



Corporate and Allied Laws Bulletin September 2024

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1. Establishment of E-Adjudication Platform

The Ministry of Corporate Affairs (MCA) has mandated with effect from September 16, 2024, that all adjudication proceedings including the issuance of notices, filing of replies or documents, filing of evidence, holding of hearings, attendance of witnesses, passing of orders and payment of penalties shall be conducted in the electronic mode only through the e-adjudication platform developed by the Central Government.

If the email address of any person to whom a notice or summons is to be issued is not available, the adjudicating officer shall send the notice by post at the last intimated address or address available in the records. A copy of such notice shall be preserved by the officer in the electronic record in the e-adjudication platform. In case no address of the person concerned is available, the notice shall be placed on the e-adjudication platform.

2. Credit reporting requirements by CI

Following are the requirements for credit information reporting and processing:

- **Reporting period:** Credit Institutions (CI) and Credit Information Companies (CIC) shall keep the credit information collected / maintained on a fortnightly basis (i.e., as on the 15th and the last day of each month), or at shorter intervals if agreed upon.
- **Reporting frequency:** CI must submit such credit information to CIC within 7 calendar days of the reporting period.
- **Data ingestion timeline:** CIC must process and incorporate the data from CI within 5 calendar days of receipt.
- **Non-compliance reporting:** CIC are required to submit a list of non-compliant CI to the Reserve Bank of India at half yearly intervals (31st March and 30th September).
- **Applicability:** These requirements will be effective from 01st January 2025.

3. New IFSC Authority Listing regulations

These new International Financial Services Centre (IFSC) regulations provide the regulatory framework for the listing of specified securities, debt securities, depository receipts, and other permitted financial products on recognised stock exchanges in the IFSC. The same can be accessed at [Link](#).

The regulations provide conditions for IPO, FPO, rights issue, preferential issue, qualified institution placement and additional conditions for listing of specified securities without public offer, specified securities already listed in other jurisdiction, special purpose acquisition companies, depository receipts, debt securities, Environmental, Social and Governance labelled debt securities and other financial products.

These regulations also provide for listing obligations and disclosure requirements on listing of specified securities, depository receipts and debt securities.

4. Guidelines for NBFCs

RBI has revised certain guidelines applicable to NBFCs.

Following are the key points for the Non-Banking Financial Companies (**NBFCs**) accepting public deposits:

- **Nomination**

NBFCs are advised to devise proper system of acknowledging the receipt of duly completed form for addition, cancellation or variation of nomination. Such acknowledgment shall be given to all the depositors.

- **Early repayment of public deposits**

NBFCs (not being problem NBFCs) can now make early repayments without interest before the expiry of 3 months from the date of acceptance of deposits at the request of depositors for meeting expenses of emergent nature like medical emergencies or natural disasters as follows:

Type of Deposits	Amount of repayment permissible
Tiny Deposits (deposits not exceeding INR 10,000)	100% of the principal amount
<u>Other public deposits:</u> - For critical illness - For other than critical illness	- 100% of the principal amount - Up to 50% of the principal amount or INR 5 lakh, whichever is lower

- **Intimation of maturity**

NBFCs are now required to notify depositors about the maturity of their deposits at least 14 days before the maturity date instead of 2 months.

- **Register of public deposits**

NBFCs are advised to maintain a centralized computer database containing particulars / details of deposits. Further, NBFCs need to update such details with the branch on quarterly basis i.e., 31st March, 30th June, 30th September and 31st December every year before the 10th day of the next quarter.

- **Safe custody of liquid assets**

Deposit taking NBFCs were required to maintain liquid assets and such assets shall be entrusted for safe custody with entities specified with RBI. Since approved securities are now being maintained only in dematerialized form, these provisions are no more applicable.

Following is the key point applicable for all NBFCs:

- **Periodicity of IS Audit**

The Audit Committee of NBFCs must ensure that Information System (IS) audits are conducted according to the periodicity specified in RBI's Master Direction on IT Governance, Risk, Controls, and Assurance Practices.

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