



NEWSLETTER ^{Weekly}

Volume-CXIX, Issue-III, Dated: 17th June, 2024

RESERVE BANK OF INDIA

- 1. Export-Import Bank of India (Exim Bank)'s Government of India-supported Line of Credit of USD 23.37 mn to the Government of the Co-operative Republic of Guyana (GO-GUY), for procurement of two Hindustan 228-201 aircraft from Hindustan Aeronautics Ltd.**

The Reserve Bank of India (RBI) vide notification dated June 11th 2024 notified that Export-Import Bank of India (Exim Bank) has entered into an agreement dated March 15, 2024 with the Government of the Co-operative Republic of Guyana (GO-GUY), for making available to the latter, Government of India supported Line of Credit (LoC) of USD 23.37 mn (USD Twenty-Three Million Three Hundred Seventy Thousand Only) for procurement of two Hindustan 228-201 aircraft from Hindustan Aeronautics Ltd. The Agreement under the LoC is effective from April 08, 2024.

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

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12692&Mode=0>

- 2. International Trade Settlement in Indian Rupees (INR) – Opening of additional Current Account for settlement of trade transactions**

The Reserve Bank of India (RBI) vide notification dated June 11th 2024 notified that the facility of opening an additional special current account by the AD Category-I banks (maintaining Special Rupee Vostro Account in terms of the RBI circular dated July 11, 2022 referred above) for its constituents may be extended for settlement of their export as well as import transactions.

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

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12693&Mode=0>

- 3. Reserve Bank of India – Bulletin Weekly Statistical Supplement – Extract**

The Reserve Bank of India (RBI) vide press release dated June 14th 2024 released bulletin weekly statistical supplement regarding liabilities and assets, foreign exchange reserves, scheduled commercial banks – business in India, money stock: components, and sources liquidity operations by RBI.

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

https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=58102

4. Performance of Private Corporate Business Sector during Q4:2023-24

The Reserve Bank of India (RBI) vide press release dated June 13th 2024 released data on the performance of the private corporate sector during the fourth quarter of 2023-24 drawn from abridged quarterly financial results of 2,823 listed non-government non-financial companies.

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

https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=58093

5. RBI releases data on ECB / FCCB / RDB for April 2024

The Reserve Bank of India (RBI) vide press release dated June 13th 2024 released the data on External Commercial Borrowings (ECB), Foreign Currency Convertible Bonds (FCCB) and Rupee Denominated Bonds (RDB) both, through Automatic Route and Approval Route, for the month of April 2024.

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

https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=58088

6. Overseas Direct Investment for May 2024

The Reserve Bank of India (RBI) vide press release dated June 12th 2024 released the data on Overseas Direct Investment, both under Automatic Route and the Approval Route, for the month of May 2024.

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

https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=58082

MINISTRY OF FINANCE

1. Nirmala Sitharaman assumes charge of finance ministry

Nirmala Sitharaman on Wednesday assumed charge of the of the finance ministry for the second consecutive term and is slated to soon present the final Budget for Financial Year 2025 that is going to set the tone for the Modi 3.0 government's priorities and direction for Viksit Bharat. Sitharaman, who is credited with carrying forward second-generation reforms in her last term, would be creating a record by presenting the seventh Budget in a row and sixth full Budget consecutively. The Full Budget for Financial Year 2025 is likely to be presented to the newly formed 18th Lok Sabha next month. She has many records to her credit in her political career. She created a record when she was appointed as the first female Raksha Mantri in 2017. Prior to that, she was industry and commerce minister. When her mentor Arun Jaitley (finance minister 2014-19) took ill, Sitharaman was given the charge of the finance portfolio in the newly re-elected Modi government after the 2019 general elections. Soon after taking over, the first major reform was a cut in base corporate tax to 22 per cent from 30 per cent to prop up the economy hit by demonetisation and GST implementation. The following year, India weathered the Covid-19 pandemic with an array of policy measures announced for the poor and continued its tag of the fastest growing major economy and a 'bright spot' in the world economy. To overcome the hardship during the pandemic, the government announced a special economic package worth Rs. 20 lakh crore equivalent to roughly 10 percent of India's GDP. She steered the economy from nearly 24 per cent

contraction in the first quarter of FY21, to the fastest growing world economy. Despite fiscal expansion, she continued to follow the path of fiscal consolidation and was successful in bringing down the fiscal deficit to 5.6 per cent of GDP, from the earlier estimate of 5.8 per cent in Financial Year 2024. She also set a record by presenting the sixth Budget in a row, five annual Budgets and one interim a feat achieved so far only by former Prime Minister Morarji Desai. After the Modi government came to power in 2014, Arun Jaitley took charge of the Finance Ministry and presented five Budgets in a row from 2014-15 to 2018-19. In 2017, Jaitley departed from the colonial-era tradition of presenting the Budget on the last working day of February to 1st of the month.

