

Annex 3

Important Regulatory Measures

1. Reserve Bank of India (RBI)

Date	Regulation	Rationale
June 23, 2023	<p>Status of Mumbai Interbank Forward Outright Rate (MIFOR) as a Significant Benchmark: Considering the cessation of the publication/ non-representativeness of US Dollar London Interbank Offered Rate (USD LIBOR) settings after June 30, 2023, Financial Benchmarks India Pvt. Ltd. (FBIL) has been accorded approval to cease the publication of the MIFOR after June 30, 2023.</p>	To shift to alternative reference rates.
August 17, 2023	<p>RBI launches उद्गम – 'UDGAM' - Centralised Web Portal for searching Unclaimed Deposits: The centralised web portal will aid users to search for their unclaimed deposits across banks at one place and enable them to either claim the deposit amount or make their deposit accounts operative at their respective banks.</p>	To facilitate members of public to claim their unclaimed deposits.
August 18, 2023	<p>Reset of Floating Interest Rate on Equated Monthly Instalments (EMI) based Personal Loans: Regulated Entities (REs) shall clearly communicate to the borrowers about the possible impact of change in benchmark interest rate on the loan leading to changes in EMI and/or tenor, or both, at the time of sanction. At the time of reset of interest rates, the borrowers shall also be given the choice to opt for (i) enhancement in EMI or elongation of tenor or a combination of both options; and (ii) to prepay, either in part or in full, at any point of time during the tenor of the loan.</p>	To address consumer grievances related to elongation of loan tenor and/or increase in EMI amount without proper communication and/or consent of the borrowers.

Date	Regulation	Rationale
August 18, 2023	<p>Fair Lending Practice – Penal Charges in Loan Accounts: Any penalty, if charged, for non-compliance of material terms and conditions of loan contract by the borrower shall be treated as 'penal charges' and shall not be levied in the form of 'penal interest' that is added to the rate of interest charged on the advances. There shall be no capitalisation of penal charges <i>i.e.</i>, no further interest computed on such charges. The REs shall not introduce any additional component to the rate of interest and shall formulate a Board approved policy on the same.</p>	<p>To alleviate customer grievances and disputes regarding levy of penal interest/charges and align divergent practices amongst the REs on the same.</p>
August 18, 2023	<p>Review of Regulatory Framework for Infrastructure Debt Fund – Non-Banking Financial Companies (IDF-NBFCs): The revised regulatory framework for IDF-NBFCs (i) withdraws the requirement of a sponsor for the IDF-NBFCs; (ii) allows IDF-NBFCs to finance Toll-Operate-Transfer (TOT) projects as direct lenders, (iii) provides them access to funds through loan route also under external commercial borrowing (ECB) route; and (iv) makes tri-partite agreement optional for public private partnership (PPP) projects.</p>	<p>To enable the IDF-NBFCs to play a greater role in financing of the infrastructure sector and to move towards the regulatory objective of harmonisation of regulations applicable to various categories of NBFCs.</p>
August 24, 2023	<p>Enhancing transaction limits for Small Value Digital Payments in Offline Mode: The upper limit of an offline payment transaction has been increased to ₹500 from ₹200.</p>	<p>To encourage wider adoption of digital payments in even in offline mode.</p>
September 04, 2023	<p>Operation of Pre-Sanctioned Credit Lines at Banks through Unified Payments Interface (UPI): Payments through a pre-sanctioned credit line issued by a Scheduled Commercial Bank to individuals, with prior consent of the individual customer, are now enabled for transactions using the UPI System. Banks may, as per their Board approved policy, stipulate terms and conditions of use of such credit lines which may include, among other items, credit limit, period of credit and rate of interest.</p>	<p>To expand the scope of UPI by inclusion of credit lines as a funding account.</p>

