



# NEWSLETTER <sup>Weekly</sup>

Volume-CXIX, Issue-I, Dated: 03<sup>rd</sup> June, 2024

## RESERVE BANK OF INDIA

### **1. Instructions on Money Changing Activities**

The Reserve Bank of India (RBI) vide notification dated May 27<sup>th</sup> 2024 directed to all authorized persons in foreign exchange, addressing instructions on money changing activities. This circular serves as a reminder of the guidelines outlined in FED Master Direction No.3/2015-16 dated January 01, 2016, which governs money changing activities and has been updated periodically.

For more information, you can access the RBI notification here:  
<https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12689&Mode=0>

### **2. Finances of Foreign Direct Investment Companies, 2022-23**

The Reserve Bank of India (RBI) vide press release dated May 27<sup>th</sup> 2024 released the data relating to financial performance of non-government non-financial (NGNF) foreign direct investment (FDI) companies in India during 2022-23 based on audited annual accounts of 2,272 companies, which reported in the Indian Accounting Standards (Ind-AS) format for three accounting years from 2020-21 to 2022-23. The paid-up capital (PUC) of these companies amounted to ₹5,44,014 crore, which accounted for 56.9 per cent of the total PUC of FDI companies that had reported in the 2022-23 round of the Reserve Bank's annual census of foreign liabilities and assets of Indian direct investment companies.

For more information, you can access the RBI press release here:  
[https://rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=57977](https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=57977)

### **3. Buyback of Government of India Dated Securities**

The Reserve Bank of India (RBI) vide press release dated May 27<sup>th</sup> 2024 announced the buyback of its Securities through auction for an aggregate amount of ₹40,000 crore (face value). There is no notified amount for the individual securities within the aggregate ceiling of ₹40,000 crore. Auction for securities will be conducted using multiple price method.

For more information, you can access the RBI press release here:  
[https://rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=57983](https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=57983)

### **4. Auction of Government of India Dated Securities**

The Reserve Bank of India (RBI) vide press release dated May 27<sup>th</sup> 2024 announced the sale (issue/re-issue) of three dated securities for a notified amount of ₹29,000 crore. The government will have the option to retain additional subscription up to ₹2,000 crore against

each security mentioned above. The auction will be conducted using multiple price method for New GS 2029, New GOI SGrB 2034 and 7.34% GS 2064.

For more information, you can access the RBI press release here: [https://rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=57984](https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=57984)

## **5. Launch of PRAVAAH, RBI Retail Direct Mobile Application and FinTech Repository**

The Reserve Bank of India (RBI) vide press release dated May 28<sup>th</sup> 2024 launched three major initiatives of the Reserve Bank of India, namely the PRAVAAH portal, the Retail Direct Mobile App and a FinTech Repository.

- a. The PRAVAAH portal will make it convenient for any individual or entity to apply online for various regulatory approvals in a seamless manner. This portal will also enhance the efficiency of various processes related to granting of regulatory approvals and clearances by the Reserve Bank.
- b. The Retail Direct Mobile App will provide retail investors a seamless and convenient access to the retail direct platform and provide ease of transacting in government securities (G-Secs).
- c. The Fintech Repository will contain information on Indian FinTech Sector for a better understanding of the sector from a regulatory perspective and facilitate in designing appropriate policy approaches.

For more information, you can access the RBI press release here: [https://rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=57990](https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=57990)

## **6. Framework for Recognising Self-Regulatory Organisation(s) for FinTech Sector**

The Reserve Bank of India (RBI) vide press release dated May 30<sup>th</sup> 2024 released a 'Draft framework for recognising Self-Regulatory Organisations (SRO) for FinTech Sector' on January 15, 2024, inviting comments and feedback from the stakeholders. Based on the inputs received and examination thereof, the 'Framework for Recognising Self-Regulatory Organisation(s) for FinTech Sector' (SRO-FT framework) has been finalised.

