



NEWSLETTER ^{Weekly}

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MINISTRY OF HOME AFFAIRS

1. Three new criminal laws come into effect

The Bharatiya Sakshya Adhiniyam, 2023, the Bharatiya Nyaya Sanhita, 2023 and the Bharatiya Nagarik Suraksha Sanhita, 2023 come into force on 01st July 2024, except the provisions of the entry relating to section 106(2) of the Bharatiya Nyaya Sanhita, 2023, in the First Schedule.

For more information, you can access the ministry of home affairs website here:

<https://www.mha.gov.in/en/commoncontent/new-criminal-laws>

RESERVE BANK OF INDIA

1. RBI announces the SAARC Currency Swap Framework for the period 2024 to 2027

The Reserve Bank of India (RBI) vide press release dated June 27th 2024 decided to put in place a revised Framework on Currency Swap Arrangement for SAARC countries for the period 2024 to 2027. Under this Framework, the Reserve Bank would enter into bilateral swap agreements with SAARC central banks, who want to avail of the swap facility. It may be recalled that the SAARC Currency Swap Facility came into operation on November 15, 2012 with an intention to provide a backstop line of funding for short term foreign exchange liquidity requirements or balance of payment crises of the SAARC countries till longer term arrangements are made.

Under the Framework for 2024-27, a separate INR Swap Window has been introduced with various concessions for swap support in Indian Rupee. The total corpus of the Rupee support is ₹250 billion. The RBI will continue to offer swap arrangement in US\$ and Euro under a separate US Dollar/ Euro Swap Window with an overall corpus of US\$ 2 billion. The Currency Swap Facility will be available to all SAARC member countries, subject to their signing the bilateral swap agreements.

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

https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=58170

2. RBI discusses the Evolution and Way Forward for Central Bank Statistics in its 18th Statistics Day Conference

The Reserve Bank of India (RBI) vide press release dated June 28th 2024 informed regarding its 18th Annual Statistics Day Conference with the theme 'RBI Statistics@90' as a part of the 'National Statistics Day' celebrations in the memory of late Professor Prasanta Chandra

Mahalanobis, who made pioneering contributions in laying the foundations of modern day official statistics in India. Shri Shaktikanta Das, Governor highlighted the Reserve Bank's efforts in harnessing advancements in technology and information management for improving the quality of statistics, research and policymaking. He also underscored the need for continuously augmenting and refining the various tools and techniques, including Artificial Intelligence and Machine Learning (AI and ML), in the Reserve Bank's quest to promote innovation and excellence in carrying out cutting edge research, analysis and information management in its journey towards RBI@100.

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

https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=58179

3. Sources of Variation in India's Foreign Exchange Reserves during April-March 2023-24

The Reserve Bank of India (RBI) vide press release dated June 25th 2024 released balance of payments (BoP) data for the fourth quarter (Q4), i.e., January-March 2023-24 on its website (www.rbi.org.in). On the basis of these data, the sources of variation in foreign exchange reserves during 2023-24 are detailed in Table 1 of the press release.

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

https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=58148

4. Developments in India's Balance of Payments during the Fourth Quarter (January-March) of 2023-24

The Reserve Bank of India (RBI) vide notification dated June 24th 2024 released preliminary data on India's balance of payments (BoP) for the fourth quarter (Q4), i.e., January-March 2023-24, are presented in Statements I and II of the press release.

Some of the key features of India's BoP in Q4:2023-24:

- India's current account balance recorded a surplus of US\$ 5.7 billion (0.6 per cent of GDP) in Q4:2023-24 as against a deficit of US\$ 8.7 billion (1.0 per cent of GDP) in Q3:2023-24 and US\$ 1.3 billion (0.2 per cent of GDP) a year ago [i.e., Q4:2022-23]².
- The merchandise trade deficit at US\$ 50.9 billion in Q4:2023-24 was lower than US\$ 52.6 billion a year ago.

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

https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=58147

5. India's International Investment Position (IIP), March 2024

The Reserve Bank of India (RBI) vide notification dated June 25th 2024 released data relating to India's International Investment Position for end-March 2024.

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

https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=58157

6. India's External Debt as at the end of March 2024

The Reserve Bank of India (RBI) vide press release dated June 25th 2024 informed that the stock of external debt at end-March 2024 as well as revised data for earlier quarters are set out in Statements I (IMF format1) and II (old format) of the press release.

The major developments relating to India's external debt as at end-March 2024 are presented below.

- At end-March 2024, India's external debt was placed at US\$ 663.8 billion, an increase of US\$ 39.7 billion over its level at end-March 2023 (Table 1).
- The external debt to GDP ratio declined to 18.7 per cent at end-March 2024 from 19.0 per cent at end-March 2023.

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

https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=58156

MINISTRY OF FINANCE

1. Union Finance Minister Smt. Nirmala Sitharaman chairs Pre-Budget consultation with Finance Ministers of States/ Union Territories (with Legislature) for taking suggestions for Union Budget 2024-25

