



NEWSLETTER ^{Weekly}

Volume-CXVII, Issue-I, Dated: 1st April, 2024

RESERVE BANK OF INDIA

1. Investments in Alternative Investment Funds (AIFs)

The Reserve Bank of India (RBI) vide notification dated March 27th 2024, addressed certain concerns regarding investments in Alternative Investment Funds (AIFs) by the regulated entities.

For more information, you can access the RBI notification here:

<https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12639&Mode=0>

2. Special Clearing Operations on March 30 & 31, 2024

The Reserve Bank of India (RBI) vide notification dated March 27th 2024, addressed to all Scheduled Commercial Banks, Regional Rural Banks, Urban Co-operative Banks, and other financial institutions regarding Special Clearing Operations scheduled for March 30 and 31, 2024.

For more information, you can access the RBI notification here:

<https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12640&Mode=0>

3. Developments in India's Balance of Payments during the Third Quarter (October-December) of 2023-24

The Reserve Bank of India (RBI) vide press release dated March 26th 2024, released the preliminary data on India's balance of payments (BoP) for the third quarter (Q3), i.e., October-December 2023-24.

For more information, you can access the RBI press release

here: https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=57567

4. Meeting Schedule of the Monetary Policy Committee for 2024-2025

The Reserve Bank of India (RBI) vide press release dated March 27th 2024 released that as per Section 45ZI of Reserve Bank of India Act, 1934, it has been decided that the Monetary Policy Committee will meet April 3-5, 2024, June 5-7, 2024, August 6-8, 2024, October 7-9, 2024, December 4-6, 2024 and February 5-7, 2025 during the year 2024-25.

For more information, you can access the RBI press release here:

https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=57580

5. Lending and Deposit Rates of Scheduled Commercial Banks – March 2024

The Reserve Bank of India (RBI) vide press release dated March 28th 2024 released the data on lending and deposit rates of scheduled commercial banks (SCBs) (excluding regional rural banks and small finance banks) received during the month of March 2024.

For more information, you can access the RBI press release here:

https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=57590

MINISTRY OF CORPORATE AFFAIRS

A diversified investment strategy can minimise risk, but not entirely eliminate it: Ministry of Corporate Affairs and Ministry of Finance.

The Ministry of Corporate Affairs advised investors to diversify their investment across different assets as it can help minimise risks, but does not completely eliminate negative returns. It also stated that investors should keep reviewing their financial plans to align with their financial goals. The Ministry of Finance further stated that as a part of financial awareness and financial wellbeing, investors should regularly educate themselves about personal finance concepts and trends. The five mantras of personal finance are income, controlled expenditure, savings, investments and protection.

SECURITIES AND EXCHANGE BOARD OF INDIA

1. Entities allowed to use e-KYC Aadhaar Authentication services of UIDAI in Securities Market as sub-KUA

The Securities and Exchange Board of India (SEBI) vide circular dated March 19th, 2024 released the details of entities allowed to use e-KYC aadhaar authentication services of UIDAI in securities market as sub-KUA.

For more information, you can access the SEBI circular here:

https://www.sebi.gov.in/legal/circulars/mar-2024/entities-allowed-to-use-e-kyc-aadhaar-authentication-services-of-uidai-in-securities-market-as-sub-kua_82364.html

2. Safeguards to address the concerns of the investors on transfer of securities in dematerialized mode

The Securities and Exchange Board of India (SEBI) vide circular dated March 20th, 2024 has introduced amendments aimed at strengthening safeguards concerning the transfer of securities in dematerialized mode. These amendments, effective from April 1, 2024, aim to enhance investor protection and prevent fraud or misappropriation.

For more information, you can access the SEBI Circular here:

https://www.sebi.gov.in/legal/circulars/mar-2024/safeguards-to-address-the-concerns-of-the-investors-on-transfer-of-securities-in-dematerialized-mode_82417.html

3. Amendment to Circular for mandating additional disclosures by FPIs that fulfil certain objective criteria

The Securities and Exchange Board of India (SEBI) vide circular dated March 20th, 2024 introduced amendments to the disclosure requirements for Foreign Portfolio Investors (FPIs).

