

RBI

RBI announces the launch of first pilot for retail digital Rupee (e₹-R) from December 01, 2022

RBI operationalizes the Central Bank Digital Currency (CBDC) - Retail (e₹-R) Pilot.

- ✓ The pilot would cover select locations in closed user group (CUG) comprising participating customers and merchants.
- ✓ The e₹-R would be in the form of a digital token that represents legal tender issued in the same denominations as paper currency & coins.
- ✓ The core idea behind e₹-R is to replace cash money. The other key feature is that the value of e₹-R remains the same throughout, just like cash money, unlike other forms of digital currency viz., cryptos.
- ✓ It would be distributed through intermediaries, i.e., banks.
- ✓ The pilot will test the robustness of the entire process of digital rupee creation, distribution, and retail usage in real time.
- ✓ Eight banks have been identified for phase-wise participation in this pilot. The first phase viz., State Bank of India, ICICI Bank, Yes Bank and IDFC First Bank in four cities across the country. Four more banks, viz., Bank of Baroda, Union Bank of India, HDFC Bank & Kotak Mahindra Bank will join this pilot subsequently.

Inclusion of Goods and Service Network (GSTN) as a Financial Information Provider under Account Aggregator Framework

To facilitate cash flow – based lending to MSMEs,

- ✓ RBI has included Goods and Service Tax Network (GSTN) as a Financial Information Provider (FIP) under the Account Aggregator (AA) framework.
- ✓ Department of Revenue shall be the regulator of GSTN for this specific purpose and Goods and Service Tax (GST) Returns, viz. Form GSTR-1 and GSTR-3B, shall be the Financial Information.

SEBI

SEBI sets timelines for transfer of dividend and redemption proceeds to unit holders of mutual funds

SEBI has made the following amendments to SEBI (Mutual Funds) Regulations, 1996-

- Transfer of Dividend Payments – Setting of record date to two working days (T+2) from the issue of public notice, wherever applicable, for the purpose of payment of dividend. The payment of dividend to the unit holders to be made within 7 working days from record date.
- Transfer of Redemption or Repurchase Proceeds – The transfer of redemption or repurchase proceeds to the unitholders to be made within three working days from the date of redemption or repurchase.

Extension of timelines for implementation of SEBI Circulars

SEBI extends timelines for implementation of SEBI Circulars on “Execution of Demat Debit and Pledge Instruction (DPPI) for transfer of securities towards deliveries / settlement obligations and pledging / re-pledging of securities – Clarification till January 20, 2023 and Circular on “Validation of Instructions for Pay-in of Securities form Client demat account to Trading Member (TM) Pool Account against obligations received from the clearing corporations” till January 27, 2023.

SEBI prescribes procedure for change in control of Stock-broker/clearing member, depository participant, investment adviser, research analyst or research entity, registrar to an issue and share transfer agent and KRA

- Intermediary to make an online application to SEBI for prior approval through the SEBI Intermediary portal.
- Online application in SI portal to be accompanied with various information/declaration/undertaking about itself, the acquirer (s)/ the person (s) who shall have the control.
- The prior approval granted by SEBI shall be valid for a period of six months from the date of such approval within which the applicant shall file application for fresh registration pursuant to change in control.
- The provisions shall be applicable w.e.f. December 1, 2022.



SEBI specifies uniform format for reporting of trades in non-convertible securities under SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021

- ✓ SEBI has observed that information on OTC trades in listed Non-Convertible Securities provided to the Stock Exchange (s) by the investors is incomplete and / or inaccurate, leading to distorted information on the Stock Exchanges' websites. To address the issue, SEBI has made a particular format of disclosure.
- ✓ The reporting of OTC trades in non-convertible securities shall be made by all person(s) dealing in such securities irrespective of whether they are SEBI registered intermediaries or otherwise. The circular shall come into effect from January 1, 2023.

Applicability of GST on fees remitted to SEBI for issue and listing of Non-Convertible securities, Securitised Debt Instruments, Security Receipts, Municipal debt securities and Commercial Paper.

Vide circular ref. no. SEBI/HO/GSD/TAD/CIR/P/2022/0097 dated July 18, 2022, SEBI has intimated Market Infrastructure Institutions (MIs), intermediaries registered with SEBI and companies which have listed/ are intending to list their securities on the Stock Exchange(s) and persons who are dealing in the securities market, that any payment to SEBI shall be subject to GST @ 18% w.e.f. July 18, 2022.

SEBI reviews timelines for listing of securities issued on a private placement basis

- ✓ To improve efficacy in the listing process and expedite the availability of securities for trading, the timeline for listing is being reduced from T+4 to T+3 days (wherein T refers to issue closure date).
- ✓ Also, the timelines for making an application for in-principle approval to the stock exchange(s) where the issuer intends to list its securities and/or receipt of in-principle approval from the stock exchange(s), are being incorporated.

MCA amends the Companies (Registered Valuers and Valuation) Rules

Companies (Registered Valuers and Valuation) Rules has been amended –

- Insertion of Rule 7A – Intimation of changes in personal details etc. by registered valuer to the authority
- Insertion of Rule 14A – Intimation of Changes in composition of governing board, etc. by the registered valuers organizations to the authority.

OTHER

FCRA guidelines for consideration of proposals for acceptance of foreign hospitality

The Foreign Contribution (Regulation) Act, 2010 (FCRA 2010) and the Foreign Contribution (Regulation) Rules, 2011 (FCRR, 2011) came into force with effect from May 1, 2011. The provisions under the Act/Rules relating to 'foreign hospitality' and guidelines to be followed for consideration of proposals for acceptance of the same was circulated dated 20.09.2011. However, subsequent amendments in the FCRA, 2010 and FCRR, 2011 have necessitated review of those guidelines. Therefore, these guidelines have been reviewed and fresh guidelines are hereby circulated for information and compliance by all concerned. It is requested that wide publicity may be given to these guidelines. In case of any doubt, relevant provisions of the FCRA, 2010, FCRR, 2011 and other statutory notifications may be referred.

Revision of Interest rate of National Savings (Monthly Income Account) Scheme to 6.7% p.a. from October 1, 2022

Government permit export benefits/fulfilment of Export Obligations for Invoicing, payment and settlement of exports and imports in INR

Amendments under FTP are notified, to permit exports benefits / fulfilment of Export Obligations for Invoicing, payment and settlement of exports and imports in INR, as per RBI's A.P. (DIR Series) Circular No. 10 dated July 11, 2022. This shall come into force with immediate effect.

