

# Info Capsule

Wednesday  
April 20, 2022

**President : CS Devendra V. Deshpande**

**Vice President : CS Manish Gupta**

## ❖ **Securities Laws & Capital Markets**

### SEBI News

#### **SEBI rejigs advisory panel on leveraging regulatory, technology solutions (April 20, 2022)**

SEBI has reconstituted its advisory committee, which provides guidance on enhancing the regulator's technological capabilities and on exploring appropriate technological solutions for early detection of market anomalies. The Advisory Committee for Leveraging Regulatory and Technology Solutions (ALeRTS) will now be headed by Sunil Bajpai, former Principal Advisor (Information Technology) at the Telecom Regulatory Authority of India (TRAI). The terms of reference for the committee include recommending future roadmaps and improvements in the various on-going technology projects along with guiding the regulator in designing and framing requirements for the various in-house systems.

For details:

[https://www.business-standard.com/article/pti-stories/sebi-rejigs-advisory-panel-on-leveraging-regulatory-and-technology-solutions-122041900936\\_1.html](https://www.business-standard.com/article/pti-stories/sebi-rejigs-advisory-panel-on-leveraging-regulatory-and-technology-solutions-122041900936_1.html)



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Statutory body under an Act of Parliament  
(Under the jurisdiction of Ministry of Corporate Affairs)



## ❖ **Ministry of Corporate Affairs**

### **The Nidhi (Amendment) Rules, 2022 (April 19, 2022)**

The Ministry of Corporate Affairs (MCA) vide its Notification dated April 19, 2022 has notified the Nidhi (Amendment) Rules, 2022 which shall come into force on the date of its publication in the Official Gazette. The said amendments *inter-alia* provide that:

- No company, which has not complied rule 3A pertaining to Declaration of Nidhis, shall raise any deposit from its members or provide any loan to its members under the provisions of these rules from the date of such non-compliance, or from the date of the commencement of the above said rules, or the date of rejection of the application in Form NDH-4, whichever is later. Further, if any deposit raised by a company after the date of non-compliance, the said deposit shall be deemed to have been raised in pursuance of Acceptance of Deposits by Companies (Chapter V). **(Insertion: Fourth and Fifth Proviso to Rule 3A)**
- Public company desirous to be declared as a Nidhi shall apply, in Form NDH-4, within a period of one hundred twenty days of its incorporation for declaration as Nidhi, if it fulfils the following conditions, namely:- (I) it has not less than two hundred members; and (II) it has Net Owned Funds of twenty lakh rupees or more etc. **(Insertion: Rule 3B)**
- A Nidhi shall be a public company and shall have a minimum paid up equity share capital of ten lakh rupees and shall comply with this requirement within a period of eighteen months of commencement of amendment rules. **[Substitution: Rule 4(1)]**
- Under General Restrictions and Prohibitions- no Nidhi shall acquire or purchase securities of any other company or control the composition of the Board of Directors of any other company in any manner whatsoever or enter into any arrangement for the change of its management. **[Substitution: Rule 6(d)]**

- Every Nidhi shall maintain Net Owned Funds of not less than twenty lakh rupees or such higher amount as the Central Government may specify from time to time and shall comply with this requirement within a period of eighteen months of commencement of amendment rules. **(Substitution: Rule 9)**

*For details:*

<https://www.mca.gov.in/bin/dms/getdocument?mids=LTZyclKMNK0LX6JwM%252BaPeA%253D%253D&type=open>

## ❖ **Banking and Insurance**

- **Disclosures in Financial Statements- Notes to Accounts of NBFCs ; Loans and Advances – Regulatory Restrictions – NBFCs; Capital requirements for Non-Banking Finance Companies – Upper Layer (NBFC-UL) & Large Exposures Framework for Non-Banking Financial Company - Upper Layer (NBFC-UL) (April 19, 2022)**

The Reserve Bank of India (RBI) had issued circular DOR.CRE.REC.No.60/03.10.001/2021-22 dated October 22, 2021, on Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs. Now RBI has issued detailed set of rules and relevant annexures for Non-Bank Financiers on Large Exposures, Capital Requirements, Lending to Directors and sought Additional Disclosures in their notes to accounts.

*For details:*

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12292&Mode=0>

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12294&Mode=0>

<https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12296&Mode=0> &

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12298&Mode=0>

- **Issue and regulation of share capital and securities - State Co-operative Banks and District Central Co-operative Banks (April 19, 2022)**

The Banking Regulation (Amendment) Act, 2020, notified in the Gazette of India on September 29, 2020, has come into force with effect from April 01, 2021 for Rural Co-operative Banks (RCBs), i.e. State Co-operative Banks (StCBs) and District Central Co-operative Banks (DCCBs). The extant instructions for RCBs on issue and regulation of capital funds have been reviewed keeping in view, inter alia, the provisions of Section 12 read with Section 56 of the amended Banking Regulation Act, 1949.

*For details:*

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12297&Mode=0>

- **Opening current, cash credit/OD accounts: Banks' scope widened (April 20, 2022)**

The Reserve Bank of India (RBI) has expanded the scope of exemptions under its circular for "opening Of Current Accounts and Cash Credit (CC)/Overdraft (OD) accounts" by banks. It has given exemptions for accounts for settlement of dues related to debit card/ATM card/ credit card issuers, accounts of white label ATM operators and their agents for sourcing of currency, Cash-In-Transit (CIT) companies/Cash Replenishment Agencies (CRAs) for providing cash management services and accounts opened by a bank funding a specific project for receiving/ monitoring cash flows of that specific project, provided the borrower has not availed any CC/OD facility for that project, inter-bank accounts and accounts of All India Financial Institutions (AIFIs).

For details:

<https://indianexpress.com/article/business/banking-and-finance/opening-current-cash-credit-od-accounts-banks-scope-widened-7877399/>

### ❖ Terminology for today

#### Exogenous Growth

Exogenous growth, a key tenet of neoclassical economic theory, states that economic growth is fueled by technological progress independent of economic forces.

### ❖ Market Watch

#### Stock Market Indices as on 20.04.2022

S & P BSE Sensex	57037.50 (+574.35)
Nifty 50	17136.55 (+177.9)

#### Foreign Exchange Rates as on 19.04.2022

(<https://www.geojit.com/currency-futures>)

INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR/ 1 JPY
76.08	82.10	99.07	0.60

**Prepared by Directorate of Academics**

For any suggestions, please write to [academics@icsi.edu](mailto:academics@icsi.edu).

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