



NEWSLETTER ^{Weekly}

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SECURITIES AND EXCHANGE BOARD OF INDIA

1. Modification in the timeline for submission of status regarding payment obligations to the stock exchanges by entities that have listed commercial paper

The Securities and Exchange Board of India (SEBI) vide circular dated September 06th 2024 modified the timeline for entities with listed commercial papers to report the status of their payment obligations within one working day of the payment due date, bringing it in line with the reporting requirements for non-convertible securities. The move will enhance transparency for stakeholders and ensure timely disclosures by the entities. The change will apply to entities reporting the payment of interest, dividends, or the redemption of principal amounts.

For more information, you can access the SEBI circular here:

https://www.sebi.gov.in/legal/circulars/sep-2024/modification-in-the-timeline-for-submission-of-status-regarding-payment-obligations-to-the-stock-exchanges-by-entities-that-have-listed-commercial-paper_86493.html

MINISTRY OF FINANCE

1. Finance Ministry Eases Rules for Rs 500 Crore+ Expenses to Boost Capex In Current Fiscal Year

The Ministry of Finance has issued a relaxation in the norms for expenditure surpassing Rs 500 crore to help boost the capital expenditure (capex) which is set at Rs 11.11 lakh crore for the current 2024-25 fiscal year (FY25). The revisions in the norms would help boost government spending which has been weakened in the recent months owing to general elections.

Finance Minister Nirmala Sitharaman suggested raising the Capex estimate in the 2024-25 budget by 11%, to a record Rs 11.11 lakh crore. The ministry stated in an official memorandum released on September 2, 2024, that the decision was made to loosen the regulations governing the release of funds above Rs 500 crore for use in the present fiscal year in order to promote the seamless execution of the budget recommendations.

The memorandum also specified that full adherence to the regulations by all ministries and departments is required for this relaxation. The memorandum stated that all expenses, whether for scheme or non-scheme expenditures, "should comply with the guidelines of the Single Nodal Agency (SNA)/Central Nodal Agency (CNA) and Monthly Expenditure Plan (MEP) and Quarterly Expenditure Plan (QEP) ceiling prepared by ministries."

2. Tuhin Kanta Pandey designated as finance secretary

The Government of India has appointed Indian Administrative Service (IAS) officer Tuhin Kanta Pandey as Finance Secretary. Mr. Pandey has replaced TV Somanathan, who has been appointed as the new Cabinet Secretary of India, succeeding Rajiv Gauba in August.

Mr. Pandey was the secretary of the Department of Investment and Public Asset Management (DIPAM). Mr. Pandey holds an MBA from the UK and a master's degree in economics from Punjab University and has worked as a bureaucrat for many years, holding positions both in central government and in Odisha. He held a number of positions in Odisha, including managing director at the Odisha Small Industries Corporation (OSIC) and executive director at the Odisha State Finance Corporation (OSFC). In addition, Pandey presided over the Sambalpur district as district magistrate.

3. Banking sector will lead the march to Viksit Bharat 2047

Mr. M. Nagaraju, Secretary, Department of Financial Services, Ministry of Finance highlighted on readiness of India's robust banking system in meeting the needs of Viksit Bharat. In his keynote address at "FIBAC 2024," which was co-hosted by FICCI and IBA with the topic "Banking for Viksit Bharat," Nagaraju continued, "Viksit Bharat 2047 is the government's ambitious vision to transform India into a developed country by 2047,". He emphasized the need for commitment and faith in the abilities and potential of the Indian people in order to realize this vision. The union budget supported this vision by laying emphasis on mahila, yuva and annadaata.

Banking sector remain the primary source of funding for the Indian economy. He went on to say that banks support inclusive growth by helping the underprivileged, enabling MSMEs, and supporting projects in important sectors like healthcare. According to the secretary, the government has implemented a number of programs, including the PMJDY, to encourage participation from all groups so that everyone may contribute to the development of the nation.

India's financial sector is increasingly integrating fintech into its operations, according to a report by Mr. Nagaraju. He urged banks to harness the potential of fintechns while addressing cyber threats. He also emphasized the importance of digital infrastructure in bridging the income gap, despite the fact that a significant portion of the population still resides in the middle and low-income bracket. Mr. Nagaraju emphasized India's significant infrastructure built post-economic liberalisation, but acknowledged the need to bridge the digital divide. He emphasized the importance of banking in achieving the country's 2047 goals, emphasizing its role in connecting the middle and low-income bracket.

