



NEWSLETTER ^{Weekly}

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RESERVE BANK OF INDIA

1. Exclusion of “Rupee Co-operative Bank Limited” from the Second Schedule to the Reserve Bank of India Act, 1934

The Reserve Bank of India (RBI) vide notification dated February 15th 2024 notified that exclusion of “Rupee Co-operative Bank Limited” from the Second Schedule to the Reserve Bank of India Act, 1934.

For more information, you can access the RBI notification here:

<https://rbi.org.in/Scripts/NotificationUser.aspx?id=12608&Mode=0>

2. Honorable Prime Minister of India, Honorable Prime Minister of Mauritius and Honorable President of Sri Lanka witnessed the launch of India’s RuPay / UPI connectivity with Mauritius and Sri Lanka

The Reserve Bank of India (RBI) vide press release dated February 12th 2024 informed about the launch of India’s RuPay//UPI connectivity with Mauritius and Sri Lanka. With this connectivity, an Indian traveller to Mauritius will be able to pay a merchant in Mauritius using UPI. Similarly, a Mauritian traveller will be able to do the same in India using the Instant Payment System (IPS) app of Mauritius. Further, with the adoption of RuPay technology, the MauCAS card scheme of Mauritius will enable banks in Mauritius to issue RuPay cards domestically. Such cards can be used at ATMs and PoS terminals locally in Mauritius as well as in India. With this, Mauritius becomes the first country outside Asia to issue cards using RuPay technology. Indian RuPay cards would also be accepted at ATMs and PoS terminals in Mauritius. The digital payments connectivity with Sri Lanka will enable Indian travellers to make QR code-based payments at merchant locations in Sri Lanka using their UPI apps.

For more information, you can access the RBI press release here:

https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=57308

3. Finance Minister addresses the Central Board of Directors of Reserve Bank of India

The Reserve Bank of India (RBI) vide press release dated February 12th 2024 informed regarding the address of the finance minister to the central board of directors wherein the minister highlighted the key thrust areas outlined in the interim Union Budget 2024-25 and the expectations from the financial sector. They also reviewed the global and domestic economic situation and outlook, including the challenges posed by geopolitical developments and global financial market volatility.

For more information, you can access the RBI press release here:

https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=57312

4. Governor, Reserve Bank of India meets MD & CEOs of Public and Private Sector Banks

The Governor, Reserve Bank of India held meetings with the MD & CEOs of Public Sector Banks and select Private Sector Banks on February 14, 2024, in Mumbai. The Governor highlighted the issues relating to Business Model viability; outlier growth in personal loans; adherence to co-lending guidelines; Bank exposure to NBFC sector; Liquidity Risk Management; IT and Cyber security preparedness, operational resilience, digital frauds; and strengthening of the internal rating framework. He stressed that customer grievance redress mechanism and protection of customers' interests are of paramount importance for the safety and stability of the financial system and that of individual financial institutions.

For more information, you can access the RBI press release here:

https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=57329

5. Terms of Reference signed between Reserve Bank of India and Nepal Rastra Bank on Integration of Unified Payments Interface (UPI) of India with National Payments Interface (NPI) of Nepal for cross-border remittances

Reserve Bank of India and Nepal Rastra Bank on February 15th 2024 signed and exchanged Terms of Reference for integration of fast payment systems of India and Nepal, viz., Unified Payments Interface (UPI) of India and National Payments Interface (NPI) of Nepal, respectively. The integration is aimed at facilitating cross-border remittances between India and Nepal by enabling users of the two systems to make instant, low-cost fund transfers.

For more information, you can access the RBI press release here:

https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=57332

6. Payment Intermediary by Card Network – Restraining of Unauthorized Payment System

The Reserve Bank of India (RBI) vide press release dated February 15th 2024 noticed that a Card Network had an arrangement that enables businesses to make card payments through certain intermediaries, to entities that do not accept card payments. On closer scrutiny, it was observed that this arrangement qualified as a payment system. Under the provisions of Payment and Settlement Systems (PSS) Act, 2007, such payment system requires authorization under Section 4 of PSS Act, which has not been obtained in the instant case. The activity was, therefore, without legal sanction.

For more information, you can access the RBI press release here:

https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=57335

7. Action against Paytm Payments Bank Ltd under Section 35A of the Banking Regulation Act, 1949

The Reserve Bank of India (RBI) vide press release dated February 16th 2024, in exercise of its powers under Section 35A of the Banking Regulation Act, 1949, had put certain business restrictions on Paytm Payments Bank Ltd (PPBL or the bank), vide press releases dated March 11, 2022 and January 31, 2024.

For more information, you can access the RBI press release here:

https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=57345

MINISTRY OF CORPORATE AFFAIRS

1. Central Processing Center Established by MCA

The Ministry of Corporate Affairs (MCA) on 15.02.2024 through its notification no. G.S.R. 107(E) notified the Companies (Registration Offices and Fees) Amendment Rules, 2024, which are effective from February 16th 2024. A new rule, 10A has been incorporated under the Companies (Registration Offices and Fees) Rules, 2014, establishing a Central Processing Center. As per section 396 of the Companies Act, 2013, the Center is tasked with examining all applications, e-Forms, or documents for approval or registration by the Registrar. In all cases except those requiring higher authority approvals, the Registrar must make a decision within 30 days of filing. This rule further grants the Central Processing Center jurisdiction over various filings, including resolutions, share capital alterations, name change applications, and conversions of company types. Multiple filings at once will be handled collectively by the Center, ensuring uniformity in processing. However, the rule clarifies that it does not grant the Center authority under section 399 of the Companies Act, leaving the Registrar with territorial jurisdiction to exercise those powers. This amendment aims to streamline the registration process and centralize decision-making for specified filings across India.

