

**Validity Period of Approval Granted by SEBI to Alternative Investment Funds and Venture Capital Funds for Overseas Investment – August 4, 2023**

The Securities and Exchange Board of India (SEBI), through the circular, has announced a reduction in the validity period of approval for Alternative Investment Funds (AIFs) and venture capital funds (VCFs) for overseas investments, shortening it from six to four months. This decision aligns with the recommendation of the Alternative Investments Policy Advisory Committee. The provisions of this circular apply to the overseas investment approvals granted by SEBI subsequent to the issuance of this circular. To access the circular, [click here](#).

**Master Circular for Alternative Investment Funds – July 31, 2023**

SEBI has consistently issued a series of circulars, directives, and operational guidelines pertaining to AIFs to ensure regulatory compliance. To streamline and consolidate these provisions for the convenience of all market participants, SEBI has introduced the Master Circular on AIFs. This comprehensive document serves as an amalgamation of all relevant circulars and directives issued by SEBI for AIFs up to March 31, 2023, providing a single point of reference for stakeholders. To access the circular, [click here](#).

**Consultation Paper on Association of SEBI Registered Intermediaries/Regulated Entities with Unregistered Entities (including Finfluencers) – August 25, 2023**

In recent times, activities of financial influencers ('finfluencers') have attracted wide public and media attention. These finfluencers are usually unregistered entities providing catchy content, information, and advice on various financial topics to their several followers. While some of them may be genuine educators, many of them are effectively unregistered and unauthorized Investment Advisers (IAs) or Research Analysts (RAs). A separate consultation paper proposes a unique fee payment platform for registered IAs and RAs that should help investors identify, isolate, and avoid unregistered entities/finfluencers. Other unregistered entities/finfluencers may be effectively enticing their followers to purchase products, services, or securities in return for undisclosed compensation from platforms or producers. This paper seeks to restrict the association of SEBI registered intermediaries/regulated entities with such unregistered finfluencers, to curb the flow of such compensation. To access the paper, [click here](#).

**Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2023 – August 23, 2023**

SEBI has issued the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2023. The amendments are applicable to voluntary delisting of all listed non-convertible debt securities or non-convertible redeemable preference shares from all or any of the stock exchanges where such non-convertible debt securities or non-convertible redeemable preference shares are listed except where: (a) Listed entities with outstanding securities issued through public offerings. (b) Listed entities with over two hundred security holders (excluding qualified institutional buyers) in a related International Securities Identification Number. (c) Securities delisted due to penalties or regulatory actions as specified under Rule 21 of the Securities Contracts (Regulation) Rules, 1957. To access the regulation, [click here](#).

**Parliament passes the Offshore Areas Mineral (Development and Regulation) Amendment Bill, 2023 – August 3, 2023**

The Offshore Areas Mineral (Development and Regulation) Act, 2002 ('OAMDR Act') came into force in 2010. However, no mining activity has been undertaken in the offshore areas till date. Hence, the Central Government has proposed the present Amendment Bill to bring several reforms in the offshore mining

sector. The OAMDR Act in its current form contains scope for discretion and does not provide for fair and transparent allocation of operating rights in the offshore areas. To access the update, [click here](#).

### **Parliament passes Mines and Minerals (Development & Regulation) Amendment Bill, 2023 – August 2, 2023**

The Mines and Minerals (Development and Regulation) Act, 1957, underwent significant amendments in 2015, 2016, 2020, and 2021 to bring transparency, welfare measures, and reforms to the mineral sector. However, the mineral sector required certain more reforms particularly for increasing exploration and mining of critical minerals that are essential for economic development and national security in the country. Accordingly, it was proposed to further amend the said Act by enacting the Mines and Minerals (Development and Regulation) Amendment Bill, 2023. With the world-wide focus on critical minerals the amendment introduces major reforms in the mining sector which includes:

- Omission of 6 minerals from the list of 12 atomic minerals specified in Part-B of the First Schedule of the Act, namely, Lithium bearing minerals, Titanium bearing minerals and ores, Beryl and other beryllium bearing minerals, Niobium and Tantalum bearing minerals and Zirconium-bearing minerals.
- Empowering Central Government to exclusively auction mineral concessions for critical minerals specified in Part D of the First Schedule of the Act. Revenue from these auctions will accrue to concerned State Government.
- Introducing exploration licence for deep-seated and critical minerals.

