



Corporate and Allied Laws Bulletin October 2024

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1. Mergers / Amalgamations involving a foreign holding company and its wholly owned Indian subsidiary

The Ministry of Corporate Affairs (MCA) amended the Companies (Compromises, Arrangements, and Amalgamations) Rules, 2016 effective from 17th September 2024. The amendment facilitates the mergers / amalgamations of a foreign holding company and its Indian wholly owned subsidiary company must obtain prior approval from the Reserve Bank of India (RBI) before proceeding.

Additionally, the Indian transferee company must comply with Section 233 of the Companies Act, 2013 and submit an application to the Central Government along with declaration as specified in the rule. This amendment brings more clarity and procedural requirements for cross-border mergers involving foreign holding companies and their Indian wholly owned subsidiaries.

2. Launch of Single Window IT System (SWIT System) by IFSCA

SWIT System of International Financial Services Centres Authority (IFSCA) is a unified one stop digital platform developed to facilitate ease of doing business in the IFSC by streamlining the application process and eliminating the need to navigate multiple authorities independently for various necessary approvals. The system brings multiple government agencies and regulators such as Department of Commerce under Ministry of Commerce and Industry, Department of Revenue under Ministry of Finance, RBI, SEBI, IRDAI on a single digital platform.

Key features of the SWIT system includes:

- Common Application Form
- API Integration with SEZ online system for SEZ approvals
- Interface for obtaining No Objection Certificate (NoC) from RBI, SEBI and IRDAI
- Obtaining GST Registration
- Real time data validation of PAN, DIN and CIN
- Integrated Payment Gateway
- Integrated Digital Signature Certificate (DSC) Module

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