Date	Regulation	Rationale
September 13, 2023	<p>Responsible Lending Conduct – Release of Movable/Immovable Property Documents on Repayment/Settlement of Personal Loans: The REs shall release all the original movable/immovable property documents and remove charges registered with any registry within a period of 30 days after full repayment/ settlement of the loan account. In case of delay in releasing of original movable/immovable property documents, the RE shall communicate to the borrower reasons for such delay and in case the delay is attributable to the RE, it shall compensate the borrower at the rate of ₹5,000 for each day of delay.</p>	To address the issues faced by the borrowers and towards promoting responsible lending conduct among the REs.
October 06, 2023	<p>Gold Loan – Bullet Repayment – Primary (Urban) Co-operative Banks (UCBs): In the light of perceived business opportunities and general increase in prices, the monetary ceiling of the Gold loans under bullet repayment scheme' has been raised from ₹2 lakh to ₹4 lakh for UCBs who have met Priority Sector Lending (PSL) targets/ sub-targets for 2023 and continue to meet the targets/ sub-targets as per glide path delineated vide instructions issued on June 08, 2023.</p>	To serve as an incentive to UCBs who have complied with PSL requirements.
October 25, 2023	<p>Appointment of Whole-Time Director(s): All PVBs and wholly owned subsidiaries FBs were advised to ensure the presence of at least two whole time directors (WTDs), including managing director and chief executive officer, on their Boards. The number of WTDs shall be decided by the Board of the bank by considering factors such as the size of operations, business complexity, and other relevant aspects.</p>	To establish an effective senior management team in the banks to navigate ongoing and emerging challenges and facilitate succession planning.

Date	Regulation	Rationale
October 26, 2023	Strengthening of customer service rendered by Credit Information Companies and Credit Institutions (CI): The Reserve Bank issued directions pertaining to (i) framework for compensation to customers for delayed updation/rectification of credit information, and (ii) measures to strengthen customer service rendered by CIs and credit information companies. Amongst other things, the directions also provide for compensating the customer in case of delay in resolving complaints, notifying customers regarding access of their credit information reports (CIRs).	To address the increase in customer complaints regarding credit information reporting and the functioning of credit information companies.
October 26, 2023	Joining the Account Aggregator (AA) ecosystem as Financial Information User (FIU): The Reserve Bank has issued guidelines stating that all regulated entities joining the NBFC-AA ecosystem as FIU shall necessarily join as Financial Information Providers (FIPs) also, if they hold the specified financial information and fall under the definition of FIPs.	To ensure optimum utilisation and efficient functioning of the AA ecosystem.
November 07, 2023	Master Direction on Information Technology (IT) Governance, Risk, Controls and Assurance Practices: The Directions include guidelines on IT governance framework, infrastructure and services management, information security risk management framework including cyber security policy and conduct of vulnerability assessment/penetration testing, business continuity and disaster recovery management, information systems (IS) audit, repeal and other provisions.	To strengthen the operational resilience of REs.

2. Securities and Exchange Board of India (SEBI)

Date	Regulation	Rationale
May 03, 2023	Introduction of Legal Entity Identifier (LEI) in the Capital Debt Market.	To enhance transparency and track the financial exposure of an entity, as LEI serves as a common identifier across all financial services.

Date	Regulation	Rationale
June 08, 2023	Participation of Mutual funds in repo transactions on Corporate Debt Securities.	To ensure uniformity in investment norms for repo transactions by mutual funds.
June 23, 2023	Trading Supported by Blocked Amount in Secondary Market.	To protect investors from default of trading members/ clearing members, to protect client collateral from misuse or wrongful withdrawal and to mitigate the risk of non-settlement of pay-out by trading members to clients.
July 04, 2023	Introduction of regulatory framework for ESG Rating Providers (ERPs).	To standardise methodologies, enhance transparency and credibility, prevent greenwashing and ensure that investors have reliable information for decision making.
July 05, 2023	Amendments to guidelines for preferential issue and institutional placement of units by a listed Real Estate Investment Trust (REIT) and listed Infrastructure Investment Trust (InvIT).	To align the pricing guidelines for institutional placement of units of a REIT/InvIT in line with qualified institutional placement of equity shares of listed companies.
July 06, 2023	Introduction of General Information Document (GID) and Key Information Document (KID) and review of disclosures in placement memorandum, with respect to private placement of non-convertible securities and commercial papers proposed to be listed.	To facilitate ease of doing business by dispensing the need to file repetitive disclosures and to bridge the information gap between the public issues and private placement issuances.
July 07, 2023	Roles and responsibilities of Trustees and board of directors of Asset Management Companies (AMCs) of Mutual Funds.	To streamline the responsibilities at the level of the Trustees and AMCs while ensuring that Trustees devote their attention to the fiduciary obligations and supervisory role cast upon them.

