



#### Vision

"To be a global leader in promoting good corporate governance"

#### Motto

सत्यं वद। धर्मं चर। इष्टार्थं कुरु। तृप्तये श्रेयते। by the law

#### Mission

"To develop high calibre professionals facilitating good corporate governance"

# Info Capsule

Friday, December 29, 2023

#### President

**CS Manish Gupta**

#### Vice President

**CS B Narasimhan**

### ❖ Ministry of Finance

**Financial Intelligence Unit India (FIU IND) issues compliance Show Cause Notices to nine offshore Virtual Digital Assets Service Providers (VDA SPs) (December 28, 2023)**

Virtual Digital Assets Service Providers (VDA SPs) were brought into the ambit of Anti Money Laundering/Counter Financing of Terrorism (AML-CFT) framework under the provisions of the Prevention of Money Laundering Act (PML) Act, 2002 in March 2023. As part of compliance action against the offshore entities, Financial Intelligence Unit India (FIU IND) has issued compliance Show Cause Notices to nine offshore Virtual Digital Assets Service Providers (VDA SPs) under Section 13 of the Prevention of Money Laundering Act, 2002 (PMLA).

For details:

<https://pib.gov.in/PressReleasePage.aspx?PRID=1991372>

### ❖ Ministry of Corporate Affairs

**Ministry of Corporate Affairs Year Ender 2023 (December 29, 2023)**

In the framework of corporate governance, the Ministry of Corporate Affairs (MCA) continues to focus on bolstering 'ease of compliance' and 'ease of doing business' in the year 2023. The establishment of Central Processing for Accelerated Corporate Exit (C-PACE) signifies a proactive approach to facilitate swift approvals for companies opting for voluntary closures. Notably, during the year 2023, 1,96,028 companies and LLPs were incorporated, showcasing a robust growth compared to the corresponding period in the previous fiscal year.

For details:

<https://pib.gov.in/PressReleasePage.aspx?PRID=1991275>

### ❖ Banking

• **RBI releases the Financial Stability Report, December 2023 (December 28, 2023)**

The Reserve Bank released the 28th issue of the Financial Stability Report (FSR), which reflects the collective assessment of the Sub-Committee of the Financial Stability and Development Council (FSDC) on risks to financial stability and the resilience of the Indian financial system.

For details:

[https://rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=57005](https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=57005)

• **Reserve Bank of India (Financial Benchmark Administrators) Directions, 2023 (December 28, 2023)**

The Financial Benchmark Administrators (Reserve Bank) Directions, 2019 dated June 26, 2019 have been reviewed to put in place a holistic risk-based framework covering all benchmark administrators in financial markets regulated by the Reserve Bank. These Directions have been issued in exercise of the powers conferred under section 45W of the Reserve Bank of India Act, 1934 read with section 45U of the Act and of all the powers enabling it in this behalf.

For details:

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12581&Mode=0>

- MHP Exemption for Transfer of Receivables (December 28, 2023)**

In order to develop secondary market operations of receivables acquired as part of 'factoring business' as defined under the Factoring Regulation Act, 2011, it has been decided that transfer of such receivables by eligible transferors will be exempted from Minimum Holding Period (MHP) requirement, subject to fulfilment of certain conditions.

*For details:*

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12582&Mode=0>

- Classification of MSMEs (December 28, 2023)**

As classification / re-classification of MSMEs is the statutory responsibility of Ministry of MSME, Government of India (GoI) as per the provisions of the MSMED Act, 2006, regulated entities shall be guided by the notifications issued by the Ministry of MSME in this regard, from time to time. Accordingly, para 2.2, 2.4 to 2.7 of Master Direction- Lending to Micro, Small & Medium Enterprises (MSME) Sector are amended.

*For details:*

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12583&Mode=0>

- RBI releases Draft Directions on Bond Forwards under Section 45W of the RBI Act, 1934 (December 28, 2023)**

The Reserve Bank of India released the Draft Reserve Bank of India (Bond Forwards) Directions, 2023. Comments on the draft directions are invited from banks, market participants, investors and other interested parties by January 25, 2024. Feedback on the draft directions may be forwarded to: The Chief General Manager at Reserve Bank of India, Financial Markets Regulation Department, 9th Floor, Central Office Building, Shahid Bhagat Singh Marg, Fort Mumbai – 400001 Or by email ([fmrdfedback@rbi.org.in](mailto:fmrdfedback@rbi.org.in)) with subject line "Feedback on Draft Directions on Bond Forwards".

*For details:*

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=57007](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=57007)

## ❖ Market Watch

Stock Market Indices as on 29.12.2023	
S & P BSE Sensex	72,240.26 (-170.12)
Nifty 50	21,731.40 (-47.30)

Foreign Exchange Rates as on 29.12.2023 ( <a href="https://m.rbi.org.in/scripts/ReferenceRateArchive.aspx">https://m.rbi.org.in/scripts/ReferenceRateArchive.aspx</a> )			
INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
83.11	92.00	106.10	0.58

- **Domestic Systemically Important Bank (D-SIB) Framework - Review of the Assessment Methodology (December 28, 2023)**

The Reserve Bank had issued the framework for dealing with Domestic Systemically Important Banks (D-SIBs) on July 22, 2014. In terms of this framework, the Bank is required to identify and disclose the names of banks designated as D-SIBs annually. Further, in terms of the framework, the assessment methodology, for assessing the systemic importance of banks and identification of the D-SIBs, is required to be reviewed on a periodic basis. Accordingly, a review of the assessment methodology has been carried out, taking into consideration the functioning of the framework since its introduction, international developments in the field of systemic risk measurement, and the experience of other countries in implementing the D-SIB framework.

*For details:*

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=57015](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=57015)

### ❖ **Securities Laws & Capital Market**

#### **SEBI suggests material event to be considered for rumour verification in new consultation paper (December 28, 2023)**

Capital markets regulator Securities and Exchange Board of India (SEBI) released a consultation paper on December 28, 2023, where it suggests that material price movement and not material event as defined under Regulation 30 of the listing regulations should be considered for rumour verification.

*For details:*

<https://www.livemint.com/market/stock-market-news/sebi-floats-consultation-paper-on-market-rumour-verification-norms-11703772097275.html>

**Prepared by Directorate of Academics**

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

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