

LEGAL BRIEFS: BI-WEEKLY LEGAL UPDATES

(Volume 1, Issue 6 | March 31, 2024)

Synergia Legal is bringing it to you a fortnightly compilation of digestible summaries of key legal developments and case laws impacting the business, commercial and economic landscape in India:

SECURITIES LAWS

1. The Securities and Exchange Board of India amended circular mandating additional disclosures by FPIs that fulfil certain objective criteria (March 20, 2024):

The Securities and Exchange Board of India had issued a circular dated August 23, 2023 mandating additional disclosures for FPIs that fulfil objective criteria specified in the said circular. In addition to the criteria provided under the circular dated August 23, 2023, the SEBI has decided that an FPI having more than 50% of its Indian equity AUM in a corporate group shall not be required to make additional disclosures under the said circular. However, the criterial shall be applicable in compliance with the other conditions provided under the circular.

(The circular bearing number SEBI/HO/AFD/AFD-POD-2/P/CIR/2024/19 issued by the Securities and Exchange Board of India is accessible [here](#).)

2. The Securities and Exchange Board of India issued a circular capturing safeguards to address the concerns of the investors on transfer of securities in dematerialized form (March 20, 2024):

The Securities and Exchange Board of India issued a circular providing safeguards to address the concerns of the investors on transfer of securities in dematerialized mode. The said safeguards have been issued in furtherance to Paragraph 1.12 of the SEBI Master Circular for Depositories dated October 06, 2023.

(The circular bearing number SEBI/HO/MRD/MRD-PoD-2/P/CIR/2024/18 issued by the Securities and Exchange Board of India is accessible [here](#).)

FINTECH/ BANKING

3. The Reserve Bank of India has issued an omnibus framework for recognition of Self-Regulatory Organization for Regulated Entities of the Reserve Bank (March 21, 2024):

The Reserve Bank of India has pursuant to the examination of public comments received on the draft framework titled 'Draft Omnibus Framework for recognizing Self-Regulatory Organization for its Regulated Entities' dated December 21, 2023, issued 'Omnibus Framework for recognition of Self-Regulatory Organizations for Regulated Entities'. The said framework contains broad parameters, objectives, responsibilities, eligibility criteria, governance standards, application process and other basic conditions for grant of recognition.

(The 'Omnibus Framework for recognizing Self-Regulatory Organizations for Regulated Entities of Reserve Bank' issued by the Reserve Bank of India is accessible [here](#).)

4. The Reserve Bank of India issued a press release on the 607th Meeting of Central Board of the Reserve Bank of India (March 22, 2024):

The Reserve Bank of India had released a press release intimating that the 607th meeting of Central Board of the Reserve Bank of India was conducted on March 22, 2024. As per the release, the Board reviewed the global and domestic economic situation and outlook, including the challenges posed by geopolitical developments and global financial market volatility.

(The press release bearing number 2023-2024/2103 issued by the Reserve Bank of India is accessible [here](#).)

5. The Reserve Bank of India issued a notification in relation to the investments in alternative investment funds (March 27, 2024):

The Reserve Bank of India issued a notification in relation to the circular on investments in alternative investment funds DOR.STR.REC.58/21.04/048/2023-24 dated December 19, 2023. Under the said circular, the Reserve Bank of India prohibited the Regulated Entities from making investments in any scheme of AIFs which has downstream investments, either directly or indirectly in the debtor of such Regulated Entities. In furtherance to the same, the Reserve Bank of India notified certain changes in the conditions for such restricted investments, including carve out provided for investments in equity shares.

(The notification bearing number DOR.STR.REC.85/21.04.048/2023-24 is accessible [here](#).)

OTHERS

6. The Supreme Court of India imposed a stay on the Central Government notification of the Fact-Check Unit under the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Amendment Rules, 2023 (March 21, 2024):

The Ministry of Electronics and Information Technology had issued a circular dated March 20, 2024 notifying the Press Information Bureau of the Ministry of Information and Broadcasting as the fact check unit of the Central Government under the Information Technology (Intermediary Guidelines and Media Ethics Code) Rules, 2021. On the petitions filed by the Editor Guild of India and Kunal Kamra, the Supreme Court of India, on March 21, 2024, imposed a stay order on establishing the Press Information Bureau's Fact-Checking Unit.

7. Tennessee becomes the first state in the US to protect musicians and other artists against AI (March 04, 2024):

Tennessee has become the first state in the US to sign off legislation called the ELVIS Act dedicated towards protecting the intellectual property rights of songwriters and other music industry professional against the unauthorized use of artificial intelligence.

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THE RECITALS