

RBI

RBI amends Regulatory Framework for Asset Reconstruction Companies (ARCs)

To strengthen transparency of ARC and to improve their corporate governance standards, the following measures are introduced:

A. Measures to Enhance Governance of ARCs

- Chair of the Board to be an Independent Director, Quorum – 1/3 strength of the board or 3 directors, whichever is higher
- Tenure of Managing Director (MD)/Chief Executive Officer (CEO) and Whole time Directors (WTD) shall not be more than 5 years at a time and the individual shall be eligible for re-appointment.
- No person shall continue as MD/CEO or WTD beyond the age of 70 years
- Performance review – yearly review

B. Committees of the Board

- Audit Committee – ARCs to constitute audit committee of the Board which shall comprise of non-executive Directors.
- Nomination and remuneration committee – ARCs shall constitute a Nomination and Remuneration Committee of the Board, which shall have the same powers, functions and duties as laid down in Section 178 of the Companies Act, 2013.

RBI Operationalizes first pilot in Digital Currency - Wholesale (e₹-W) segment w.e.f. November 1, 2022

- First Digital Rupee – Wholesale segment (e₹-W) shall commence from November 1, 2022.
- This pilot is being tried for settlement of secondary market transactions in government securities.
- Use of e₹-W is expected to make the inter-bank market more efficient. Settlement in central bank money would reduce transaction costs by preempting the need for settlement guarantee infrastructure or for collateral to mitigate settlement risk. Going forward, other wholesale transactions, and cross-border payments will be the focus of future pilots, based on the learnings from this pilot.

- Nine banks, viz., State Bank of India, Bank of Baroda, Union Bank of India, HDFC Bank, ICICI Bank, Kotak Mahindra Bank, Yes Bank, IDFC First Bank and HSBC have been identified for participation in the pilot.
- The first pilot in Digital Rupee - Retail segment (e₹-R) is planned for launch within a month in select locations in closed user groups comprising customers and merchants. The details regarding operationalization of e₹-R pilot shall be communicated later.

SEBI

SEBI reduces denomination/face value for debt securities and non – convertible redeemable preference shares (NCRPS) to INR 1 Lakh

- SEBI mandates that the face value of each debt security or non-convertible redeemable preference shares issued on private placement basis shall be **INR 1 lakh** and the trading lot shall be of equal value to the face value.
- The provisions of this circular shall be applicable to all issues of debt securities and NCRPSs, on private placement basis, through new ISINs, on or after January 1, 2023.

SEBI prescribes guidelines for constitution of Governing Council for Social Stock Exchange

SEBI ICDR Regulations mandates the constitution of Governing Council for Social Stock Exchanges (SSE). As per Regulation 292D of the ICDR Regulations, every Social Stock Exchange shall constitute a Social Stock Exchange Governing Council to have an oversight on its functioning, with composition and terms of reference as specified by the Board.

Further, the stock exchange shall constitute a Governing Council for the Social Stock Exchange prior to seeking final approval from SEBI for introduction of Social Stock Exchange as a separate segment.



TAX

Central Board of Direct Taxes (CBDT) extends due date for filing of TDS Statement in Form 26Q till November 30, 2022 for the second quarter of Financial year 2022-23

The CBDT has extended the due date of filing of Form 26Q for the second quarter of Financial Year 2022-23 from October 31, 2022 to November 30, 2022.

CBDT extends due date for Return filing for Audit & Related cases to November 7, 2022

The Central Board of Direct Taxes (CBDT) has extended the due date of furnishing of return of income under section 139 (1) of the income tax act, 1961 for the Assessment Year 2022-23, for the assesses for whom the due date is October 31, 2022 to November 7, 2022.

OTHER

E-Passbook facility for National (Small) Savings Scheme Account holders

Ministry of Communications, Department of Posts (Financial Service Division), has introduced e-Passbook facility w.e.f. October 12, 2022 in order to provide simplified and enhanced digital facilities to National (Small) Savings Schemes account holders. The e-Passbook facility can be accessed by an account holder through registered mobile number. The service will be available free of cost.

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