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***The Reserve Bank of India vide press release: 2020-2021/787 dated 16<sup>th</sup> December 2020, announced the opening of Second Cohort under the Regulatory Sandbox.***

- RBI with reference to the press release dated 17<sup>th</sup> November 2020 for commencement of test phase under the first cohort under retail payments, has now announced the opening of Second Cohort under the Regulatory Sandbox with 'Cross Border Payments' as its theme.
- To encourage innovation and broad base the eligibility criteria, the enabling framework has been modified by reducing net worth requirement from the existing INR 25 lakh to INR 10 lakh, as also inducing Partnership firms and Limited Liability Partnerships (LLPs) to participate in the Regulatory Sandbox. Entities meeting the eligibility criteria and having product technologically ready for testing in the Regulatory Sandbox and/or deployment in the broader market as per the theme of the Cohort, may apply.
- The window for submission of applications for the Cohort shall be open from 21<sup>st</sup> December 2020 to 15<sup>th</sup> February 2021.

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***The Securities and Exchange Board of India (“SEBI”) vide Press release No.61/2020 dated 16<sup>th</sup> December 2020 have introduced various amendments to SEBI Regulations.***

- The SEBI Board approved various amendments to the MF regulations, which are as under:
  - Eligibility Criteria for sponsoring a mutual fund.
  - Net-worth of the AMC
  - Segregation and ring-fencing of assets and liabilities of mutual fund schemes.
- Recalibration of Minimum Public Shareholding norms for listed companies going through Corporate Insolvency Resolution Process (CIRP)
- Doing away with the applicability of minimum promoter’s contribution and the subsequent lock in requirements for issuers making a further public offer- amendments to SEBI (ICDR) Regulations, 2018.
- Amendments to SEBI (Investment Advisors) Regulations, 2013.
- Amendments to SEBI (Alternative Investment Funds) Regulations, 2012.
- Amendment to the Securities and Exchange Board of India (Intermediaries) Regulations, 2008.
- Repeal of SEBI (Central Database of Market Participants) Regulations, 2003.

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***The Reserve Bank of India vide Circular No.: RBI/2020-21/79 DOR No.BP.BC.30/21.04.048/2020-21 dated 14<sup>th</sup> December 2020 for opening of Current Accounts by Banks and the Need for Discipline.***

- RBI with reference to circulars DOR.No.BP. BC/7/21/04.048/2020-21 dated 6<sup>th</sup> August 2020 and DOR.No.BP.BC.27/21.04.048/2020-21 dated 2<sup>nd</sup> November 2020, it has been decided to permit banks to open specific accounts which are stipulated under various statutes and instructions of other regulators/ regulatory departments, which any restrictions placed in terms of the above-mentioned circular dated 6<sup>th</sup> August 2020.
- The permission is subject to the conditions that the banks shall ensure that these accounts are used for permitted/specified transactions only. Further, banks shall flag these accounts in the CBS for easy monitoring. Lenders to such borrowers may also enter into agreements/ arrangements with the borrowers for monitoring of cash flows/ periodic transfer of funds (if permissible) in these current accounts.
- The Banks shall monitor all current accounts and CC/ODs regularly, at least on a half-yearly basis, specifically with respect to the exposure of the banking system to the borrower, to ensure compliance with instructions contained in circular dated 6<sup>th</sup> August 2020 *ibid*.

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*Advocates & Solicitors*

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usatinfo@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