

SEBI

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Key Circular updates:

- SEBI vide circular dated 27th September 2021 has issued Risk Management Framework for Mutual Funds. With the overall objective of management of key risks involved in mutual fund operation, the revised Risk Management Framework (RMF) shall provide a set of principles or standards, which inter alia comprise the policies, procedures, risk management functions and roles & responsibilities of the management, the Board of AMC and the Board of Trustees. Compliance with the RMF should be reviewed annually by the AMC.
- SEBI pursuant to circular dated 29th September 2021 has decided to introduce swing pricing framework for open ended debt mutual fund schemes (except overnight funds, Gilt funds and Gilt with 10-year maturity funds). Under this framework, to begin with, the swing pricing framework will be made applicable only for scenarios related to net outflows from the schemes.
- SEBI vide its circular dated 4th October, 2021 has discontinued usage of pool accounts by entities including online platforms other than stock exchanges w.r.t. transactions in the units of Mutual Funds.
- In order to bring about transparency in the Investor Grievance Redressal Mechanism, SEBI vide circular dated 4th October 2021 decided that all the Stock Exchanges and the Clearing Corporations shall disclose on their websites, the data on complaints received against them and redressal thereof, latest by 7th of succeeding month, as per the given format.
- SEBI has issued a circular on 5th October 2021 making amendments to the manner and mechanism of providing exit option to dissenting unit holders pursuant to Regulation 22(6A) and Regulation 22(8) of SEBI (Real Estate Investment Trusts) Regulations, 2014 ("SEBI (REIT) Regulations")
- Based on the recommendations of Mutual Fund Advisory Committee (MFAC), to further increase the liquidity on exchange platforms, para 1(A)(i) of the SEBI circular dated 6th October, 2021 modifies the minimum percentages of trades to be carried out by mutual funds through RFQ (Request for Quote) platform. This circular shall come into force w.e.f. December 1, 2021.