Date	Regulation	Rationale
Jul 07, 2023	Regulatory Framework for Sponsors of a Mutual Fund.	To facilitate fresh flow of capital into the industry, foster innovation and encourage competition.
July 20, 2023	New category of Mutual Fund schemes for Environmental, Social and Governance (ESG) investing and related disclosures by Mutual Funds.	To permit more schemes based on ESG theme and to put in place disclosure requirements and investment criteria to address the risk of greenwashing.
July 27, 2023	Mandating Legal Entity Identifier (LEI) for all non-individual foreign portfolio investors.	To improve quality and accuracy of financial data systems for better risk management and to obtain a globally accepted identity number.
July 31, 2023	Online Resolution of Disputes in the Indian Securities Market by establishing a common Online Dispute Resolution Portal which harnesses online conciliation and online arbitration for resolution of disputes arising in the Indian securities market.	To streamline the existing dispute resolution mechanism in the Indian securities market under the aegis of stock exchanges and depositories.
August 07, 2023	Mandating transaction in Corporate Bonds through Request for Quote (RFQ) for foreign portfolio investors (at least 10 per cent of their secondary market trades in corporate bonds by value by placing/seeking quotes on RFQ platform of Stock Exchanges, on a quarterly basis).	To increase liquidity on RFQ platform and to enhance transparency in secondary market in corporate bonds.
August 02, 2023	Audit of firm-level performance data of Portfolio Managers {standard terms of reference as specified by Association of Portfolio Managers in India (APMI)}	To ensure uniformity in audit of performance data of portfolio managers.
August 23, 2023	Introduction of provisions for voluntary delisting of non-convertible debt securities/ non-convertible redeemable preference shares and obligations of the listed entity on such delisting.	To provide for a framework for voluntary delisting for debt listed entities.

Date	Regulation	Rationale
August 24, 2023	Mandating additional disclosures by foreign portfolio investors that fulfil certain objective criteria (additional granular level disclosures of all persons holding ownership, economic interest, and control, in the foreign portfolio investor, on a full look through basis).	To alleviate concerns regarding possible circumvention of requirements under the Substantial Acquisition of Shares and Takeovers Regulations, 2011, Minimum Public Shareholding requirements and Press Note 3 issued by the Government.
August 24, 2023	Modification in cyber security and cyber resilience framework of Stock Exchanges, Clearing Corporations and Depositories.	To implement the recommendation of National Critical Information Infrastructure Centre (NCIIPC) and to strengthen the existing cyber security governance.
August 29, 2023	Guidelines for Market Infrastructure Institutions (MIIs) regarding cyber security and cyber resilience.	To strengthen the existing cyber security and cyber resilience framework of MIIs, considering the interconnectedness and interdependency of the MIIs to carry out their functions.
September 11, 2023	Introduction of Board nomination rights to unit holders of Infrastructure Investment Trusts (InvITs) and Real Estate Investment Trusts (REITs).	To enhance the governance of InvITs and REITs.
September 21, 2023	Introduction of provisions requiring issuers having outstanding listed non-convertible debt (NCD) securities to list all subsequent issuances of non-convertible debt securities.	To facilitate transparency in price discovery of NCDs, better disclosures to investors and to avoid ISIN ¹ level confusion and possible mis-selling of unlisted bonds.
October 19, 2023	Revision in the framework for fund raising by issuance of debt securities by large corporates.	To facilitate ease of doing business by removal of penal provision and introduction of incentives and disincentives.

¹ ISIN = International Securities Identification Numbering system.

Date	Regulation	Rationale
October 31, 2023	Revision in manner of achieving minimum public unitholding requirement for InvITs and REITs.	To ensure that the regulatory framework for REITs and InvITs remain robust and in line with evolving market and regulatory expectations.