To access the update, [click here](#).

### **TRAI releases Consultation Paper on “Review of Regulatory Framework for Broadcasting and Cable services” – August 8, 2023**

In order to address the issues pertaining to Tariff, Interconnection and Quality of Service of Broadcasting and Cable services, as identified by the stakeholders’ committee, the Authority has issued the consultation paper on Review of Regulatory Framework for Broadcasting and Cable services for seeking stakeholders’ comments. Written comments on the consultation paper are invited from the stakeholders by September 19, 2023. Counter comments, if any, may be submitted by October 3, 2023. The comments and counter-comments may be sent, preferably in electronic form on the email ID [advbcs-2@traigov.in](mailto:advbcs-2@traigov.in) and [jtadvbcs-1@traigov.in](mailto:jtadvbcs-1@traigov.in). To access the consultation paper, [click here](#).

### **Salient Features of the Digital Personal Data Protection Bill, 2023 – August 9, 2023**

The Bill provides for the processing of digital personal data in a manner that recognizes both the rights of the individuals to protect their personal data and the need to process such personal data for lawful purposes and for matters connected therewith or incidental thereto. The Bill protects digital personal data (that is, the data by which a person may be identified) by providing for the following:

- The obligations of Data Fiduciaries (that is, persons, companies and government entities who process data) for data processing (that is, collection, storage or any other operation on personal data);
- The rights and duties of Data Principals (that is, the person to whom the data relates); and
- Financial penalties for breach of rights, duties, and obligations.

To access the update, [click here](#).

### **Foreign Owned or Controlled Companies under RBI Scanner for Deferred Construct – September 5, 2023**

Reserve Bank of India (RBI) seems to have issued notices to several Foreign Owned or Controlled Companies (FOCCs) for structuring share purchases in Indian companies through the deferred (holdback) consideration construct. FOCCs being Indian companies but foreign-owned and controlled need to adhere to downstream investment guidelines (the famous DI guidelines) under the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, as amended (NDI Regs). The DI guidelines do not expressly permit deferred construct. However, considering that a FOCC is an alter ego of a non-resident entity (NR entity) and NDI Regs permit NR entity to hold back a certain percentage of consideration in

share purchase transactions, industry view was to apply the same yardstick to FOCCs. What is also noteworthy is that typically in transactions involving FOCCs taking the DI route there is no cross-border transaction. While the transactions are required to adhere to pricing and valuation norms, from a practical standpoint the money never leaves the country – it's more or less a domestic transaction! Such deferred constructs safeguard investors from valuation swings and ensure agreed milestones are met. While RBI seems to have asked such FOCCs to compound the offence, this development will certainly impact foreign investment and structuring around share purchases going forward.

### **CCI has published the draft Combination Regulations for Public Consultations – September 5, 2023**

The Competition Commission of India has published the draft Combination Regulations for public consultations. The Regulations provide much awaited guidance on the newly introduced 'deal value threshold', including the criteria for 'substantial business operations in India' (local nexus) and the methodology to calculate deal /transaction value. The Regulations are open for public comments until September 25, 2023. To access the Regulations, [click here](#).

### **Mediation Bill: A New Beacon of Hope – August 29, 2023**

Crafted to alleviate the burden on courts and litigants, the Indian Parliament has passed the Mediation Bill, 2023. More than 45 million cases are pending in Indian Courts and introducing legislation backed mediation will definitely help this number from further spiraling upward. The legislation was approved by the Lok Sabha on August 7, following its passage in the Rajya Sabha on August 1. This legislative stride marks a definitive step towards institutionalizing and promoting mediation as a preferred mode of conflict resolution. Our Founder & Managing Partner, Delhi, Anuradha Dutt alongside Haaris Fazili, Associate Partner and Trisha Shreyashi discusses certain implications of the proposed legislation. To access the article, [click here](#).



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