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***Securities Exchange board of India vide circular dated December 09, 2022, has issued changes in Foreign investment in Alternative Investment Funds(AIFs)***

- SEBI vide circular dated December 09, 2022, has issued changes in Foreign investment in Alternative Investment Funds(AIFs)
- In terms of Regulation 10(a) of SEBI (Alternative Investment Funds) Regulations, 2012 ('AIF Regulations'), AIFs may raise funds from any investor whether Indian, foreign or non-resident Indians, by way of issue of units.
- At the time of on-boarding investors, the manager of an AIF shall ensure the following:(a)Foreign investor of the AIF is a resident of the country whose securities market regulator is a signatory to the International Organization of Securities Commission's Multilateral Memorandum of Understanding (Appendix A Signatory) or a signatory to the bilateral Memorandum of Understanding with SEBI.
- The investor, or its underlying investors contributing twenty-five percent or more in the corpus of the investor or identified on the basis of control, is not the person(s) mentioned in the Sanctions List notified from time to time by the United Nations Security Council and is not a resident in the country identified in the public statement of Financial Action Task Force.
- The circular is herein attached and effective immediately.

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***Securities Exchange board of India vide circular dated December 09, 2022, has issued Clarification on Scheme(s) of Arrangement by entities who have listed their Non-convertible Debt securities (NCDs)/ Non-convertible Redeemable Preference shares (NCRPS) ('debt listed entities')***

- SEBI vide circular dated December 09, 2022, has issued Clarification on Scheme(s) of Arrangement by entities who have listed their Non-convertible Debt securities (NCDs)/ Non-convertible Redeemable Preference shares (NCRPS) ('debt listed entities').
- This has reference to Circular no. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2022/156 dated November 17, 2022 on "Scheme(s) of Arrangement by entities who have listed their Non-convertible Debt securities (NCDs)/ Non-convertible Redeemable Preference shares (NCRPS)"
- It is clarified that the provisions of the aforementioned circular shall not apply to a Scheme of Arrangement which solely provides for an arrangement between a debt listed entity and its unlisted wholly owned subsidiary. However, such debt listed entity shall file the draft Scheme of Arrangement with Stock Exchange(s) for the purpose of disclosure and the Stock Exchange(s) shall disseminate the scheme documents on their websites.
- The Stock Exchanges are advised to bring the provisions of this circular to the notice of debt listed entities and also to disseminate the same on their websites.
- The circular is herein attached.

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please email us at [info@lexfavios.com](mailto:info@lexfavios.com)

**Contact details**

**Sumes Dewan**

*Managing Partner*

*Lex Favios*

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

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