For more information, you can access the RBI press release here: [https://rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=58000](https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=58000)

## **7. Results of Buyback of Government of India Dated Securities**

The Reserve Bank of India (RBI) vide press release dated May 30<sup>th</sup> 2024 released the results of the buyback of government of India dated securities.

For more information, you can access the RBI press release here: [https://rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=58001](https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=58001)

**MINISTRY OF FINANCE**

**(CENTRAL BOARD OF DIRECT TAXES)**

**1. Income Tax Return filing: 60 days to go! A lowdown on the tax forms individual can opt for.**

Due to the approaching July 31 deadline, taxpayers will have to hurry through their files and folders to gather the documents they need to file their income tax return. Most documents are generally available online, so are the income tax return filing forms on income tax e-filing portal. Taxpayers are expected to be sure about opting for the right income tax form before filing their income tax returns.

Income Tax return filing forms to choose from:

- a. ITR-1: This income tax form is meant for tax payers who are resident (other than not ordinarily resident) having total income up to Rs. 50,00,000 who have income from salaries, one house property, other sources (interest etc), and agricultural income up to Rs. 5,000. This form to file tax return for Financial Year 2023-24 was released on April 1, 2024.
- b. ITR-2: This tax form is meant for individuals and Hindu Undivided Families (HUFs) who do not have an income from profits and gains of business or profession. Income Tax department released this form for Financial Year 2023-24 on April 1, 2024.
- c. ITR-3: This income tax return filing form meant for individuals and HUFs having income from profits and gains of business or profession. This form was released on the tax filing portal on May 9.
- d. ITR-4: The income tax return form 4 is supposed to be used by the individuals, firms (other than LLP) and Hindu Undivided Families (HUFs) who are residents and have a total income up to ₹50 lakh, and have income from business and profession which is computed under sections 44AD, 44ADA or 44AE. Besides, the taxpayer is supposed to have an agricultural income only up to ₹5,000. This form has been available on the tax filing portal since April 1, 2024.
- e. ITR-5: This income tax return (ITR) form is meant for persons other than individual, HUF, company and person filing Form ITR-7. It was released on May 31.
- f. ITR-6: The income tax form number 6 is there for the companies apart from the companies which claim exemption under section 11. Besides these, other income tax forms are available under section 'income tax forms' of 'Downloads' section. These other forms include form 10BB, Form 10BB, Form 15CA, Form CB, Form 29B, Form 29C and Form 3CEB. This form was also released on April 1, 2024

## SECURITIES AND EXCHANGE BOARD OF INDIA

### **1. Master Circular for Foreign Portfolio Investors, Designated Depository Participants and Eligible Foreign Investors**

The Securities and Exchange Board of India (SEBI) vide master circular dated May 30<sup>th</sup> 2024 consolidated the provisions for Foreign Portfolio Investors (FPIs), Designated Depository Participants (DDPs), and Eligible Foreign Investors, superseding the previous Master Circular from December 19, 2022. Effective immediately, it maintains SEBI's directives and guidance for FPIs alongside existing laws. Despite rescinding previous circulars, actions taken and applications submitted under them are deemed valid under this Master Circular, ensuring continuity. Issued with the approval of the Competent Authority and under SEBI's conferred powers, it is accessible on SEBI's website under "Legal – Master Circulars."

For more information, you can access the SEBI master circular here: <https://www.sebi.gov.in/legal/master-circulars/may-2024/master-circular-for-foreign-portfolio-investors-designated-depository-participants-and-eligible-foreign-investors-83689.html>

### **2. Timelines for disclosures by Social Enterprises on Social Stock Exchange ("SSE")**

The Securities and Exchange Board of India (SEBI) vide circular dated May 27<sup>th</sup> 2024 mandated that Not-for-Profit Organizations (NPOs) and Social Enterprises registered or raising funds through the Social Stock Exchange (SSE) must submit their annual disclosures and Annual Impact Report for the financial year 2023-24 by October 31, 2024. This requirement ensures compliance with SEBI's disclosure regulations to enhance transparency and accountability.

