



Exploiting the growth-enhancing potential of digitalisation and new technologies will involve judiciousness and a skilful balancing of risks and rewards so as to enhance the gains while minimising disruptions.

-Michael Debabrata Patra, Deputy Governor, Reserve Bank of India

[Facilitating accessibility to digital payment systems for Persons with Disabilities - Guidelines](#)

The RBI has instructed all banks and non-bank payment system providers to review and modify their digital payment systems for better accessibility to persons with disabilities, without compromising the security aspects of their systems. Payment System Participants (PSPs) must refer to the Ministry of Finance's Accessibility Standards. SPs should submit to the Reserve Bank, within one month of the date of issue of this circular, details of their systems / devices that need to be modified, along with a time bound plan of action for achieving the same. Details of changes must be reported to RBI within a month.

[Due diligence in relation to non-resident guarantees availed by persons resident in India](#)

RBI has identified instances of unauthorized guarantees, including Standby Letters of Credit (SBLCs) and performance guarantees, issued by persons resident outside India in favor of persons in India, which violate FEMA regulations. AD Category-I banks have been therefore been instructed to ensure that guarantee contracts advised by them to or on behalf of their resident clients comply with FEMA regulations. Banks should also inform their clients about the contents of this circular.

[Submission of information to Credit Information Companies \(CICs\) by ARCs](#)

The revised RBI guidelines require Asset Reconstruction Companies (ARCs) to

become member of all Credit Information Companies (CICs) instead of at least one as previously, and update borrower data fortnightly, or more frequently. ARCs must correct any rejected data within seven days and adopt best practices, including appointing a CIC coordinator and prioritizing customer grievance redressal. Compliance with these guidelines which align with standards for banks and NBFCs, is required to be put into effect by January 1, 2025.

[Interest Equalization Scheme \(IES\) on Pre and Post Shipment Rupee Export Credit](#)

The Government of India, has extended the Interest Equalization Scheme for Pre and Post Shipment Rupee Export Credit until December 31, 2024, with the following modifications:

1. Fiscal benefits for each MSME are capped at Rs. 50 lakhs for the Financial Year 2024-25, applicable until December 31, 2024.
2. MSME manufacturer exporters who have already received equalization benefits of ₹50 lakhs or more by September 30, 2024, are not eligible for further benefits during the extended period.

[Implementation of Credit Information Reporting Mechanism subsequent to cancellation of licence or Certificate of Registration](#)

To address the hardship faced by borrowers who continue to repay their dues but whose repayment history is not

updated in CICs, due to the cancellation of their lender's licence or CoR, RBI has directed that CIs, whose licence or CoR has been cancelled by it, shall continue to be categorised as "Credit Institutions". These CIs shall continue to report credit information of the borrowers on-boarded and reported to CICs prior to cancellation of their licence or CoR, to all the four CICs, till the loan lifecycle is completed or the credit institution is wound up, whichever is earlier. The CICs will tag such CIs as "Licence Cancelled Entities" in the CIR.

[Directions - Compounding of Contraventions under FEMA, 1999](#)

RBI has issued the guidelines for compounding contraventions under the Foreign Exchange Management Act (FEMA) of 1999 following the Government of India vide Notification dated September 12, 2024, on the Foreign Exchange (Compounding Proceedings) Rules, 2024 in supersession of the Foreign Exchange (Compounding Proceedings) Rules, 2000

The circular allows for the compounding of certain contraventions specified in Section 13 of FEMA, except those under Section 3(a).

Further, in terms of Section 11 (2) of FEMA, 1999, the Reserve Bank may, for the purpose of ensuring the compliance with the provisions of the Act or of any rule, regulation, notification, direction or order made thereunder, direct any authorized person to furnish such information, in such manner, as it deems fit. Authorised Dealers have

therefore been, advised to take necessary steps to ensure that checks and balances are incorporated in systems relating to dealing with and reporting of foreign exchange transactions so that contraventions of provisions of FEMA, 1999, attributable to the Authorised Dealers do not occur. Further, the RBI may impose on the authorized person a penalty for contravening any direction given by the RBI under this Act or failing to file any return as directed by it.

[Directions for Central Counterparties \(CCPs\)](#)

Circular DPSS.CO.OD No.2565/06.08.005/2018-2019, dated June 12, 2019, prescribes directions on capital requirements and governance framework for Central Counterparties (CCPs) and establishes a framework for recognizing foreign CCPs. Following a periodic review of these directions, RBI has notified the updated directions governing CCP functioning covering governance, directions on net worth, including directions on recognition of foreign CCPs.