3. Insurance Regulatory and Development Authority of India (IRDAI)

Date	Regulation	Rationale
June 05, 2023	Investments in National Bank for Financing Infrastructure and Development (NaBFID): Investments in the NaBFID will be treated in line with the limits prescribed for Public Limited Infrastructure Investee Company under note 3 of the Regulation 9 of IRDAI(Investment) Regulations, 2016.	To support the development of long-term non-recourse infrastructure financing in India.
June 08, 2023	Creation of facility to capture Ayushman Bharat Health Account (ABHA) number of proposers: Insurers are advised to capture ABHA (Ayushman Bharat Health Account) number of all the persons seeking insurance cover (both new applicants and existing policyholders) and to obtain their consent for sharing medical records with insurers/ third party administrators (TPAs) through ABHA number.	To identify the insured in a digital environment and facilitate seamless healthcare and insurance service delivery.
June 08, 2023	Testing and adoption of Health Claims Exchange (HCX) Specifications and e-claim standards: Insurers are advised to get on-boarded to the National Health Claims Exchange (NHCE), a gateway for exchanging claims-related information among stakeholders present in the healthcare and health insurance ecosystem including <i>inter alia</i> insurers, TPAs, claimants, beneficiaries, healthcare providers.	To enable seamless interoperability of health claims processing.

Date	Regulation	Rationale
June 20, 2023	Use and File Procedure for Life Insurance Products: IRDAI introduced modifications to the existing 'use and file' procedure for life insurance products and expanded the scope of 'Use & File' with inclusion of additional categories of life insurance products to the procedure.	To facilitate the insurance industry in promoting penetration and improving the accessibility of life insurance products.
June 28, 2023	Monitoring of Investments in Alternative investment Fund (AIF): IRDAI stipulated a few requirements to the insurers to help closely monitor their exposure to AIFs, including requirement of board approval for rollover of investments in AIFs. Insurers are instructed that the net asset value (NAV) of the AIFs should be declared on a quarterly basis. Further, insurers are advised to submit quarterly return for investments in AIFs, as per the specified format, within 15 days from the end of each quarter.	To monitor the exposure of insurers to AIFs.
June 30, 2023	IRDAI (Remuneration of Key Managerial Persons of Insurers) Guidelines, 2023	To ensure effective governance of compensation, align compensation with prudent risk-taking, provide effective supervisory oversight and stakeholder engagement, and safeguard the interests of policyholders and other stakeholders.
October 09, 2023	Trade Credit Insurance Guidelines, 2021 - Modification to Guideline 5.3A – allowing "reverse factoring" on Tred Receivables electronic Discounting System (TReDS) platforms.	To facilitate reverse factoring to allow financiers to take exposure on low rated or unrated buyers provided the default risk is hedged with insurers by taking trade credit insurance cover.
October 18, 2023	Mandating of coverage (payment of premium under India Motor Tariff-29 compulsory as an inbuilt coverage in a private car policy)	To mandate compulsory inbuilt coverage for employees while issuing private car policy for such vehicles.

Date	Regulation	Rationale
October 27, 2023	Amendment of Arbitration Clause in General Insurance policies	To keep retail/individual policyholders out of the provisions of the arbitration clause in all general insurers' policy documents.

4. Pension Fund Regulatory and Development Authority (PFRDA)

Date	Regulation	Rationale
April 17, 2023	Amendment in National Pension System (NPS) Trust Regulations, 2023: The amendments encompass, <i>inter alia</i> , (i) including assets under e-NPS as "Assets of the National Pension System Trust", (ii) allowing the NPS Trust greater autonomy to appoint its own officers and other staff for implementation or administration of the functions of the trust, and (iii) arrangement for a suitable indemnity policy for the trustees of NPS Trust for any legal disputes which may arise on account of any <i>bona fide</i> actions taken by them.	To further develop the NPS trust in the interest of subscribers.
April 20, 2023	Permission for keeping of securities as margin with the Clearing Corporation of India Limited (CCIL) for margin requirements	To allow pension funds to keep securities as margins with the CCIL to meet margin requirements for investments in government securities and Tri Party Repo Dealing System (TREPS).
May 10, 2023	Retirement income optimisation through multiple annuities: At present, the subscribers are allowed to buy one annuity scheme from the Annuity Service Provider (ASP) at the time of exit under the enabling provisions of Exit Regulations of PFRDA. The option of multiple annuities has been made available to the subscribers from the same ASP for those subscribers who earmark the annuity corpus more than ₹10 lakhs wherein ₹5 lakhs is utilised to buy each annuity scheme.	To provide subscribers with a wider range of annuity options in the interest of subscribers' retirement income optimisation.