Following the footsteps of her mentor, Sitharaman also did away with the traditional Budget briefcase and instead went for a bahi-khata with the National Emblem to carry the speech and other documents.

Born in Madurai on August 18, 1959 to Narayan Sitharaman (who worked in the railways) and Savitri (a homemaker), Nirmala Sitharaman studied economics at Tiruchirapalli's Seethalakshmi Ramaswami College.

She then moved to the capital to pursue her master's and M. Phil in the subject from Jawaharlal Nehru University (JNU). But before Sitharaman forayed into politics, she was part of the corporate world in the UK, where she was living with her husband Parakala Prabhakar. Sitharaman's political career began in 2008, when she joined the BJP (she returned to India in the early 1990s), and in two years became the party's second woman spokesperson after Sushma Swaraj, fielding questions from journalists at the party headquarters and also becoming a familiar face on television debates. Prior to taking the political plunge, she served as a deputy director of the Centre for Public Policy Studies in Hyderabad, and also started a school in the city.

SECURITIES AND EXCHANGE BOARD OF INDIA

1. Launch of free online "SEBI-Investor Certification Examination"

The Securities and Exchange Board of India (SEBI) vide press release dated June 11th 2024 informed that it has launched a free, voluntary online "SEBI – Investor Certification Examination." Developed in collaboration with the National Institute of Securities Markets (NISM), this voluntary certification aims to help investors test their knowledge of markets and investing. It is designed to assist individuals in their journey towards gaining comprehensive knowledge about investing in the Indian securities markets.

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

<https://www.sebi.gov.in/media-and-notifications/press-releases/jun-2024/launch-of-free-online-sebi-investor-certification-examination-84078.html>

2. (a) Ease of Doing Investments- Non-submission of 'Choice of Nomination'

(i) Doing away with freezing of Demat Accounts and Mutual Fund Folios for existing investors;

(ii) To remove freeze on payment of corporate benefits and service of physical folios;

(b) Only 3 fields to be provided mandatorily for updating Nomination Details

The Securities and Exchange Board of India (SEBI) vide circular dated June 10th 2024 informed that based on representations received from the market participants, for ease of compliance and investor convenience, the following has been decided for existing investors/ unitholders:

- Non-submission of 'choice of nomination' shall not result in freezing of Demat Accounts as well as Mutual Fund Folios.
- Securityholders holding securities in physical form shall be eligible for receipt of any payment including dividend, interest or redemption payment as well as to lodge grievance or avail any service request from the RTA even if 'choice of nomination' is not submitted by these securityholders.
- Payments including dividend, interest or redemption payment withheld presently by the Listed Companies/RTAs, only for want of 'choice of nomination' shall be processed accordingly.

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

<https://www.sebi.gov.in/legal/circulars/jun-2024/-a-ease-of-doing-investments-non-submission-of-choice-of-nomination- 84053.html>

3. Modification in Framework for Offer for Sale (OFS) of Shares to Employees through Stock Exchange Mechanism

The Securities and Exchange Board of India (SEBI) vide circular dated June 14th 2024 introduces modifications to the framework governing Offer for Sale (OFS) of shares to employees through the stock exchange mechanism. The key amendment revolves around the bidding process for employees participating in OFS. Initially, employees were instructed to bid on T+1 day at the cut-off price of the previous day (T Day). However, based on feedback and deliberations with stakeholders, SEBI has revised this procedure. Now, employees will place bids on T Day itself at the cut-off price of that day.

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

<https://www.sebi.gov.in/legal/circulars/jun-2024/modification-in-framework-for-offer-for-sale-ofs-of-shares-to-employees-through-stock-exchange-mechanism 84170.html>

You may send your suggestions at 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, 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, Kalapurnam Complex,
Near Municipal Market,
C.G. Road, Navrangpura,
Ahmedabad-380009.
Phone: +91-079-66660888,
+91-9173660088