Union Minister for Finance and Corporate Affairs Smt. Nirmala Sitharaman chaired the pre-budget consultations with the Finance Ministers of States and Union Territories (with Legislature) in New Delhi on 22.06.2024. The meeting was attended by Union Minister of State for Finance Shri Pankaj Chaudhary, Chief Ministers of Goa, Meghalaya, Mizoram, Nagaland, and Sikkim, Deputy Chief Ministers of Bihar, Madhya Pradesh, Odisha, Rajasthan and Telangana, State Finance Ministers and other Ministers, and Senior Officers from the States and Union Territories (with Legislature) and the Union Government. The Finance Secretary welcomed all the participants to the meeting. Most Ministers appreciated the Government of India's 'Scheme for Special Assistance to States for Capital Investment' and gave some suggestions for further improvement. The participants also gave several valuable suggestions to the Union Finance Minister for inclusion in the Union Budget for Financial year 2024-25, along with some State-specific requests. In her remarks, the Union Finance Minister underlined Union Government's support to States through timely tax devolution, Finance Commission grants, and arrears of GST Compensation being provided for providing stimulus to growth. Regarding the 'Scheme for Special Assistance to States for Capital Investment', Smt. Sitharaman mentioned that while most of the loans are untied, a part of it is conditional-linked to citizen-centric reforms by States and sector-specific capital projects and requested the States to avail these loans by fulfilling requisite criteria. The Union Finance Minister thanked all the delegates for their inputs and suggestions and assured them of due consideration by the Union Government during the preparation of Union Budget 2024-25.

For more information you can access the GOI release over here-

<file:///C:/Users/Admin/Downloads/PIB2027897.pdf>

SECURITIES AND EXCHANGE BOARD OF INDIA

1. Master Circular for Mutual Funds

The Securities and Exchange Board of India (SEBI) vide master circular dated June 27th 2024 supersedes previous circulars to incorporate updated guidelines issued up to March 31, 2024. This consolidation aims to streamline regulatory compliance across the mutual fund sector, covering entities such as mutual funds, asset management companies (AMCs), trustee boards, and more.

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

<https://www.sebi.gov.in/legal/master-circulars/jun-2024/master-circular-for-mutual-funds-84441.html>

2. Master Circular for Electronic Gold Receipts (EGRs)

The Securities and Exchange Board of India (SEBI) vide master circular dated June 24^h 2024 consolidating all provisions related to Electronic Gold Receipts (EGRs) from previous circulars, including updates up to May 31, 2024. This supersedes the previous Master Circular from June 1, 2023, and integrates risk management and operating guidelines for stakeholders such as stock exchanges, clearing corporations, depositories, and vault managers. The new circular is effective immediately and ensures continuity of actions taken under previous circulars. It is issued under SEBI's authority to protect investors and regulate the securities market.

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

<https://www.sebi.gov.in/legal/master-circulars/jun-2024/master-circular-for-electronic-gold-receipts-egrs-84369.html>

3. Facility for Basic Services Demat Account (BSDA) for Financial Inclusion and Ease of Investing

The Securities and Exchange Board of India (SEBI) vide circular dated June 28^h 2024 to the Depositories and Depository Participants (DPs) regarding the provision of Basic Services Demat Accounts (BSDA) to promote financial inclusion and ease of investing. This facility, first introduced in 2012 and revised in 2019, aims to encourage more individuals to hold demat accounts and participate in the securities market. Key revisions have been made to boost participation and streamline processes.

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

<https://www.sebi.gov.in/legal/circulars/jun-2024/facility-for-basic-services-demat-account-bsda-for-financial-inclusion-and-ease-of-investing-84470.html>

4. Participation by Non-Resident Indians (NRIs), Overseas Citizens of India (OCIs) and Resident Indian (RI) individuals in SEBI registered FPIs based in International Financial Services Centres in India

The Securities and Exchange Board of India (SEBI) vide circular dated June 27^h 2024 has allowed up to 100 per cent aggregate contribution by non-resident Indians, Overseas Citizens of India, Resident Indians in the corpus of FPIs that are based out of International Financial Services Centre (IFSC). The move is expected to enhance investment by Foreign Portfolio Investors (FPIs) in India.

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

<https://www.sebi.gov.in/legal/circulars/jun-2024/participation-by-non-resident-indians-nri-overseas-citizens-of-india-ocis-and-resident-indian-ri-individuals-in-sebi-registered-fpis-based-in-international-financial-services-centres-in-india-84449.html>

5. Statutory Committees at Market Infrastructure Institutions (MIIs)

The Securities and Exchange Board of India (SEBI) vide circular dated June 25^h 2024 addressed the statutory committees at Market Infrastructure Institutions (MIIs) such as stock exchanges, clearing corporations, and depositories. The circular aims to ensure effective oversight by prescribing guidelines for the functions and composition of these statutory committees. The regulations require MIIs to have functional committees like the Member Committee and the Nomination and Remuneration Committee, as well as oversight committees including the Standing Committee on Technology, Regulatory Oversight Committee, Risk Management Committee, and an Investment Committee.

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

<https://www.sebi.gov.in/legal/circulars/jun-2024/statutory-committees-at-market-infrastructure-institutions-miis-84397.html>

6. SEBI Board Meeting

The Securities and Exchange Board of India (SEBI) vide circular dated June 27^h 2024 informed about the 206th meeting of the SEBI board, wherein the SEBI Board inter alia approved the following (including but not limiting to):

- a) Association of persons regulated by the SEBI with persons who directly or indirectly provide advice or recommendations without being registered with SEBI or make any implicit or explicit claim of return or performance in respect of or related to a security or securities.
- b) Flexibility in Voluntary Delisting: Amendment to SEBI (Delisting of Equity Shares) Regulations, 2021.
- c) Proposal to facilitate ease of doing business with respect to the additional disclosure framework for FPIs.
- d) Flexibility in SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 for streamlining the public issue process for debt securities and Non-Convertible Redeemable Preference Shares.

For more information, you can access the SEBI press release

here: <https://www.sebi.gov.in/media-and-notifications/press-releases/jun-2024/sebi-board-meeting-84448.html>

You may send your suggestions at kartikey@asalegal.in

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