Date	Regulation	Rationale
June 14, 2023	Experience the ease and convenience of accessing NPS Statement of Transactions through DigiLocker-reg	To enable subscribers to download their NPS Account Transaction Statement to DigiLocker for easy access and view their pension wealth.
July 25, 2023	e-KYC Setu	To provide REs guidelines for the use of e-KYC Setu for verification of identity.
August 07, 2023	Guidelines on Know Your Customer/Anti-Money Laundering/Combating the Financing of Terrorism (KYC/AML/CFT)	To mandate entities registered as Points of Presence (PoP) to comply with the requirements of the extant AML guidelines.
August 10, 2023	Simplified and Secured way to stay informed on NPS investments through Consolidated Account Statement	To provide NPS subscribers with the option to include NPS transactions in Consolidated Account Statement (CAS) to view their pension corpus under NPS in CAS.
September 23, 2023	NPS Tier II through Default scheme for Government Sector Subscribers: Government sector subscribers under NPS will be given additional investment option of Default Scheme along with the existing active choice investment options.	To introduce the NPS Tier II default scheme exclusively for government sector subscribers.
October 25, 2023	Mandatory Penny drop verification - Instant Bank Account Verification for enhanced Due diligence with respect to exit / withdrawal requests and for modifying the subscriber's bank account details: PFRDA has issued guidelines that the penny drop verification has to be necessarily successful with name matching, for processing the exit / withdrawal requests, and also for modifying the subscriber's bank account details.	To resolve the issue of return of remittances, to protect the interest of subscribers with timely credit of amount and for additional due diligence to identify the rightful beneficiary.

Date	Regulation	Rationale
October 27, 2023	Facility of systematic lump sum withdrawal (SLW) for NPS Subscribers: PFRDA has provided the option of phased withdrawal of the lump sum through SLW facility. The subscribers are allowed to withdraw up to 60 per cent of their pension corpus, through the SLW on a periodical basis viz. monthly, quarterly, half-yearly or annually for a period till 75 years of age as per the choice at the time of their normal exit.	To provide subscribers with more options of lumpsum withdrawal in terms of frequency.

5. Insolvency and Bankruptcy Board of India (IBBI)

Date	Regulation	Rationale
June 14, 2023	Exemption of oil exploration contracts from moratorium: The Central Government issued notification to exempt application of provisions of section 14(1) viz. moratorium under the Insolvency and Bankruptcy Code (IBC) in situations where the corporate debtor (CD) has entered into production or revenue sharing contracts, exploration licenses, mining leases and related transactions under the Oilfields (Regulation and Development) Act, 1948 or rules made thereunder.	To enable the government to exercise its rights and remedies under such contracts and allow termination/withdrawal of licence, permit etc. granted under such contracts.
June 16, 2023	Circular regarding production of Information Utility (IU) record: The IBBI issued a circular advising as a matter of general guidance to creditors filing applications under section 7 and 9 of the Code, to append record of default issued by the IU along with their application.	To facilitate the Adjudicating Authority to expedite admission of applications for initiation of CIRP.
July 20, 2023	Amendment to CIRP Regulations: The IBBI notified the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) (Amendment) Regulations, 2023.	To clarify that the regulatory fee under Regulation 31A(1) of the CIRP Regulations shall not be payable in cases where the approved resolution plan in respect of a real estate project is from an association or group of allottees in such a real estate project.

Date	Regulation	Rationale
September 18, 2023	Amendment to CIRP Regulations: The IBBI notified the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) (Second Amendment) Regulations, 2023.	To facilitate the resolution professional in taking custody and control of assets of the CD and provide for replacement of the authorised representative of a class of creditors, including provisions for his duties and fees.
September 18, 2023	The Insolvency and Bankruptcy Board of India (Insolvency Professionals) (Second Amendment) Regulations, 2023	To introduce a unified application form to enable submission of a common application form for both enrolment and registration processes of an insolvency professional and reduce the timelines for approval of registration or communicating <i>prima facie</i> refusal to grant registration to the applicant.
September 18, 2023	Amendment to Insolvency Professional Agency (IPA) Model Bye-Laws Regulations: The IBBI notified the Insolvency and Bankruptcy Board of India (Model Bye-Laws and Governing Board of Insolvency Professional Agencies) (Amendment) Regulations, 2023.	To introduce a timeline of 60 days for approval of a unified application (for enrolment) by the IPA and of 30 days for forwarding the same (for registration) to the Board.
September 28, 2023	Circular regarding Liquidator's fee: The IBBI issued a circular to explain the terms 'Amount realised', 'Other liquidation cost', 'Amount distributed to stakeholders' and 'Amount of Realisation/Distribution' for the purpose of calculation of fee of the Liquidator.	To clarify the calculation of Liquidator's fee under Regulation 4(2)(b) of IBBI (Liquidation Process) Regulations, 2016.