For more information, you can access the SEBI circular here: <https://www.sebi.gov.in/legal/circulars/may-2024/timelines-for-disclosures-by-social-enterprises-on-social-stock-exchange-sse-83582.html>

### **3. Self-Regulatory Organizations for Social Impact Assessors in the context of Social Stock Exchange (SSE)**

The Securities and Exchange Board of India (SEBI) vide circular dated May 27<sup>th</sup> 2024 expands the list of self-regulatory organizations (SROs) to include ICAI Social Auditors Organization under the Institute of Cost Accountants of India and ICSI Institute of Social Auditors under the Institute of Company Secretaries of India. SEBI has defined Social Impact Assessors as individuals registered with SROs under the Institute of Chartered Accountants of India or other specified agencies, and who have completed a certification program by the National Institute of Securities Market.

For more information, you can access the SEBI circular here: <https://www.sebi.gov.in/legal/circulars/may-2024/self-regulatory-organizations-for-social-impact-assessors-in-the-context-of-social-stock-exchange-sse-83583.html>

#### **4. Eligibility criteria for launching Options with Commodity Futures as underlying by Stock Exchanges having commodity derivative segments**

The Securities and Exchange Board of India (SEBI) vide circular dated May 27<sup>th</sup> 2024 revised the eligibility criteria for launching Options contracts on commodity futures for stock exchanges with commodity derivatives segments. Specifically, for agricultural and agri-processed commodities, the average daily turnover requirement for underlying futures contracts over the previous twelve months has been reduced from INR 200 crore to INR 100 crore. This change, effective from June 1, 2024, aims to facilitate the introduction of Options on these commodities. The circular mandates stock exchanges to update their bye-laws, rules, and regulations accordingly and to notify their members and the public.

For more information, you can access the SEBI circular here: [https://www.sebi.gov.in/legal/circulars/may-2024/eligibility-criteria-for-launching-options-with-commodity-futures-as-underlying-by-stock-exchanges-having-commodity-derivative-segments\\_83586.html](https://www.sebi.gov.in/legal/circulars/may-2024/eligibility-criteria-for-launching-options-with-commodity-futures-as-underlying-by-stock-exchanges-having-commodity-derivative-segments_83586.html)

#### **5. Standard Operating Procedure for handling of Stock Exchange outage and extension of trading hours thereof in Commodity Derivatives segment**

The Securities and Exchange Board of India (SEBI) vide circular dated May 27<sup>th</sup> 2024 aimed at establishing a standardized procedure for managing stock exchange outages and extending trading hours within the commodity derivatives segment. This circular follows in the footsteps of a similar directive issued earlier for the cash market and equity derivatives segment, emphasizing SEBI's commitment to ensuring robust operational frameworks across all market segments. The directive underscores SEBI's proactive approach to regulatory oversight, aimed at safeguarding investor interests and fostering the development of a resilient and efficient securities market.

For more information, you can access the SEBI circular here: [https://www.sebi.gov.in/legal/circulars/may-2024/standard-operating-procedure-for-handling-of-stock-exchange-outage-and-extension-of-trading-hours-thereof-in-commodity-derivatives-segment\\_83588.html](https://www.sebi.gov.in/legal/circulars/may-2024/standard-operating-procedure-for-handling-of-stock-exchange-outage-and-extension-of-trading-hours-thereof-in-commodity-derivatives-segment_83588.html)

#### **6. Investor Charter for Depositories and Depository Participants**

The Securities and Exchange Board of India (SEBI) vide circular dated May 29<sup>th</sup> 2024 addressing all registered depositories and depository participants. The circular introduces a modified Investor Charter for Depositories and Depository Participants to enhance investor awareness and protection, detailing various activities, services, rights, and responsibilities of investors, as well as the roles and conduct expected from depositories and their participants.

