

RBI

Benefit to Customers of NBFCs: NBFC Services brought to similar levels as Banks through implementation of 'Core Financial Services Solution (CFSS)', akin to the Core Banking Solution (CBS).

- RBI have asked NBFCs with 10 and more *Fixed point service delivery units as on **October 1, 2022** to implement CFSS for NBFCs – Middle Layer and NBFCs - Upper Layer with
- Time frame for implementation – For NBFCs – Middle layer and Upper layer – on or before **September 30, 2025**
- **Fixed point service delivery unit' is a place of operation from where the business activity of non-banking financial intermediation is carried out by the NBFC and which is manned either by its own staff or outsourced agents. It carries uniform signage with name of the NBFC and functions under administrative control of the NBFC. Administrative Offices and Back Offices which do not have any direct interface with customers should not be treated as a 'Fixed point service delivery unit'.*

SEBI

Unsatisfactory compliance forces SEBI to upend and earlier order mandatorily splitting Top Listed entities are now allowed by SEBI to have the same individual as CMD upending an earlier order where the CMD post was mandatorily split.

- ✓ From April 1, 2020, SEBI had mandated that top 500 listed entities must split the role of CMD. The Chairperson of the board was to be a non-executive director and not be related to the Managing Director or the Chief Executive Officer as per the definition of the term "relative" defined under the Companies Act, 2013.
- ✓ Considering rather unsatisfactory level of compliance achieved so far, with respect to this corporate governance reform, various representations received, constraints posed by the prevailing pandemic situation and with a view to enabling the companies to plan for a smoother transition, SEBI Board has amended this provision from a mandatory requirement and instead made it voluntary.

Holders of existing trade and Demat Account holders will have 1 year extension to file their nominee details or to opt out of the process, vide extension of timeline till March 31, 2023

- Investors who are opening new trading and demat accounts from October 1 have the choice of providing nomination or opting out of nomination through a declaration form.
- In view of Covid related issues, for existing account holders, SEBI has extended the timeline till March 31, 2023 to file for the details of account holders' nominees or for account holders to opt out of the nomination process.
- Further, this will be allowed by way of two factor authentication login on the internet trading platform for stock brokers/depository participants providing such service.
- The extension applies to freezing of accounts.
- The details previously required like mobile number, e-mail ID and identification details of the nominee/ guardian of the minor nominee have been made optional.

In view of the COVID-19 situation in India, SEBI extends the relaxation to the following 7 items till June 30, 2022

- Processing of Remat Requests
- Processing of Transmission Requests
- Processing of request for Issue of Duplicate Share Certificates
- Processing of Requests for Name Deletion/Name Change/Transposition
- Processing of Requests for Consolidation / Split / Replacement of Share Certificates / Amalgamation of Folios
- Handling Investor Correspondence / Grievances / SCORES complaint
- Processing of the demat requests

CORPORATE NEWSFLYER

February 2022 Vol II



TAX

E-Invoice mandatory if Turnover exceeds INR 20 Crores w.e.f. April 1, 2022

- With effect from April 1, 2022, CBIC made E-invoice under GST mandatory for registered persons having aggregate turnover above INR 20 crore in any of the previous years from 2017-18 till 2021-22.
- The existing limit of INR 50 crores has been reduced to INR 20 crores.

OTHER

DGFT further pushes digitization by mandating the Filing/issuance of RCMC/RC through a common digital platform w.e.f. April 1, 2022

- The objective of the platform is to provide an electronic, contact-less single window for RCMC/RC related processes.
- The electronic platform to facilitate electronic issuance/renewal/amendment of Registration Cum Membership Certificate (RCMC)/ Registration Certificate (RC) has been implemented.
- The prevailing procedure of submitting applications directly to the designated Registering Authorities will continue only till March 31, 2022.
- Registering Authorities, who have already onboarded are advised to adopt e-RCMC platform as a single point for handling RCMC related processes. The Registering Authorities are also advised to conduct outreaches & issue suitable advisories to the members/exporters to use the e-RCMC platform before the stated timelines.