards and Combating the Financing of Terrorism (CFT) /Obligations of Securities Market Intermediaries under the Prevention of Money Laundering Act, 2002 and Rules framed there under**

SEBI has issued a circular amending the Guidelines on Anti-Money Laundering (AML) Standards and Combating the Financing of Terrorism (CFT) for securities market intermediaries. The circular highlights the key modifications to the existing guidelines, including the definition of a “group” as per the amended rules, requirements for issuing policies and procedures for dealing with money laundering and terrorist financing, client verification procedures, registration of non-profit organizations on the DARPAN Portal, and more. It also emphasizes the importance of ML/TF risk assessments, compliance with sanctions requirements, and leveraging technological innovations for effective name screening.

You can access the Circular here:

<https://www.sebi.gov.in/legal/circulars/jun-2023/amendment-to-guidelines-on-anti-money-laundering-aml-standards-and-combating-the-financing-of-terrorism-cft-obligations-of-securities-market-intermediaries-under-the-prevention-of-money-launderin-72683.html>

**8. Adherence to provisions of regulation 51A of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 by Online Bond Platform Providers on product offerings on Online Bond Platforms**

SEBI has issued a circular addressing the adherence to Regulation 51A of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 by Online Bond Platform Providers. This circular outlines the restrictions on product offerings, divestment requirements, and permissions for offering certain securities on online bond platforms.

You can access the Circular here:

[https://www.sebi.gov.in/legal/circulars/jun-2023/adherence-to-provisions-of-regulation-51a-of-sebi-issue-and-listing-of-non-convertible-securities-regulations-2021-by-online-bond-platform-providers-on-product-offerings-on-online-bond-platforms\\_72762.html](https://www.sebi.gov.in/legal/circulars/jun-2023/adherence-to-provisions-of-regulation-51a-of-sebi-issue-and-listing-of-non-convertible-securities-regulations-2021-by-online-bond-platform-providers-on-product-offerings-on-online-bond-platforms_72762.html)

**You may send your suggestions at [arpit@asalegal.in](mailto:arpit@asalegal.in) or [kartikey@asalegal.in](mailto:kartikey@asalegal.in)**

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**DELHI**

3, Birbal Road, Ground & First Floor,  
Jangpura Extension, New Delhi 110014.  
Phone: +91-11-43108998, 45661440,  
43552440, +91-11-24327050-52,  
9311052521

**MUMBAI**

404-405, 4<sup>th</sup> Floor, Magnum Opus,  
Near Grand Hyatt,  
Behind Mudra Group,  
Santacruz (East),  
Mumbai – 400 055.  
Phone: +91-22-62368654, 26661979

**BENGALURU**

1007, A-Wing, 10<sup>th</sup> Floor,  
Mittal Tower, M.G. Road,  
Bengaluru – 560001.  
Phone: +91-80-48536504

**AHMEDABAD**

Office No.10, Business Centre,  
5<sup>th</sup> Floor, Kalapuram Complex,  
Near Municipal Market,  
C.G. Road, Navrangpura,  
Ahmedabad-380009.  
Phone: +91-079-66660888,  
+91-9173660088