For more information, you can access the SEBI Circular here:

<https://www.sebi.gov.in/legal/circulars/mar-2024/amendment-to-circular-for-mandating-additional-disclosures-by-fpis-that-fulfil-certain-objective-criteria-82418.html>

4. Introduction of Beta version of T+0 rolling settlement cycle on optional basis in addition to the existing T+1 settlement cycle in Equity Cash Markets

The Securities and Exchange Board of India (SEBI) vide circular dated March 21st, 2024 informed that it has been decided to put in place a framework for introduction of the Beta version of T+0 settlement cycle on optional basis in addition to the existing T+1 settlement cycle in equity cash market, for a limited set of 25 scrips and with a limited number of brokers.

For more information, you can access the SEBI circular here:

<https://www.sebi.gov.in/legal/circulars/mar-2024/introduction-of-beta-version-of-t-0-rolling-settlement-cycle-on-optional-basis-in-addition-to-the-existing-t-1-settlement-cycle-in-equity-cash-markets-82455.html>

MINISTRY OF FINANCE

1. Government plans to borrow Rs 7.5 lakh Crore from market in first half of the financial year 2024-25 including Rs 12,000 Crore through Sovereign Green Bonds

In consultation with the Reserve Bank of India, the Government of India has finalized its borrowing programme for the first half of the financial year 2024-25. Out of Gross Market borrowing of ₹14.13 lakh Crore projected for the financial year 2024-25 in the Union budget, ₹7.50 lakh Crore (53.08%) is planned to be borrowed in the first half through dated securities, including ₹12,000 Crore through issuance of Sovereign Green Bonds (SGrBs). Based on the feedback obtained from market and in line with global market practices, it has been decided to introduce a new dated security of 15-year tenor. The gross market borrowing of Rs 7.50 lakh Crore shall be completed through 26 weekly auctions. The market borrowing will be spread over 3, 5, 7, 10, 15-, 30-, 40- and 50-year securities. The share of borrowing (including SGrBs) under different maturities will be: 3-year (4.80%), 5-year (9.60%), 7-year (8.80%), 10-year (25.60%), 15-year (13.87%), 30-year (8.93%), 40-year (19.47%) and 50-year (8.93%). The Government will continue to carry out switching of securities to smoothen the redemption profile. The Government will continue to reserve the right to exercise greenshoe option to retain an additional subscription of up to Rs. 2,000 Crore against each of the securities indicated in the auction notifications. Weekly borrowing through the issuance of Treasury Bills in the first quarter of the Financial Year 2024-25 is expected to be Rs. 27,000 Crore for the first seven auctions and Rs. 22,000 Crore for the subsequent six auctions with net borrowing of Rs. (-)3,000 Crore during the quarter. There will be weekly issuance of Rs. 12,000 Crore under 91 DTBs, Rs. 7,000 Crore under 182 DTBs and Rs. 8,000 Crore under 364

DTBs in the first seven auctions and weekly issuance of Rs. 10,000 Crore under 91 DTBs, Rs. 5,000 Crore under 182 DTBs and Rs. 7,000 Crore under 364 DTBs in subsequent six auctions to be conducted during the quarter. To take care of temporary mismatches in Government accounts, the Reserve Bank of India has fixed the Ways and Mean Advances (WMA) limit for the first half of the financial year 2024-25 at Rs. 1.50 lakh Crore.

For more information you can access the GOI release over here-
<https://pib.gov.in/PressReleaseDetail.aspx?PRID=2008034>

MINISTRY OF LAW AND JUSTICE
(Legislative Department)

(1) The Bharatiya Nyaya Sanhita, 2023; (2) The Bharatiya Nagarik Suraksha Sanhita, 2023 and (3) The Bharatiya Sakshya Adhiniyam, 2023 are hereby published under the authority of the President and shall be deemed to be the authoritative texts thereof in Hindi under clause (a) of sub-section (1) of section 5 of the Official Languages Act, 1963 vide notification dated 18.03.2024.

Notification can be accessed from here:
<https://egazette.gov.in/WriteReadData/2024/253386.pdf>

You may send your suggestions at kartikey@asalegal.in

Disclaimer:

The content in this mail is offered only as updates in Financial, Capital Market, Corporate etc. sectors. This mail should not be used as a substitute for obtaining legal advice from an attorney licensed or authorized to practice in your jurisdiction. Nothing in this mail is intended to create an attorney-client relationship and nothing posted constitutes legal advice.

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

BENGALURU

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

AHMEDABAD

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