

<p>BFSI AND CAPITAL MARKET CA Rohit Patoria, CA Manoj Alimchandani, CA Vijay Mullaji</p>	
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RBI to launch pilot project for Public Tech Platform for frictionless credit

The Reserve Bank of India (RBI) announced the launch of the Pilot Project for Public Tech Platform for Frictionless Credit.

During the pilot phase it will focus on Kisan Credit Card loans up to Rs 1.6 lakh per borrower, dairy loans, MSME loans (without collateral), personal loans and home loans through participating banks.

Further, the platform will enable linkage with services such as aadhaar e-KYC, land records from onboarded state governments (Madhya Pradesh, Tamil Nadu, Karnataka, Uttar Pradesh and Maharashtra), satellite data, PAN validation, transliteration, aadhaar e-signing, account aggregation by account aggregators (AAs), milk pouring data from select dairy co-operatives, house/property search data etc, RBI said in a release.

<https://www.moneycontrol.com/news/business/rbi-to-launch-pilot-project-for-public-tech-platform-for-frictionless-credit-11183381.html>

RBI launches UDGAM, a centralised web portal for searching unclaimed deposits across multiple banks

- o UDGAM stands for Unclaimed Deposits – Gateway to Access Information
- o To begin with, users would be able to access the details of their unclaimed deposits from the seven banks presently available on the portal
- o The search facility for remaining banks on the portal would be made available in a phased manner by October 15, 2023, said RBI

<https://www.businesstoday.in/industry/banks/story/rbi-launches-udgam-a-centralised-web-portal-for-searching-unclaimed-deposits-across-multiple-banks-394545-2023-08-17>

SEBI released a Consultation Paper on the Review of Voluntary Delisting Norms

SEBI released a Consultation Paper on the Review of Voluntary Delisting Norms which showcases its commitment to adapt regulations in response to market changes.

As the public comment period extends until September 4, 2023, market participants have a crucial opportunity to contribute to the evolution of SEBI's regulatory framework for voluntary delisting, ultimately shaping the future of equity shares delisting in India.

The background of the consultation paper elucidates the exit opportunity provided by the Delisting Regulations to public shareholders when a company's equity shares are to be delisted from recognized stock exchanges. The exit opportunity hinges on the "Discovered Price" reached through the cumulative shareholding of the acquirer and public shareholders.

While acceptance or rejection of this price lies with the acquirer, the process has prompted calls for review. To address these dynamics, a sub-group chaired by Shri Keki Mistry was formed, comprising members from the Primary Market Advisory Committee (PMAC). This group submitted a report containing policy recommendations, advocating for alternatives to reverse book building, counter-offer frameworks, determination of floor prices, and more. The PMAC's recommendations reflect the endeavor to streamline delisting mechanisms, benefiting stakeholders.

https://www.sebi.gov.in/reports-and-statistics/reports/aug-2023/consultation-paper-on-review-of-voluntary-delisting-norms-under-sebi-delisting-of-equity-shares-regulations-2021_75335.html

RBI selects McKinsey and Company, Accenture Solutions to use AI, ML to improve regulatory supervision

The RBI is looking to extensively use advanced analytics, artificial intelligence and machine learning to analyse its huge database and improve regulatory supervision over banks and NBFCs. For this purpose, the central bank plans to hire external experts.

The Reserve Bank has selected global consultancy firms McKinsey and Accenture to develop systems using artificial intelligence and machine learning for its supervisory functions.

<https://economictimes.indiatimes.com/news/economy/policy/rbi-selects-mckinsey-and-company-accenture-solutions-to-use-ai-ml-to-improve-regulatory-supervision/articleshow/102696752.cms?from=mdr>

Sebi looking to set up performance validation agency to verify claims of intermediaries

It has proposed an independent body called the Performance Validation Agency (PVA) to validate claims and performance related to investment advice, 'buy/sell/hold' recommendations, mutual fund schemes, portfolio management services, algorithms, and more by registered intermediaries and other entities such as Investment Advisors (IAs), Research Analysts (RAs), portfolio managers, Asset Management Companies (AMCs), and stockbrokers.

In a consultation paper dated August 31, the Securities and Exchange Board of India (SEBI) has proposed that the PVA become a wholly-owned subsidiary of a market infrastructure institution (MII) or a jointly supported entity by multiple MIIs. It has also suggested that SEBI-registered intermediaries and other entities should be able to utilize the services of PVA to validate all their security and portfolio recommendations or claims.

<https://economictimes.indiatimes.com/markets/stocks/news/sebi-looking-to-set-up-performance-validation-agency-to-verify-claims-of-intermediaries/articleshow/103279165.cms?from=mdr>

NFRA may approach SC over power to probe pre 2018 cases

NFRA has already barred some auditors allegedly involved in the IL&FS crisis from undertaking fresh work, in addition to imposing fines on them, but its orders have been challenged by them at the Delhi high courts. In fact, the aggrieved auditors have challenged the vires of Section 132 (4) of the Companies Act, 2013, and the relevant rules that empower NFRA to investigate professional lapses by auditors.

The National Financial Reporting Authority (NFRA) will likely approach the Supreme Court, challenging the directive of the Telangana High Court that has held the audit regulator, prima facie, has no power to probe cases of professional misconduct occurred before it came into being in 2018.

<https://economictimes.indiatimes.com/news/india/nfra-may-approach-sc-over-power-to-probe-pre-2018-cases/articleshow/103033892.cms>

UPI transactions for August crosses 10-billion mark for the first time

During the month of August, UPI was doing around 330 million transactions a day. With that run rate, UPI should touch around 10.5 billion transactions in August, a month-on-month growth of 5 percent.

<https://www.moneycontrol.com/news/business/economy/upi-transactions-for-august-likely-to-have-crossed-10-billion-mark-11286311.html>