



# NEWSLETTER <sup>Weekly</sup>

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## **MINISTRY OF FINANCE**

1. The Central Government, in exercise of the powers conferred by proviso to clause (47A) of section 2 of the Income-tax Act, 1961 (43 of 1961), vide notification dated 30.06.2022, notified virtual digital assets which shall be excluded from the definition of virtual digital asset.

Notification can be accessed from here:

<https://egazette.nic.in/WriteReadData/2022/236916.pdf>

2. The Central Government, in exercise of the powers conferred by clause (a) of Explanation to clause (47A) of section 2 of the Income-tax Act, 1961 (43 of 1961), vide notification dated 30.06.2022 specifies a token which qualifies to be a virtual digital asset as non-fungible token within the meaning of sub-clause (a) of clause (47A) of section 2 of the Income Tax Act but shall not include a nonfungible token whose transfer results in transfer of ownership of underlying tangible asset and the transfer of ownership of such underlying tangible asset is legally enforceable.

Notification can be accessed from here:

<https://egazette.nic.in/WriteReadData/2022/236918.pdf>

## **RESERVE BANK OF INDIA**

### **1. Provisioning Requirement for Investment in Security Receipts (SRs)**

Reserve Bank of India vide notification dated 28.06.2022, has provided provisioning requirement for investment in security receipts by all Primary (Urban) Co-operative Banks/State Co-operative Banks/ District Central Cooperative Banks, all Local Area Banks and Regional Rural Banks, all All-India Financial Institutions, all Non-Banking Financial Companies in order to provide a glide path to the entities which were kept out of the ambit of circular "Guidelines on Sale of Stressed Assets by Banks".

Notification can be accessed from here:

<https://rbidocs.rbi.org.in/rdocs/notification/PDFs/NT781113968810084A199D3C615C6FEC159A.PDF>

### **2. Note Sorting Machines - Authentication and Fitness Sorting Parameters**

Reserve Bank of India vide notification dated 01.07.2022, reviewed the parameters and enclosed a revised set of guidelines for implementation in the backdrop of introduction of the new series banknotes, in reference to the Circular DCM(R&D) No. G-26/18.00.14/2009-10 dated May 11, 2010.

Notification can be accessed from here:

<https://rbidocs.rbi.org.in/rdocs/notification/PDFs/NOTESORTINGMACHINES4DE97B0D2C0F48D8A347560E5FDF32E6.PDF>

## SECURITIES AND EXCHANGE BOARD OF INDIA

### **1. Adjustment in derivative contracts for dividend announcements**

SEBI in exercise of powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992, read with Section 10 of the Securities Contracts (Regulation) Act, 1956 vide circular dated June 28, 2022 decided that the adjustment in derivative contracts shall be carried out in cases where dividends declared are at or above 2% of the market value of underlying stock.

Circular can be accessed from here:

[https://www.sebi.gov.in/legal/circulars/jun-2022/adjustment-in-derivative-contracts-for-dividend-announcements\\_60306.html](https://www.sebi.gov.in/legal/circulars/jun-2022/adjustment-in-derivative-contracts-for-dividend-announcements_60306.html).

### **2. Implementation of Circular on 'Execution of 'Demat Debit and Pledge Instruction' (DDPI) for transfer of securities towards deliveries / settlement obligations and pledging / re-pledging of securities' - Extension**

SEBI in exercise of the powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992 and Section 19 of the Depositories Act, 1996, vide circular dated June 30, 2022 decided to extend the implementation date of the circular on 'Execution of Demat Debit and Pledge Instruction' (DDPI) for transfer of securities towards deliveries / settlement obligations and pledging / re-pledging of securities' to September 01, 2022.

Circular can be accessed from here:

<https://www.sebi.gov.in/legal/circulars/jun-2022/implementation-of-circular-on-execution-of-demat-debit-and-pledge-instruction-ddpi-for-transfer-of-securities-towards-deliveries-settlement-obligations-and-pledging-re-pledging-of-securities-60403.html>.

### **3. Modification in Cyber Security and Cyber resilience framework for Stock Brokers / Depository Participants**

SEBI in exercise of powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act, 1992 vide circular dated June 30, 2022 has modified framework for Cyber Security and Cyber resilience Stock Brokers/ Depository Participants.

Circular can be accessed from here:

[https://www.sebi.gov.in/legal/circulars/jun-2022/modification-in-cyber-security-and-cyber-resilience-framework-for-stock-brokers-depository-participants\\_60453.html](https://www.sebi.gov.in/legal/circulars/jun-2022/modification-in-cyber-security-and-cyber-resilience-framework-for-stock-brokers-depository-participants_60453.html).

### **4. Disclosure of holding of specified securities and holding of specified securities in dematerialized form**

SEBI in exercise of the powers conferred under Section 11 and Section 11A of the Securities and Exchange Board of India Act, 1992 read with Regulation 31 and 101(2) of Listing Regulations vide circular dated June 30, 2022 partially modified the Circular No.

CIR/CFD/CMD/13/2015 dated November 30, 2015 which prescribed formats for disclosure of holding of specified securities and shareholding pattern.

Circular can be accessed from here:

[https://www.sebi.gov.in/legal/circulars/jun-2022/disclosure-of-holding-of-specified-securities-and-holding-of-specified-securities-in-dematerialized-form\\_60459.html](https://www.sebi.gov.in/legal/circulars/jun-2022/disclosure-of-holding-of-specified-securities-and-holding-of-specified-securities-in-dematerialized-form_60459.html).

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

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