MINISTRY OF CORPORATE AFFAIRS

1. The Ministry of Corporate Affairs to launch Company ADJ form on 16th September 2024

To facilitate implementation of this form in V3 MCA21 portal, stakeholders are advised to note the following points:

- ADJ form on V2 portal will be disabled from 12th September 2024 12:00 AM to 15th September 11:59 pm which is planned for roll-out on 16th September 2024 at 12:00 AM.

- All stakeholders are advised to ensure that there are no SRNs in pending payment and Resubmission status.
- Offline payments in V2 using Pay later option would be stopped from 04th September 12:00 AM. You are requested to make payments for these forms in V2 through online mode (Credit/Debit Card and Net Banking).
- V3 portal will not be available for filing of Company/LLP forms on 15th September due to ADJ form roll-out.
- V2 Portal for company filing will remain available for all the forms which are currently in V2 system. Stakeholders may plan accordingly.

For more information you can access the GOI release over here-

<https://pib.gov.in/PressReleasePage.aspx?PRID=2050261>

RESERVE BANK OF INDIA

1. Review of Extant Instructions – Withdrawal of Circulars

The Reserve Bank of India (RBI) vide notification dated September 02nd 2024 informed that an internal review was carried out to identify and withdraw obsolete/ outdated/ superfluous instructions. Based on the same, the circulars mentioned in the notification stand withdrawn with immediate effect in view of subsequent updated instructions issued on the subject matters.

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

<https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12731&Mode=0>

2. Liberalised Remittance Scheme (LRS) for Resident Individuals- Discontinuation of Reporting of monthly return

The Reserve Bank of India (RBI) vide notification dated September 06th 2024 informed that on a review, it has now been decided to discontinue the requirement for submission of LRS monthly return by AD Category-I banks. Accordingly, from the reporting month of September 2024, AD Category-I banks shall not submit LRS monthly return. AD Category-I banks, henceforth, will be required to upload only transaction-wise information under LRS daily return at the close of business of the next working day on CIMS (URL: <https://sankalan.rbi.org.in>). In case no data is to be furnished, AD Category-I banks shall upload a 'NIL' report.

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

<https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12732&Mode=0>

3. Withdrawal of ₹2000 Denomination Banknotes – Status

The Reserve Bank of India (RBI) vide press release dated September 02nd 2024 informed 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 ₹7261 crore at the close of business on August 30, 2024. Thus, 97.96% of the ₹2000 banknotes in circulation as on May 19, 2023, has since been returned.

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

https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=58620

4. 610th Meeting of Central Board of the Reserve Bank of India

The Reserve Bank of India (RBI) vide press release dated September 04th 2024 informed regarding the 610th meeting of the Central Board of Directors of the RBI in Mumbai under the Chairmanship of Shri Shaktikanta Das, Governor. The Board reviewed the global and domestic economic scenario and outlook, including associated challenges. The Board also reviewed various areas of operations of the Reserve Bank of India including the functioning of Local Boards and activities of select Central Office Departments.

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

https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=58636

5. 31st Meeting of the FSDC Sub-Committee

The Reserve Bank of India (RBI) vide press release dated September 05th 2024 informed regarding a meeting of the Sub-Committee of the Financial Stability and Development Council (FSDC-SC) at the RBI, Mumbai. The Sub-Committee reviewed major global and domestic macroeconomic and financial developments and issues relating to inter-regulatory coordination in the Indian financial sector. Members shared their assessments of potential risks to financial stability and discussed various issues that may have financial stability implications. The Sub-Committee also reviewed the activities of various technical groups under its purview, and the functioning of State-level Coordination Committees (SLCCs) in States/Union Territories (UTs). The FSDC-SC resolved to continue its focus on improving financial sector resilience through inter-regulatory coordination, while remaining watchful of emerging challenges to the economy and the financial system, including those from global spillovers, cyber hazards and climate change.

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

https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=58642

You may send your suggestions at kartikey@asalegal.in

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