[Note Sorting Machines: Standards issued by the Bureau of Indian Standards](#)

The RBI circular outlines that, to enhance banknote sorting standards, the Bureau of Indian Standards (BIS), in consultation with the RBI, published standards for Note Sorting Machines (NSM) under 'IS 18663: 2024' in the Gazette of India on March 19, 2024. Effective May 1, 2025, banks must only deploy NSM models that conform to these standards and are BIS-certified.

[Measures to Strengthen Equity Index Derivatives Framework for Increased Investor Protection and Market Stability](#)

SEBI has rolled out a series of new measures within its F&O framework to strengthen the equity index derivatives market, prioritizing investor protection and market stability. Key changes include:

Mandatory Upfront Collection of Option Premiums: This requirement will help eliminate excessive intraday leverage for buyers.

Removal of Calendar Spread Treatment on Expiry Day: This adjustment aims to reduce basis risk on days with high trading volumes.

Intraday Monitoring of Position Limits: This measure is designed to curb excessive risk exposures.

Rationalization of Weekly Index Derivatives Products: This change will streamline offerings in this segment.

Increase in Contract Size for Index Derivatives: This adjustment is intended to manage speculative activities

[Introduction of Liquidity Window facility for investors in debt securities through Stock Exchange mechanism](#)

SEBI introduced a Liquidity Window facility for debt securities through its latest circular, effective November 1, 2024. This facility aims to enhance liquidity in the corporate bond market, which is often perceived as illiquid due to institutional investors holding bonds until maturity. The facility allows issuers to offer put options on pre-specified dates, giving investors greater flexibility.

Penalty corner

Imposed a penalty of Rs. 28.30 lakh on **SG Finserve Limited** (formerly Moongipa Securities Limited) for non-compliance with specific conditions of the Certificate of Registration issued by RBI. The company accepted public funds and extended loans in violation of CoR conditions.

Imposed a penalty of Rs. 1 lakh on **GoCapital Finance Limited** for non-compliance with RBI's Directions on change in management for NBFCs. The company failed to obtain prior RBI permission for a management change involving over 30% of its directors, excluding independent directors.

Imposed a penalty of Rs. 50,000 on **Family Home Finance Private Limited** for non-compliance with RBI's KYC directions. The company had failed to conduct customer risk categorisation, review of risk categorisation, and periodic KYC updates.

Issuers may opt to provide this facility at their discretion and must ensure it is objective and transparent.

Debt securities eligible for this facility will only be considered after one year from issuance, and issuers must specify a percentage of the issue size that will be available under the Liquidity Window.

[Inclusion of Mutual Fund units in the SEBI \(Prohibition of Insider Trading\) Regulations, 2015](#)

SEBI has amended the Prohibition of Insider Trading (PIT) Regulations to include mutual fund units, effective from November 1, 2024. Key changes include:

Disclosure Requirements: AMCs must disclose holdings of Designated Persons and trustees on an aggregate basis every quarter, with the first disclosure due by November 15, 2024.

Transaction Reporting: Transactions above INR 15 Lakhs in mutual fund units must be reported to the AMC's Compliance Officer within two business days.

Violation Reporting: Any violations of PIT regulations must be reported in a specified format.

Modifications to the Master Circular: The Master Circular's employee trading restrictions are aligned with the amended PIT Regulations, including new rules on mutual fund unit investments and personal trading restrictions.

These changes aim to strengthen the regulatory framework and protect investor interests.

[Relaxation from compliance with certain provisions of the SEBI \(Listing Obligations and Disclosure Requirements\) Regulations, 2015](#)

SEBI has extended the relaxation for listed entities from certain compliance requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, until September 30, 2025. This extension aligns with the MCA's General Circular No. 09/2024, which allows AGMs to be held without sending physical financial statements to shareholders. Listed entities must still comply with specific conditions outlined in SEBI's July 2023 Master Circular to utilize these relaxations.

[Review of Stress Testing Framework for Equity Derivatives segment for determining the corpus of Core Settlement Guarantee Fund](#)

SEBI introduced new stress testing methodologies for the equity

derivatives segment to better account for the changing market dynamics and assess risks. The new methodologies aim to enhance the determination of the Minimum Required Corpus (MRC) for the Core Settlement Guarantee Fund (Core SGF).

[Specific due diligence of investors and investments of AIFs](#)

SEBI directed Alternative Investment Funds and their managers to exercise specific due diligence with respect to investors and investments in a bid to prevent circumvention of various laws and ensure compliance with regulatory frameworks. AIFs designated as Qualified Institutional Buyers (QIBs) or Qualified Buyers (QBs) must ensure that investors who are not eligible for QIB or QB status on their own do not avail of the respective benefits through the AIF.

