



NEWSLETTER ^{Weekly}

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RESERVE BANK OF INDIA

1. Master Direction – Reserve Bank of India (Filing of Supervisory Returns) Directions - 2024

The Reserve Bank of India (RBI) vide notification dated February 27th 2024 released RBI (filing of supervisory returns) Directions 2024 to bring clarity and harmonisation to the instructions issued to various supervised entities for submission of returns. This move aims at reducing the burden of compliance on the regulated entities based on the recommendations of the Regulations Review Authority and an Internal Working Group of the central bank. The Directions will be applicable to all commercial banks (PSBs, private sector banks, SFBs, payment banks, and foreign banks), Urban Co-operative Banks, All India Financial Institutions (Exim Bank, NABARD, NHB, SIDBI and NABFID), all NBFCs, and Asset Reconstruction Companies (ARCs).

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

<https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12613&Mode=0>

2. Appointment/re-appointment of Director, Managing Director or Chief Executive Officer in Asset Reconstruction Companies

The Reserve Bank of India (RBI) vide notification dated February 27th 2024 informed that in order to have uniformity in the information submitted by ARCs for obtaining such approvals, a form for furnishing the requisite information about the candidate and an indicative list of documents required to be submitted along with the application, respectively. ARCs are advised to submit applications, complete in all respect, along with duly signed form and the documents/information mentioned above to this Department at least ninety days before the vacancy arises / the proposed date of appointment or re-appointment. RBI may call for additional information/documents for processing the application, if required.

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

<https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12614&Mode=0>

3. RBI invites comments on the “Draft Disclosure framework on Climate-related Financial Risks, 2024”

The Reserve Bank of India (RBI) vide press release dated February 28, 2024 placed on its website the draft guidelines on disclosure framework on climate-related financial risks 2024. These guidelines shall be applicable to all Scheduled Commercial Banks (excluding Local Area Banks, Payments Banks and Regional Rural Banks), All Tier-IV Primary (Urban) Co-operative Banks, All All-India Financial Institutions (viz. EXIM Bank, NABARD, NaBFID, NHB and SIDBI) and All Top and Upper Layer Non-Banking Financial Companies (NBFCs).

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

https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=57408

4. Enabling Framework for Regulatory Sandbox

The Reserve Bank of India (RBI) vide press release dated February 28, 2024 placed on its website the updated 'Enabling Framework for Regulatory Sandbox'. The framework has been revised based on the experience gained over the last four and half years in running four cohorts and feedback received from FinTechs, banking partners and other stakeholders. Among others, the timelines of the various stages of the Regulatory Sandbox process have been revised from seven months to nine months. The updated framework also requires sandbox entities to ensure compliance with provisions of the Digital Personal Data Protection Act, 2023.

For more information, you can access the RBI press release

here: https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=57406

5. Capital Adequacy Guidelines – Review of Trading Book

The Reserve Bank of India (RBI) has issued a notification dated February 28, 2024, addressing Capital Adequacy Guidelines with a specific focus on the review of the trading book. This development aligns with the ongoing regulatory framework and introduces amendments in line with the Master Direction on Investment.

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

<https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12615&Mode=0>

6. Master Direction – Reserve Bank of India (Bharat Bill Payment System) Directions, 2024

The Reserve Bank of India (RBI) has issued a notification dated February 29, 2024, released RBI (Bharat Bill Payment System) Directions, 2024. These Directions seek to streamline the process of bill payments, enable greater participation, and enhance customer protection among other changes.

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

<https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12616&Mode=0>

7. Review of Guidelines - Withdrawal of Circulars

The Reserve Bank of India (RBI) has issued a notification dated March 01, 2024 wherein RBI informed that consequent upon review of Circulars issued by the Reserve Bank from time to time, it has been decided to withdraw 34 Circulars listed in the Annexure to this notification with immediate effect.

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

<https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12617&Mode=0>

8. Withdrawal of ₹2000 Denomination Banknotes – Status

The Reserve Bank of India (RBI) has issued a press release dated March 01 2024 informing that the total value of ₹2000 banknotes in circulation, which was ₹3.56 lakh crore at the close of business on May 19, 2023, when the withdrawal of ₹2000 banknotes was announced, has declined to ₹8470 crore at the close of business on February 29, 2024. Thus, 97.62% of the ₹2000 banknotes in circulation as on May 19, 2023, has since been returned. The facility for exchange of the ₹2000 banknotes is available at the 19 Issue Offices of the Reserve Bank (RBI Issue Offices)¹ since May 19, 2023. From October 09, 2023, RBI Issue Offices are also accepting ₹2000 banknotes from individuals / entities for deposit into their bank accounts. Further, members of the public are sending ₹2000 banknotes through India Post from any post office within the country, to any of the RBI Issue Offices for credit to their bank accounts.

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

https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=57429

9. Progress of NEFT and RTGS Systems

The Reserve Bank of India (RBI) has issued a press release dated March 01 2024 informing that during the previous ten years (2014-23), NEFT and RTGS systems have registered growth of 700 per cent and 200 per cent respectively in terms of volume and 670 per cent and 104 per cent respectively in terms of value.