Date	Regulation	Rationale
October 03, 2023	Exemption to aircraft, aircraft engines, airframes and helicopters from moratorium: The Central Government issued a notification to exempt the applicability of moratorium under section 14(1) of the IBC to transactions, arrangements or agreements entered into under the Cape Town Convention on International Interests in Mobile Equipment and the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment.	To enable aircraft lessors to exercise their rights and remedies under such agreements during moratorium.

6. International Financial Services Centres Authority (IFSCA)

Date	Regulation	Rationale
May 01, 2023	IFSCA (Management Control, Administrative Control and Market Conduct of Insurance business) Regulations, 2023: The regulations provide a framework for, <i>inter alia</i> , (i) capital related issues and management control; (ii) minimum Limits for annuities and other benefits; (iii) acquisition of surrender and paid up values; (iv) expenses of management of IFSC Insurance Offices (IIOs), (v) payment of commission or remuneration or reward to insurance intermediaries, (vi) protection of policyholders' interests, and (vii) insurance advertisements and disclosure.	To put in place the regulatory framework related to management control, administrative control and market conduct of insurance business carried out by an IIO.
May 22, 2023	Circular on Clarification on 'Guidelines on Factoring and Forfeiting of Receivables'	To clarify that the date applicable for the recognition of NPA shall be 90 days from the specified due date of payment.

Date	Regulation	Rationale
June 21, 2023	<p>Direct Market Access (DMA) facility: Direct Market Access (DMA) is a facility which allows broker-dealers to offer their clients direct access to the trading system of the stock exchange, through the broker-dealer's trading systems, without any manual intervention by the broker-dealer. The issued circular also provides detail guidelines and responsibilities for broker dealers, operational flexibility for stock exchange to put in place the necessary measures, procedures and guidelines for DMA orders and trades, and introduces Sponsored Access Facility, a form of DMA, which allow clients to directly access the exchange trading system without routing to Broker Dealer trading system.</p>	To provide DMA facility for all broker-dealers in IFSC.
June 23, 2023	<p>Co-location facility offered by the Stock Exchanges: The circular covers comprehensive instructions covering the major aspects such as (i) fair and equitable co-location services, (ii) connectivity at the co-location facility, (iii) disclosure of information pertaining to co-location services, (iv) third party co-location services, (v) integrity and security of co-location services, (vi) measurement of latency, and (vii) managed co-location services.</p>	To allow co-location facility to eligible market participants such as broker-dealers and data vendors.
July 04, 2023	<p>IFSCA (Capital Market Intermediaries) (Amendment) Regulations, 2023: As part of the amendment, following definitions have been included in the principal regulations: (i) "capital market intermediaries" means an intermediary referred in regulation 3 and is registered with IFSCA under these Regulations. (ii) "distributor" means a person who for remuneration engages with clients on behalf of an issuer or a service provider to facilitate investment or subscription into "capital market products" or "capital market services", and (iii) "registered distributor" means a distributor registered with IFSCA under Regulation 2.</p>	To provide for regulatory requirements on registration, obligations and responsibilities, inspection, and enforcement in respect of various types of capital market intermediaries.