For more information, you can access the SEBI circular here: [https://www.sebi.gov.in/legal/circulars/may-2024/investor-charter-for-depositories-and-depository-participants\\_83649.html](https://www.sebi.gov.in/legal/circulars/may-2024/investor-charter-for-depositories-and-depository-participants_83649.html)

#### **7. Norms for acceptable collaterals and exposure of Clearing Corporations**

The Securities and Exchange Board of India (SEBI) vide circular dated May 29<sup>th</sup> 2024 enhanced the risk management framework for Clearing Corporations (CCs). The circular outlines new norms for acceptable collaterals and introduces prudential norms for the

exposure of CCs. It aims to strengthen the liquidity and stability of CCs by refining the types of acceptable liquid assets and their respective haircuts, and by setting limits on the concentration of exposure to individual banks and other entities.

For more information, you can access the SEBI circular here: [https://www.sebi.gov.in/legal/circulars/may-2024/norms-for-acceptable-collaterals-and-exposure-of-clearing-corporations\\_83650.html](https://www.sebi.gov.in/legal/circulars/may-2024/norms-for-acceptable-collaterals-and-exposure-of-clearing-corporations_83650.html)

## **8. Modification in requirement of inspection of accredited warehouses by Clearing Corporations**

The Securities and Exchange Board of India (SEBI) vide circular dated May 29<sup>th</sup> 2024 modified the Master circular dated August 4, 2023 for the commodity derivatives segment outlining various compliance requirements for stock exchanges and clearing corporations. Paragraph 12.16 of this circular specifically dealt with the inspection and audit of accredited warehouses by clearing corporations.

The requirements stated in Paragraph 12.16.2 (ii) of the Master Circular have been modified:

*Inspections must be conducted at least once every six months unless there has been no stock for the preceding six months, in which case only one inspection per year is necessary. If there are no stocks in a facility for the entire calendar year, independent agency inspections are not required. However, compliance with Para 12.16.1 must be ensured before new deposits are accepted.*

For more information, you can access the SEBI circular here: [https://www.sebi.gov.in/legal/circulars/may-2024/modification-in-requirement-of-inspection-of-accredited-warehouses-by-clearing-corporations\\_83651.html](https://www.sebi.gov.in/legal/circulars/may-2024/modification-in-requirement-of-inspection-of-accredited-warehouses-by-clearing-corporations_83651.html)

## **9. Investor Charter for Stock Exchanges**

The Securities and Exchange Board of India (SEBI) vide circular dated May 29<sup>th</sup> 2024 enhanced the investor awareness and protection in the securities market. This circular introduces significant modifications to the existing Investor Charter for Stock Exchanges. The updated charter incorporates new mechanisms such as the Online Dispute Resolution (ODR) platform and the upgraded SCORES 2.0 system, which aim to streamline and improve the grievance redressal process for investors.

For more information, you can access the SEBI circular here: [https://www.sebi.gov.in/legal/circulars/may-2024/investor-charter-for-stock-exchanges\\_83653.html](https://www.sebi.gov.in/legal/circulars/may-2024/investor-charter-for-stock-exchanges_83653.html)

## **10. Ease of Doing Business – Internet Based Trading for Stock Brokers**

The Securities and Exchange Board of India (SEBI) vide circular dated May 30<sup>th</sup> 2024 aimed at enhancing ease of doing business for stock brokers regarding Internet Based Trading (IBT). The circular reduces the timeline for stock exchanges to communicate their decision on IBT service permission to brokers from 30 calendar days to 7 calendar days. Additionally, the requirement for periodic confirmation of IBT statistics by brokers before publication by exchanges is eliminated. Exchanges will now publish IBT statistics based on details provided

by brokers. These changes aim to streamline processes and reduce unnecessary compliance burdens. The circular is effective immediately.

