



*Lex Favios*  
*Advocates & Solicitors*

**27<sup>th</sup> August 2021 – Issue 346**

***Reserve Bank of India vide notification dated August 25, 2021 has issued Securities Exchange Board of India vide circular dated August 13, 2021 has issued Guidelines on Tendering of shares in open offers, buy-back offers and delisting offers by marking lien in the demat account of the shareholders***

- RBI vide notification dated August 25, 2021 has issued Securities Exchange Board of India vide circular dated August 13, 2021 has issued Guidelines on Tendering of shares in open offers, buy-back offers and delisting offers by marking lien in the demat account of the shareholders.
- Government of India (GoI) has, vide its Gazette Notification No. S.O. 2405(E) dated June 17, 2021 notified the HFCs registered under Section 29A(5) of National Housing Bank Act, 1987 and having assets worth ₹100 crore & above, as 'Financial Institution' under Section 2(1)(m)(iv) of SARFAESI Act, 2002. In view of revision of the criteria for notification as 'Financial Institution' as per the abovementioned Gazette notification of GoI, the criteria prescribed under Para 105 of the aforesaid Master Direction are withdrawn with immediate effect.
- The Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 is being modified accordingly.

[Click Here](#)

***Securities Exchange Board of India vide press release dated August 25, 2021 has issued press release on SEBI issues Circular on "Security and Covenant Monitoring using Distributed Ledger Technology"***

- SEBI vide press release dated August 25, 2021 has issued press release on SEBI issues Circular on "Security and Covenant Monitoring using Distributed Ledger Technology".
- In order to strengthen the process of security creation and monitoring of security created, asset cover and covenants of the non-convertible securities, a platform for 'Security and Covenant Monitoring System' ('system') hosted by Depositories is being developed. A circular dated August 13, 2021 in this regard



*Lex Favios*  
*Advocates & Solicitors*

highlighting the roles and responsibilities of all the stakeholders has been issued.

- The system using Distributed Ledger Technology (DLT) shall be used for recording of the process of creation and monitoring of security (viz. due diligence, charge creation etc.), continuous monitoring of covenants by Debenture Trustees (as applicable), credit rating of the non-convertible securities by the Credit Rating Agencies, etc.
- The system shall be implemented by April 01, 2022.

[Click Here](#)

\*\*\*\*

In case you have suggestions or do not wish to receive our newsletter,  
please email us at [info@lexfavios.com](mailto:info@lexfavios.com)

#### **Contact details**

**Sumesh Dewan**

*Managing Partner*

*Lex Favios*

Email: [sumes.dewan@lexfavios.com](mailto:sumes.dewan@lexfavios.com)

Tel: 91-11-32084941 (D) 91-11-41435188/45264524