



26th April 2024 – Issue 427

Reserve Bank of India vide circular dated April 26, 2024, has issued Limits for investment in debt and sale of Credit Default Swaps by Foreign Portfolio Investors (FPIs)

- RBI vide circular dated April 26, 2024, has issued Limits for investment in debt and sale of Credit Default Swaps by Foreign Portfolio Investors (FPIs).
- The limits for FPI investment in government securities (g-secs), state government securities (SGSs) and corporate bonds shall remain unchanged at 6 per cent, 2 per cent and 15 per cent respectively, of the outstanding stocks of securities for 2024-25.
- The allocation of incremental changes in the g-sec limit (in absolute terms) over the two sub-categories – ‘General’ and ‘Long-term’ – shall be retained at 50:50 for 2024-25.
- The notification is herein attached.

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Reserve Bank of India vide circular dated April 23, 2024, has issued Foreign Exchange Management (Foreign Currency Accounts by a person resident in India) (Amendment) Regulations, 2024

- RBI vide circular dated April 23, 2024, has issued Foreign Exchange Management (Foreign Currency Accounts by a person resident in India) (Amendment) Regulations, 2024.
- The Amendment to Regulation 5 of the Principal Regulations:
In sub-regulation (F)(1) of Regulation 5 of the Principal Regulations, the existing provision shall be substituted by the following, namely:
“Subject to compliance with the conditions in regard to raising of External



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Commercial Borrowings (ECB) or raising of resources through American Depository Receipts (ADRs) or Global Depository Receipts (GDRs) or through direct listing of equity shares of companies incorporated in India on International Exchanges, the funds so raised may, pending their utilisation or repatriation to India, be held in foreign currency accounts with a bank outside India.”

- The notification is herein attached.

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Reserve Bank of India vide circular dated April 23, 2024, has issued Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) (Amendment) Regulations, 2024

- RBI vide circular dated April 23, 2024, has issued Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) (Amendment) Regulations, 2024.
- The Foreign Exchange Management (Non-Debt Instrument) Rules, 2019, the Reserve Bank of India hereby makes the following amendments to the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 [Notification No. FEMA.395/2019-RB dated October 17, 2019] (hereinafter referred to as ‘the Principal Regulations’)
- The notification is herein attached.

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Reserve Bank of India vide circular dated April 24, 2024, has issued Master Direction - Reserve Bank of India (Asset Reconstruction Companies) Directions, 2024

- RBI vide circular dated April 23, 2024, has issued Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments)



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(Amendment) Regulations, 2024.

- ARCs play a critical role in the resolution of stressed financial assets of banks and financial institutions, thereby enhancing the overall health of the financial system. To ensure prudent and efficient functioning of ARCs and to protect the interest of investors, Reserve Bank of India hereby issues the Master Direction – Reserve Bank of India (Asset Reconstruction companies) Directions, 2024 (the Directions), hereinafter specified. These Directions have been issued in exercise of the powers conferred by Sections 3, 9, 10, 12 and 12A of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002.
- The Master Circular is herein attached.

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Securities Exchange Board of India vide circular dated April 24, 2024, has issued Ease of Doing Business: Text on Contract Note with respect to Fit and Proper status of Shareholders

- SEBI vide circular dated April 24, 2024, has issued Ease of Doing Business: Text on Contract Note with respect to Fit and Proper status of Shareholders.
- As a step towards ease of doing business, the requirement to publishing the text of Regulation 19 of the SCR(SECC) Regulations, 2018 on the contract notes is no longer required and Clause 2.4.2.2.2 under Chapter 6 of the Master Circular (Stock Exchanges and Clearing Corporations) dated October 16, 2023 stands amended as under:

“In the post listing scenario, in lieu of text only a reference of the applicable regulation with regard to fit and proper (by mentioning the URL/weblink of Regulation 19 and 20 of the SCR(SECC) Regulations, 2018) shall be made part of the contract note.”



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- The notification is herein attached.

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Securities Exchange Board of India vide circular dated April 23, 2024, has provided Cross Margin benefits for offsetting positions having different expiry dates

- SEBI vide circular dated April 23, 2024, has provided Cross Margin benefits for offsetting positions having different expiry dates
- Clearing Corporations and Risk Management Review Committee of SEBI, it has been decided to extend the cross margin benefit on offsetting positions having different expiry dates.
- The notification is herein attached.

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