



# NEWSLETTER <sup>Weekly</sup>

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## RESERVE BANK OF INDIA

### **1. Implementation of Section 12A of the Weapons of Mass Destruction and their Delivery Systems (Prohibition of Unlawful Activities) Act, 2005: Designated List (Amendments)**

Reserve Bank of India, vide notification dated 04.07.2023, implemented section 12A of the Weapons of Mass Destruction and their Delivery Systems (Prohibition of Unlawful Activities) Act, 2005: Designated List (Amendments) and provided the latest version of the UNSC Sanctions lists on DPRK & Iran accessible on the UN Security Council's website along with the URLs.

Notification can be accessed from here:

<https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=12522&Mode=0>

### **2. Implementation of Section 12A of the Weapons of Mass Destruction and their Delivery Systems (Prohibition of Unlawful Activities) Act, 2005: Designated List (Consolidated)**

Reserve Bank of India, vide notification dated 04.07.2023, implemented the section 12A of the Weapons of Mass Destruction and their Delivery Systems (Prohibition of Unlawful Activities) Act, 2005 along with the consolidated list.

Notification can be accessed from here:

<https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=12521&Mode=0>

### **3. Reserve Bank holds 33<sup>rd</sup> Conference of State Finance Secretaries**

Reserve Bank of India, vide press release dated 06.07.2023, gave gist of the 33<sup>rd</sup> Conference of State Finance Secretaries which reviewed inter-alia, market borrowings by the states, administration of the Consolidated Sinking Fund and Guarantee Redemption Fund, issues relating to state government guarantees, short-term financial accommodation to the states from the Reserve Bank, etc.

Press Release can be accessed from here:

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=56004](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=56004)

### **4. RBI appoints Shri P. Vasudevan as new Executive Director**

Reserve Bank of India, vide press release dated 06.07.2023, conveyed that it appointed Shri P. Vasudevan as Executive Director (ED) with effect from July 03, 2023.

Press Release can be accessed from here:

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=56003](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=56003)

**5. RBI Working Paper No. 08/2023: Portfolio Flows and Exchange Rate Volatility: An Empirical Estimation for BRICS Countries**

Reserve Bank of India, vide press release dated 05.07.2023, released a paper which investigates the effects of net equity and bond portfolio inflows on exchange rate volatility of five BRICS currencies (Brazilian Real, Russian Ruble, Indian Rupee, Chinese RMB and South African Rand) during the period from January 2000 to July 2021. The findings suggest that portfolio flows in bond and equity markets impact exchange rate volatility of these currencies. The portfolio inflows, whether in the bond market or equity market, lead to appreciation of BRICS currencies, except for that of Brazil. Further, it is found that forex market interventions by the BRICS central banks have been successful in reducing their exchange rate volatility.

Press Release can be accessed from here:

[https://rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=55992](https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=55992)

**6. RBI Working Paper No. 07/2023: Regime-Dependent Determinants of the Uncollateralised Overnight Rate: The Interplay of Operating Procedure and Market Microstructure**

Reserve Bank of India, vide press release dated 04.07.2023, released a paper with key findings:

1. Liquidity conditions, policy expectations of market participants, short-term interest rate expectations within the reserve maintenance period, structural liquidity, and corridor width were significant in explaining the WACR breaching the upper bound of the LAF corridor.
2. Interest rate expectations within the reserve maintenance period, policy expectations, and liquidity distribution were found to be significant in explaining the WACR breaching the lower bound of the LAF corridor.
3. The results, reported in terms of average marginal effects, were found to be robust even after accounting for the presence of rare events.

Press Release can be accessed from here:

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=55983](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=55983)

**GOVERNMENT OF KERALA**

The Government of Kerala vide notification has amended various articles of the Kerala Stamp Act.

You can access the Gazette Notification here:

<https://keralataxes.gov.in/wp-content/uploads/2018/04/2023-KFA.pdf>

## **SECURITIES EXCHANGE BOARD OF INDIA**

### **1. Appointment of Director nominated by the Debenture Trustee on boards of issuers**

The Securities Exchange Board of India on July 04, 2023 issued a circular regarding the appointment of Director nominated by the Debenture Trustee on boards of issuers.

You can access the link here:

[https://www.sebi.gov.in/legal/circulars/jul-2023/appointment-of-director-nominated-by-the-debenture-trustee-on-boards-of-issuers\\_73439.html](https://www.sebi.gov.in/legal/circulars/jul-2023/appointment-of-director-nominated-by-the-debenture-trustee-on-boards-of-issuers_73439.html)

### **2. Amendments to guidelines for preferential issue and institutional placement of units by a listed REIT**

SEBI on July 05, 2023 has amended the guidelines for preferential issue and institutional placement of units by a listed REIT. The amended guidelines provides that the institutional placement shall be made at a price not less than the average of the weekly high and low of the closing prices of the units of the same class quoted on the stock exchange during the two weeks preceding the relevant date.

You can access the link here:

[https://www.sebi.gov.in/legal/circulars/jul-2023/amendments-to-guidelines-for-preferential-issue-and-institutional-placement-of-units-by-a-listed-reit\\_73494.html](https://www.sebi.gov.in/legal/circulars/jul-2023/amendments-to-guidelines-for-preferential-issue-and-institutional-placement-of-units-by-a-listed-reit_73494.html)

### **3. Amendments to guidelines for preferential issue and institutional placement of units by a listed InvIT**

SEBI on July 05, 2023 has issued amendments to guidelines for preferential issue and institutional placement of units by a listed InvITs. The amended guidelines provides that the institutional placement shall be made at a price not less than the average of the weekly high and low of the closing prices of the units of the same class quoted on the stock exchange during the two weeks preceding the relevant date.

You can access the link here:

[https://www.sebi.gov.in/legal/circulars/jul-2023/amendments-to-guidelines-for-preferential-issue-and-institutional-placement-of-units-by-a-listed-invite\\_73495.html](https://www.sebi.gov.in/legal/circulars/jul-2023/amendments-to-guidelines-for-preferential-issue-and-institutional-placement-of-units-by-a-listed-invite_73495.html)

### **4. Roles and responsibilities of Trustees and board of directors of Asset Management Companies (AMCs) of Mutual Funds**

SEBI on July 07, 2023, issued a notification regarding the Roles and responsibilities of Trustees and Board of Directors of Asset Management Companies (AMCs) of Mutual Funds, some of the responsibilities being: reviewing the performance of its scheme against peers, putting in sufficient mechanisms to prevent misselling, ensuring that there is no undue influence in the operations by sponsors, associates, or other stakeholders of the AMC, ensuring that there is no undue or unfair advantage given to any associate entities etc.

You can access the notification here:

<https://www.sebi.gov.in/legal/circulars/jul-2023/roles-and-responsibilities-of-trustees-and-board-of-directors-of-asset-management-companies-amcs-of-mutual-funds-73613.html>

## 5. Regulatory Framework for Sponsors of a Mutual Fund

SEBI on July 07, 2023, issued a circular on the Regulatory Framework for Sponsors of a Mutual Fund. This circular aims to facilitate a fresh flow of capital into the industry, foster innovation, encourage competition, provide ease of consolidation, and ease exit for existing sponsors.

You can access the link here:

<https://www.sebi.gov.in/legal/circulars/jul-2023/regulatory-framework-for-sponsors-of-a-mutual-fund-73640.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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