For more information, you can access the SEBI circular here: [https://www.sebi.gov.in/legal/circulars/may-2024/ease-of-doing-business-internet-based-trading-for-stock-brokers\\_83681.html](https://www.sebi.gov.in/legal/circulars/may-2024/ease-of-doing-business-internet-based-trading-for-stock-brokers_83681.html)

#### **11. Revision of eligibility criteria for launching commodity futures contracts**

The Securities and Exchange Board of India (SEBI) vide circular dated May 30<sup>th</sup> 2024 addressing the revision of eligibility criteria for launching commodity futures contracts. The circular aims to update norms originally set by the Forward Market Commission (FMC) and continued after its merger with SEBI, reflecting the evolving landscape of commodity derivatives markets. The modifications were prompted by representations from market participants and discussions within the Commodity Derivatives Advisory Committee (CDAC) of SEBI. Key revisions include amendments to Paragraph 2.2 and Paragraph 10.1 of the SEBI Master Circular dated August 4, 2023. These changes streamline the criteria for eligibility, retention, and re-introduction of derivative contracts on commodities across all stock exchanges. Notably, certain paragraphs are deleted, while others are modified to enhance clarity and relevance.

For more information, you can access the SEBI circular here: [https://www.sebi.gov.in/legal/circulars/may-2024/revision-of-eligibility-criteria-for-launching-commodity-futures-contracts\\_83684.html](https://www.sebi.gov.in/legal/circulars/may-2024/revision-of-eligibility-criteria-for-launching-commodity-futures-contracts_83684.html)

#### **12. Comprehensive guidelines for Investor Protection Fund (IPF) and Investor Services Fund (ISF) for Stock Exchanges having commodity derivatives segment**

The Securities and Exchange Board of India (SEBI) vide circular dated May 30<sup>th</sup> 2024 issued detailed comprehensive guidelines for the Investor Protection Fund (IPF) and Investor Services Fund (ISF) applicable to stock exchanges with commodity derivatives segments. This new circular supersedes previous directives and incorporates feedback from market participants to simplify business operations in the commodity derivatives sector. The guidelines, effective from June 1, 2024, mandate all relevant exchanges to amend their rules, inform members, and report the implementation status to SEBI.

For more information, you can access the SEBI circular here: [https://www.sebi.gov.in/legal/circulars/may-2024/comprehensive-guidelines-for-investor-protection-fund-ipf-and-investor-services-fund-isf-for-stock-exchanges-having-commodity-derivatives-segment\\_83718.html](https://www.sebi.gov.in/legal/circulars/may-2024/comprehensive-guidelines-for-investor-protection-fund-ipf-and-investor-services-fund-isf-for-stock-exchanges-having-commodity-derivatives-segment_83718.html)

#### **13. Settlement Calculator BETA - SEBI (Settlement Proceedings) Regulations, 2018**

The Securities and Exchange Board of India (SEBI) vide press release dated May 30<sup>th</sup> 2024 released Settlement Calculator BETA - SEBI (Settlement Proceedings) Regulations, 2018 aimed at simplifying and enhancing transparency in determining the indicative settlement amount according to the parameters outlined in the SEBI (Settlement Proceedings) Regulations, 2018. This calculator enables applicants to identify violations, select appropriate options based on their regulatory track record, and provide details of ongoing proceedings at the time of filing the settlement application. Additionally, a user-friendly

guide video has been incorporated to facilitate understanding of the settlement process. Accessible on the SEBI website, the BETA version of the Settlement Calculator aims to streamline settlement proceedings.

For more information, you can access the SEBI press release here: [https://www.sebi.gov.in/media-and-notifications/press-releases/may-2024/settlement-calculator-beta-sebi-settlement-proceedings-regulations-2018\\_83688.html](https://www.sebi.gov.in/media-and-notifications/press-releases/may-2024/settlement-calculator-beta-sebi-settlement-proceedings-regulations-2018_83688.html)

**You may send your suggestions at [kartikey@asalegal.in](mailto: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, 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, Kalapurnam Complex,  
Near Municipal Market,  
C.G. Road, Navrangpura,  
Ahmedabad-380009.  
Phone: +91-079-66660888,  
+91-9173660088