

LEGAL BRIEFS: BI-WEEKLY LEGAL UPDATES

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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 (SEBI) issued a circular extending the outer timelines for disclosures by Social Enterprises on Social Stock Exchange (October 07, 2024):

The SEBI had issued a circular bearing number SEBI/HO/CFD/PoD-1/P/CIR/2024/0059 dated May 27, 2024 prescribing outer timelines for annual disclosures and annual impact report under Regulation 91C(1) and Regulation 91E(1) respectively of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 by Social Enterprises on Social Stock Exchange for the FY 2023-24. The SEBI issued a circular modifying the outer timeline for annual disclosure under the said regulations, by extending it up to January 31, 2025.

(The circular bearing number SEBI/HO/CFD/PoD-1/P/CIR/2024/134 issued by the SEBI is accessible [here](#).)

2. The Securities and Exchange Board of India (SEBI) issued a circular notifying the specific due diligence of investors and investments of the Alternative Investment Funds (AIFs) (October 08, 2024):

The SEBI has issued a circular specifying the framework for specific due diligence to be carried out by the AIFs, managers of AIFs and their key managerial personnel, with respect to investors and investments of the AIF. The due diligence is required to be conducted to prevent the facilitation of circumvention of regulatory frameworks applicable to the investors including (a) the provisions of the SEBI (ICDR) Regulations, 2018 where the benefits have been provided to the entities designated as Qualified Institutional Buyers (QIBs); (b) the provisions of 'Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002' where benefits have been provided to QIBs; (c) prudential norms specified by the Reserve Bank of India for regulated lenders with respect to Income Recognition, Asset Classification, and reconstruction of stressed assets; and (d) Rule 6 of the Foreign Exchange Management (Non-Debt Instruments) Rule, 2019 for investment from countries sharing land borders with India.

(The circular bearing number SEBI/HO/AFD/AFD-POD-1/P/CIR/2024/135 issued by the SEBI is accessible [here](#).)

3. The Securities and Exchange Board of India (SEBI) issued a consultation paper on draft circular for “Policy for Sharing Data for the Purpose of Research/Analysis” (October 08, 2024):

The SEBI has issued a consultation paper on draft circular for “Policy for Sharing Data for the Purpose of Research/ Analysis”. The SEBI had received several data sharing requests till date pursuant to the Data Sharing Policy (DSP) of the SEBI, formulated in 2018. Based on the experiences of the data requests, the SEBI realized the need to modify the said data sharing policy to address certain gaps and to make data sharing process less cumbersome. The modification of the DSP was taken up by the SEBI Market Data Advisory Committee (MDAC) for their recommendation. Based on the recommendation of the MDAC, the SEBI has proposed to have a revised framework for sharing data for the purpose of research/analysis, which shall promote data democratization, data privacy and data accountability. The SEBI has invited public comments on the draft circular to be submitted by October 29, 2024.

(The consultation paper on draft circular for “Policy for Sharing Data for the Purpose of Research/Analysis” issued by the SEBI is accessible [here](#).)

4. The Securities and Exchange Board of India (SEBI) has issued a press note on process improvements under the SEBI’s initiative making sale proceeds available to Foreign Portfolio Investors (FPIs) on settlement day itself (October 16, 2024):

In a move to enhance operational efficiency and respond to concerns raised by the foreign portfolio investors (FPIs), the SEBI has introduced measures to speed up the availability of sale proceeds for FPIs, bringing them on par in this regard with domestic institutional investors.

(The press release bearing number PR No. 26/2024 issued by the SEBI is accessible [here](#).)

FINTECH/BANKING

5. The Reserve Bank of India (RBI) issued a circular setting out guidelines for facilitating accessibility to digital payment systems for persons with disabilities (October 11, 2024):

The RBI had issued a circular setting out guidelines for facilitating accessibility to digital payment systems for persons with disabilities. To promote effective access, the RBI has advised payment system providers to review their payment systems/devices in terms of accessibility to persons with disabilities. Further, the RBI has mandated the payment system providers to submit to the RBI, within one month of the date of the circular, details of the modification needed to their systems/devices to comply with the circular.

(The circular bearing number CO.DPSS.POLC.No.S-708/02-12-004/2024-25 issued by the Reserve Bank of India is accessible [here](#).)

6. The Reserve Bank of India (RBI) issued a notification on the submission of information to Credit Information Companies by ARCs (October 10, 2024):

The RBI had issued a circular bearing number DNBS (PD-SC/RC). CC. No. 23/26.03.001/2010-11, wherein asset reconstruction companies (ARCs) were advised to become a member of at least one of the credit information companies (CICs). The RBI has revised the guidelines applicable to ARCs in relation to sharing and submission of information with the CICs with an objective to align the guidelines applicable to banks and NBFCs. As part of the revised guidelines, ARCs are required to submit information on a fortnightly basis. Further, the revised guidelines provide for the best practices to be adopted by the ARCs in relation to maintaining and sharing credit information.

(The notification bearing number DoR.FIN.REC.No.46/26.03.001/2024-25 issued by the Reserve Bank of India is accessible [here](#).)

OTHERS

7. The Insolvency and Bankruptcy Board of India (IBBI) issued a circular extending the time for filing forms to monitor liquidation processes under the Insolvency and Bankruptcy Code, 2016 (October 09, 2024):

The IBBI had issued a circular bearing number IBBI/LIQ/73/2024 dated June 28, 2024, wherein the liquidators were directed to file forms relating to the liquidation process latest by September 30, 2024. However, based on the representations received from the liquidators and insolvency professional agencies, the timelines under the said circular have been extended to November 30, 2024.

(The circular bearing number IBBI/LIQ/76/2024 issued by the Insolvency and Bankruptcy Board of India is accessible [here](#).)

8. The Insolvency and Bankruptcy Board of India (IBBI) issued a circular extending the time for filing forms to monitor voluntary liquidation processes under the Insolvency and Bankruptcy Code, 2016 (October 09, 2024):

The IBBI had issued a circular bearing number IBBI/LIQ/74/2024 dated June 28, 2024, wherein the liquidators were directed to file forms relating to the liquidation process latest by September 30, 2024. However, based on the representations received from the liquidators and

insolvency professional agencies, the timelines under the said circular have been extended to November 30, 2024.

(The circular bearing number IBBI/LIQ/77/2024 issued by the Insolvency and Bankruptcy Board of India is accessible [here](#).)

9. The Central Consumer Protection Authority (CCPA) issued the Guidelines for Prevention and Regulation of Greenwashing or Misleading Environmental Claims, 2024 (October 15, 2024):

The CCPA issued the Guidelines for Prevention and Regulation of Greenwashing or Misleading Environmental Claims, 2024. The said guidelines define ‘greenwashing’ as “(a) any deceptive or misleading practice, which includes concealing, omitting or hiding relevant information, by exaggerating, making vague, false, or unsubstantiated environmental claims; or (b) use of misleading words, symbols, or imagery, placing emphasis or positive environmental aspects while downplaying or concealing harmful attributes.” The said guidelines are applicable to all the manufacturers, service providers or traders whose goods, services or products are subject of an advertisement. The guidelines naturally prohibit greenwashing, and mandated adequate disclosures through a QR code or a URL in the event of any environmental claims.

(The Guidelines for Prevention and Regulation of Greenwashing or Misleading Environmental Claims, 2024 issued by the Central Consumer Protection Authority (CCPA) is accessible [here](#).)

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