



14th August 2020 – Issue 293

The Reserve Bank of India vide notification no. RBI/2020-21/21 DPSS.CO.PD No.116/02.12.004/2020 dated August 06, 2020 has provided Online Dispute Resolution (ODR) System for Digital Payments

- RBI vide notification no. RBI/2020-21/21 DPSS.CO.PD No.116/02.12.004/2020 dated August 06, 2020 has provided Online Dispute Resolution (ODR) System for Digital Payments.
- The Payment System Vision-2021 of Reserve Bank highlights the need for technology-driven, rule-based, customer-friendly and transparent dispute redressal systems. As a step in this direction, authorised Payment System Operators (PSOs) – banks and non-banks – and their participants are hereby advised to put in place system/s for ODR for resolving disputes and grievances of customers.
- To begin with, authorised PSOs shall be required to implement an ODR system for disputes and grievances related to failed transactions in their respective payment systems by January 1, 2021. The PSOs shall provide access to such a system to its participating members i.e., Payment System Participants (PSPs). Any entity setting up a payment system in India thereafter or participating therein, shall make available the ODR system at the commencement of its operations.
- Based on experience gained, ODR arrangement would later be extended to cover disputes and grievances other than those related to failed transactions. Please note that if the grievance remains unresolved up to one month, the customer may approach the respective ombudsman.
- This directive is issued under Section 10 (2) read with Section 18 of Payment and Settlement Systems Act, 2007 (Act 51 of 2007).

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The Reserve Bank of India vide notification no. RBI/2020-21/24 DoR (NBFC) (PD) CC. No.117/03.10.001/2020-21 dated August 13, 2020 has revised the guidelines for Core Investment Companies

- RBI vide notification no. RBI/2020-21/24 DoR (NBFC) (PD) CC. No.117/03.10.001/2020-21 dated August 13, 2020 has reviewed the guidelines for Core Investment Companies.
- A core investment company is a non-banking financial company (NBFC) which carries on the business of acquisition of shares and securities and holds not less than 90 per cent of its net assets in the form of investment in equity shares, preference shares, bonds, debentures, debt or loans in group companies.
- The report of the Working Group (WG) to Review the Regulatory and Supervisory Framework for Core Investment Companies (CICs), constituted under the Chairmanship of Shri Tapan Ray, former Secretary, Ministry of Corporate Affairs, Government of India. The report of the WG was placed in public domain in November 2018 seeking comments from the stakeholders. Based on the recommendations of the WG and inputs received from stakeholders, it has been decided to revise the guidelines applicable for Core Investment Companies.

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The Insolvency and Bankruptcy Board of India vide press release no. IBBI/PR/2020/10 dated August 07, 2020 has amended the Insolvency and Bankruptcy Board of India amends the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016

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- The Insolvency and Bankruptcy Code, 2016 (Code) envisages appointment of an authorised representative (AR) by the Adjudicating Authority to represent financial creditors in a class, like allottees under a real estate project, in the committee of creditors. For this purpose, the Regulations require the interim resolution professional to offer a choice of three Insolvency Professionals (IP) in the public announcement, and the creditors in a class to choose one of them to act as their authorised representative. The amendment made to the Regulations today provides that the three IPs offered by the interim resolution professional must be from the State or Union Territory, which has the highest number of creditors in the class as per records of the corporate debtor. This will facilitate ease of coordination and communication between the AR and the creditors in the class he represents.
- The amendment made to the Regulations provides that the authorised representative shall seek voting instructions only after circulation of minutes of meeting and vote accordingly. He shall, however, circulate the agenda, and may seek preliminary views of creditors in the class before the meeting, to enable him to effectively participate in the meeting.

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The Ministry of Finance vide Income Tax notification no. 61/2020, dated 13-08-2020 have provided Securities Contracts (Regulation) (Second Amendment) Rules, 2020.

- Ministry of Finance Income Tax notification no. 61/2020, dated 13-08-2020 have provided Securities Contracts (Regulation) (Second Amendment) Rules, 2020.
- In exercise of the powers conferred by sub-section (3B) of section 143 of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby makes the following amendments in the notification of the Government of India, Ministry of



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Finance (Department of Revenue), Central Board of Direct Taxes, published in the Gazette of India, Extraordinary, vide number S.O 3265 (E) dated the 12th September 2019, namely: —

➤ In the said notification, —

(1) in the opening portion, for the word “E-assessment”, the words “Faceless Assessment” shall be substituted.

(2) for clause 1, the following clause shall be substituted, namely:—

“1. The provisions of clause (7A) of section 2, section 92CA, section 120, section 124, section 127, section 129, section 131, section 133, section 133A, section 133C, section 134, Chapter XIV, and Chapter XXI of the Act shall apply to the assessment made in accordance with the said Scheme subject to the exceptions, modifications and adaptations mentioned in the notification

- The assessment shall be made as per the procedure mentioned in the notification.
- This notification shall come into force with effect from the date of its publication in the Official Gazette.

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