For more information, you can access the MCA notification here:

www.mca.gov.in/bin/dms/getdocument?mds=TC5IiKr%252B0SpGVt5U%252BSzi%252Bw%253D%253D&type=open

2. Ministry of Corporate Affairs incorporation related services can also be accessed through the National Single Window System (NSWS)

In a recent announcement by the Ministry of Corporate Affairs (“MCA”) on February 12th 2024 it has been notified that a company’s incorporation related services can also be accessed through the National Single Window System (NSWS) in addition to MCA 21 portal by going through the link: <https://www.nsws.gov.in>

For more information, you can access the MCA notification here:

www.mca.gov.in/bin/dms/getdocument?mds=NkaICgC0PXM37dpK8VUeVA%253D%253D&type=open

MINISTRY OF FINANCE

The Government of India announces the sale of three dated securities for a notified amount of Rs 30,000 Crore.

The Government of India (“GoI”) has announced the sale (re-issue) of (i) “7.33% Government Security 2026” for a notified amount of ₹8,000 crore (nominal) through price based auction using uniform price method, (ii) “7.18% Government Security 2037” for a notified amount of ₹10,000 crore (nominal) through price based auction using uniform price method and (iii) “7.25% Government Security 2063” for a notified amount of ₹12,000 crore (nominal) through price based auction using multiple price method. The GoI will have the option to retain additional subscription up to ₹ 2,000 crore against each security. The auctions were conducted by the Reserve Bank of India, Mumbai Office, Fort, Mumbai on February 16, 2024.

For more information, you can access the GoI release here:

<https://dea.gov.in/sites/default/files/Press%20Release%20for%20auction%20of%20G-Sec-12.02.2024.pdf>

SECURITIES AND EXCHANGE BOARD OF INDIA

1. SEBI cautions public against dealing with unregistered entities

The Securities and Exchange Board of India (SEBI) vide press release dated February 13th 2024 issued a stern warning to the public concerning the increasing prevalence of unscrupulous entities falsely posing as SEBI-registered intermediaries. SEBI emphasized the importance of investor diligence and caution against falling prey to enticing promises of guaranteed high returns on investments.

For more information, you can access the SEBI press release here:

<https://www.sebi.gov.in/media-and-notifications/press-releases/feb-2024/sebi-cautions-public-against-dealing-with-unregistered-entities-81395.html>

2. Status of SCORES complaints as on January 31, 2024

The Securities and Exchange Board of India (SEBI) vide public notice dated February 12th 2024 released the details regarding status of SEBI Complaints Redressal System (SCORES) complaints as on January 31st 2024.

For more information, you can access the SEBI public notice here:

<https://www.sebi.gov.in/media-and-notifications/public-notice/feb-2024/status-of-scores-complaints-as-on-january-31-2024-81331.html>

3. Names of the companies/Intermediaries/MIIs having complaints pending for more than 3 months on SCORES as on January 31, 2024

The Securities and Exchange Board of India (SEBI) vide public notice dated February 12th 2024 released the names of the companies/intermediaries/MIIs having complaints pending for more than 03 months on SCORES as on January 31st, 2024.

For more information, you can access the SEBI public notice here:

<https://www.sebi.gov.in/media-and-notifications/public-notice/feb-2024/names-of-the-companies-intermediaries-miis-having-complaints-pending-for-more-than-3-months-on-scores-as-on-january-31-2024-81333.html>

INSOLVENCY AND BANKRUPTCY BOARD OF INDIA

1. Insolvency and Bankruptcy Board of India amends the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016

The Insolvency and Bankruptcy Board of India (IBBI) initiated significant amendments to the Liquidation Process Regulations, 2016 on February 12th 2024. These amendments strengthen the regulatory framework of the liquidation process and aims at facilitating a smoother process for liquidation, ensuring accountability, and bolstering the confidence of stakeholders in the liquidation process.

For more information, you can access the IBBI amendment here:

<https://ibbi.gov.in/uploads/press/238287e0bf8274f248fb2582e7aa1fac.pdf>

2. Insolvency and Bankruptcy Board of India amends the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016

The Insolvency and Bankruptcy Board of India (IBBI) has issued an important notification on the February 15th 2024 by introducing crucial amendments to the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016. These amendments, labeled as the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) (Amendment) Regulations, 2024, bring about important changes aimed at enhancing the efficiency and transparency of the corporate insolvency resolution process.

For more information, you can access the IBBI press release here:

<https://ibbi.gov.in/uploads/press/63188e4b34fe3b376995a1f5dd4b22fe.pdf>

MISCELLANEOUS

The Karnataka Government issued a notification regarding the Karnataka Stamp (Amendment) Act, 2023, which was published on 3rd February, 2024. These amendments involve alterations to the amounts specified in various articles, such as increasing the stamp duty from 500 to 1000 rupees in Article 3 and from 20 to 100 rupees in Article 4. The Act provides for changes in stamp duty amounts, particularly in relation to various transactions and instruments. These changes encompass adjustments in stamp duty rates for different types of bonds, mortgage deeds, insurance policies, bank guarantees, and share-related transactions.

You may send your suggestions at kartikey@asalegal.in

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