Additionally AIFs are required to avoid facilitating the ever-greening of stressed loans/assets for RBI-regulated entities, adhering to RBI's norms for income recognition, asset classification, provisioning, and restructuring.

[Monitoring Shareholding of Market Infrastructure Institutions \(MIIs\)](#)

SEBI introduced a framework to monitor shareholding limits, public shareholding requirements, and the "fit & proper" criteria for Market Infrastructure Institutions (MIIs), which include stock exchanges, clearing corporations, and depositories. This framework applies to both listed and unlisted MIIs, requiring them to disclose their shareholding patterns quarterly on their websites as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Each MII must appoint a non-associated Designated Depository (DD) to monitor compliance with shareholding limits. For depositories, the other depository will act as their DD.

[Extension of timeline for implementation of SEBI Circular SEBI/HO/MIRSD/MIRSD-PoD1/P/CIR/2024/75 dated June 05, 2024](#)

SEBI vide circular dated June 5, 2024, has mandated that the pay-out of securities be credited directly to the client account by the Clearing Corporations (CC). SEBI has extended the deadline for the implementation of direct securities payouts to client's demat account to November 11, 2024 to ensure smooth implementation, without any disruption to the market players and investors.

[Clarification on Advertisement Code for Research Analysts](#)

SEBI clarifies that Research Reports and recommendations by RAs are not considered advertisements unless they promote the RA's products or services. The Master Circular has been updated to include print, digital, and audio-visual communications under the advertisement code. A research report is deemed an advertisement if it promotes RA services.

[Periodic Reporting format for Research Analysts and Proxy Advisers](#)

SEBI has introduced standardized half-yearly reporting formats for Research Analysts (RAs) and Proxy Advisers (PAs). RAs report to RAASB, and PAs report directly to SEBI.

The first report is due by April 30, 2025, for the period ending March 31, 2025. RAASB will oversee the report collection and update relevant regulations.

[Annual Compliance Certificate for Client Level Segregation by Non-individual Investment Advisers and timeline for submission of periodic reports](#)

Non-individual Investment Advisers (IAs) can now obtain their annual client-level segregation compliance certificate from any auditor, not just statutory auditors. They also have 30 days after each half-year to submit periodic reports to the IAASB, replacing the previous deadline.

[Clarification with regard to usage of 3-in-1 type accounts for making an application in public issue of securities](#)

SEBI issued a circular clarifying the use of 3-in-1 accounts for submitting applications in public issues of debt securities, non-convertible redeemable preference shares, municipal debt securities, and securitised debt instruments. Investors can continue using 3-in-1 accounts for submitting bid-cum application forms online, in addition to other existing modes outlined in previous SEBI circulars, including the May 2024 Master Circular and the September 2024 update.

[Modification in Annexure to Common Application Form \(CAF\)](#)

This circular updates the Common Application Form (CAF) under the FPI Master Circular, allowing FPIs based in Indian IFSCs to have up to 100% contribution from NRIs, OCIs, and RIs. It introduces a new option in 'Section B-II: NRI/OCI/RI – Entitlement in FPI' for eligible IFSC applicants and specifies new documentation and declaration requirements for FPIs with such participation. Depositories are instructed to update their CAF modules accordingly.

[Association of persons regulated by the Board and their agents with certain persons](#)

SEBI has amended the SEBI (Intermediaries) Regulations, 2024, and related regulations to prohibit SEBI-regulated entities (e.g., stock exchanges, clearing corporations, depositories) and their agents from associating with individuals or entities that: Provide unauthorized advice or recommendations on securities, Make unauthorized claims about securities' returns or performance. However, associations through SEBI-approved digital platforms with safeguards to prevent such activities are exempt. Regulated entities must terminate contracts with violators within three months of the circular's issuance.

[Securities and Exchange Board of India \(Real Estate Investment Trusts\) \(Third Amendment\) Regulations, 2024](#)

&

[Securities and Exchange Board of India \(Infrastructure Investment Trusts\) \(Third Amendment\) Regulations, 2024](#)

SEBI's Third Amendment to REITs Regulations, 2014 and InvITs Regulations, 2014 introduces key changes:

- Trading Lot: INR 25 lakh minimum trading lot on stock exchanges.
- Distributions: Public InvITs – every 6 months; Private InvITs – annually; payments within 5 working days of record date.
- Voting: Voting based on "total votes cast" and meetings on shorter notice with 95% unitholder consent.

- Remote Access: Video conferencing and remote voting for meetings.
 - Record-Keeping: Enhanced data integrity, backup, and disaster recovery protocols.
- These changes focus on improving transparency and governance.

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