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

https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=57435

MINISTRY OF CORPORATE AFFAIRS

1. MCA Deploys the ‘Change Request Form’ on MCA-21 for the Convenience of Users of MCA-21 Services.

The Ministry of Corporate Affairs has provided for deployment and usage of the ‘Change Request Form’ (CRF) on MCA-21. Stakeholders are informed that CRF has been made available on the V3 portal for the convenience of users of MCA-21 services. This web-based Form is to be used only under exceptional circumstances, for making a request to ROC, for purposes which cannot be catered through any existing form or services or functionality available either at Front Office level (users of MCA-21 services) or Back Office level (RoCs).

Further, this Form primarily is intended to be used for purposes like Master Data correction and to comply with certain directions of Courts/Tribunals, which ordinarily cannot be complied with through existing functionality of forms or services on the MCA-21 system. Also, the Form must be processed by RoCs within 3 days of its filing, after which it should be forwarded to the Joint Director (e-governance cell), who shall process and decide the matter within a maximum time of 07 days.

For more information you can access the press release over here:

<https://www.mca.gov.in/content/dam/mca/pdf/document-82-new-20240219.pdf>

MINISTRY OF FINANCE

1. Union Finance Minister Smt. Nirmala Sitharaman interacts with start-up and fintech ecosystem stakeholders.

On 26.02.2024 a meeting with start-up and fin-tech ecosystem entities was facilitated by Smt. Nirmala Sitharaman, the Union Minister for Finance and Corporate Affairs, in New Delhi. The finance minister stated that creative solutions provided by fin-tech companies are crucial to the financial services industry while presiding over a meeting with chief executives from roughly fifty start-ups and fin-tech businesses. She did, however, emphasise that they had to make sure that the rules were strictly followed. The Minister asked the Department of Financial Services (DFS) to hold a workshop for partners in the fin-tech ecosystem to address their issues and concerns with law enforcement agencies. She also asked prominent figures in the finance industry for recommendations on how to make life and business easier for customers. RBI deputy governor T. Rabi Sankar, SBI Chairman Dinesh Khara, and officials from NPCI, Canara Bank, and Bank of Baroda were also present at the meeting. This meeting comes in the wake of the RBI's action against Paytm Payments which has brought regulatory compliance in the fin-tech industry into focus.

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

<https://pib.gov.in/PressReleaseDetail.aspx?PRID=2008034>

2. PFRDA amends retirement adviser regulations for ease of compliance.

On 20.02.2024, Pension regulator PFRDA has brought significant changes to Retirement Adviser Regulations to simplify the eligibility criteria, expedite the process of registration and remove the requirement of submission of security deposits. The notable amendments inter alia include:

- i. Non-Individual applicants regulated by other financial regulators are made eligible;
- ii. Security deposit is not required;
- iii. Applications to be disposed of within 30 days.

These simplifications are in line with the Union Budget 2023-24 announcement to review regulations to reduce the cost of compliance and enhance the Ease of Doing Business.

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

<https://pib.gov.in/PressReleaseDetail.aspx?PRID=2008034>

MINISTRY OF LABOUR AND EMPLOYMENT

1. EMPLOYEES' STATE INSURANCE (CENTRAL) AMENDMENT RULES, 2024:

Central Government in exercise of the powers conferred by section 95 of the Employees' State Insurance Act 1948, after consultation with the Employees' State Insurance Corporation, hereby makes the following rules further to amend the Employees' State Insurance (Central) Rules, 1950, namely the Employees' State Insurance (Central) Amendment Rules, 2024. They shall come into force from 26.02.2024.

Notification can be accessed from here:

<https://egazette.gov.in/WriteReadData/2024/252379.pdf>

MINISTRY OF LAW AND JUSTICE
(Legislative Department)

1. THE NOTARIES (AMENDMENT) RULES, 2024

Central Government in exercise of the powers conferred by section 15 of the Notaries Act, 1952, hereby makes the following rules further to amend the Notaries Rules, 1956, namely the Notaries (Amendment) Rules 2024. They shall come into force from 24.02.2024.

Notification can be accessed from here:

<https://egazette.gov.in/WriteReadData/2024/252366.pdf>

2. THE CONDUCT OF ELECTIONS (AMENDMENT) RULES, 2024

Central Government In exercise of the powers conferred by section 60 read with section 169 of the Representation of the People Act 1951, after consulting the Election Commission of India, hereby makes the following rules further to amend the Conduct of Elections Rules, 1961, namely the Conduct of Elections (Amendment) Rules, 2024. They shall come into force from 01.03.2024.

Notification can be accessed from here:

<https://egazette.gov.in/WriteReadData/2024/252530.pdf>

You may send your suggestions at kartikey@asalegal.in

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DELHI

3, Birbal Road, Ground & First Floor,
Jangpura Extension, New Delhi 110014.
Phone: +91-11-43108998, 45661440,
43552440, +91-11-24327050-52,
9311052521

MUMBAI

404-405, 4th Floor, Magnum Opus,
Near Grand Hyatt,
Behind Mudra Group,
Santacruz (East),
Mumbai – 400 055.
Phone: +91-22-62368654, 26661979

BENGALURU

1007, A-Wing, 10th Floor,
Mittal Tower, M.G. Road,
Bengaluru – 560001.
Phone: +91-80-48536504

AHMEDABAD

Office No.10, Business Centre,
5th Floor, Kalapuram Complex,
Near Municipal Market,
C.G. Road, Navrangpura,
Ahmedabad-380009.
Phone: +91-079-66660888,
+91-9173660088