Date	Regulation	Rationale
July 07, 2023	<p>IFSCA (Banking) (Amendment) Regulations, 2023: The amendment to the IFSCA (Banking) Regulations, 2020 includes <i>inter alia</i> (i) permission to banks to set up a Banking Unit in IFSC as a Subsidiary Company (IFSC Banking Company), in addition to existing Branch model, (ii) minimum capital requirement for setting up IFSC Banking Company has been set as US\$ 50 million or such other level of capital that may be specified by the Authority, (iii) deposits of a Banking Unit may be insured subject to applicability of and to the extent provided under the Deposit Insurance and Credit Guarantee Corporation Act, 1961, and (iv) first schedule specifying permissible foreign currencies have been added to the principal regulations under powers conferred under Sec. 20 of IFSCA Act 2019.</p>	<p>To give further impetus and strengthen the regulatory framework for banking in the IFSC.</p>
July 10, 2023	<p>IFSCA Banking Handbook General Directions-Version 4.0: These directions specify appointment of governing body, role and responsibilities of governing body, controls and systems, etc. In addition to changes in certain definitions, version 4.0 incorporates requirement of statutory audits for IFSC banking units (IBUs) under relevant laws.</p>	<p>To lay down governance framework for IBUs in IFSC.</p>
July 10, 2023	<p>IFSCA Banking Handbook Prudential Directions-Version 4.0: In the revised version, provisions related to guidance on stress testing have been strengthened and reporting requirements for IBUs of foreign banks have been modified in accordance with Banking Regulation Act. 1949.</p>	<p>To provide prudential requirements in respect of maintenance of capital, managing credit and market risks.</p>

Date	Regulation	Rationale
July 10, 2023	IFSCA Banking Handbook Conduct of Business Directions- Version 5.0: The permitted activities of IBUs have been expanded to include distribution of capital market products, participation in authorised payment system and offering payment services. Additionally, IBUs have been mandated to comply with IFSCA AML, CFT and KYC Guidelines 2022. In accordance with the amended banking regulations, IBUs have been permitted to transact in 11 specified foreign currencies.	To provide the list of permissible activities for IBUs and lay down minimum standard of conduct, especially regarding the treatment of their clients, their dealings with counterparties and other market participants.
August 07, 2023	Extension of time duration to meet minimum net worth requirement and base capital requirement for bullion trading members and clearing members.	To provide extension to bullion trading members and clearing members by 6 months to meet their minimum capital and net worth requirement.
August 31, 2023	Additional AML measures under the IFSCA (Anti Money Laundering, Counter-Terrorist Financing and Know Your Customer) Guidelines, 2022: These guidelines prescribe that every IBU engaging in cross-wire transfer, where the amount to be transferred is greater than USD 1000, must also comply with Clause 7.7.3 (a), Clause 7.7.3 (b) of the Guidelines.	To further strengthen AML framework at IBUs.
September 15, 2023	Authorisation of Scheme file under IFSCA (Fund Management) Regulations 2022: All fund management entities should seek authorisation from IFSCA for each scheme filed under Chapter III, IV and V of the regulations.	To provide operational clarity for fund management entities.

Date	Regulation	Rationale
October 12, 2023	<p>Modifications under the IFSCA (Anti Money Laundering, Counter Terrorist Financing and Know Your Customer) Guidelines, 2022 for specifying additional AML/CFT/KYC measures and clarifications: Modification/additions include <i>inter alia</i> (i) explanation of 'physical presence' regarding effective supervision in the guidelines; (ii) additional stipulations regarding life insurance policies, especially for ascertaining beneficiaries at the time of pay out of policy proceeds; (iii) enhanced due diligence measures for REs having business relationships and transaction with natural and legal persons (including financial institutions) from countries which is required to do so by the FATF; and (iv) verifying information of customers under suspicion of money laundering/terrorist financing.</p>	To clarify and strengthen the AML/CFT and KYC guidelines for regulated entities.
November 02, 2023	<p>Amendments to conditions for opening a Global Administrative Office (GAO) or Representative Office (RO): The IFSCA will evaluate the Banking Company's track record in complying with the AML/CFT guidelines in its home jurisdiction, in case such a Banking Company is applying from a foreign jurisdiction which is designated as a Jurisdictions Under Increased Monitoring by FATF.</p>	To specify the conditions for the opening of GAO and RO in IFSC.
November 28, 2023	<p>Allocation of Indian Financial System (IFS) Code to IBUs: The IFSCA has issued a circular to allocate IFS Code to all IBUs. The IFS Code issued to the IBUs shall be used only for the remitters to undertake cross border remittances to IBUs by mentioning in the relevant field of cross border payment systems message where IFS Code is a mandatory requirement. The IFS Codes issued to the IBUs shall not be used in domestic payment systems.</p>	To facilitate cross border remittances through IBUs for remitters.