

WEEKLY UPDATES ON COMPANY LAW, SEBI, RBI AND IBC
Week 31– July 26th 2021 to August 01st 2021

1

Companies Act 2013 during the week

Rules -0; Circulars - 1; Notifications-0; Orders-0; Important Notices -0

| S. No | Date of Issue | Rules/Circular/ Notification/Order | Contents thereof | Gist thereof |
|-------|---------------|------------------------------------|---|--|
| 1 | 30-07-2021 | General Circular | Clarification on Spending of CSR funds for COVID 19 vaccination | MCA has clarified that expenditure of a Company for COVID 19 vaccinations for persons other than its employees / their families will be considered as a eligible CSR activity under the heads Preventive Healthcare and Disaster Management. |

| S. No | NEWS ON MCA |
|-------|--|
| 1 | Increasing Efficiency on decision making : MCA has circulated an office memorandum through which it has requested All divisional heads under MCA to adopt a maximum four level of channels of submission of files in respect of administrative and routine matters and a maximum of five levels in case of technical matters. |

2

SEBI during the week

Act -0; Rules -0; Regulations-0; General Orders – 0; Guidelines- 0

Master Circulars-0; Circulars – 0; Press Release –0 Others -0;

| S. No | Date of Issue | Act/rules/circulars | Subject & Link | Gist thereof |
|-------|---------------|---------------------|----------------|--------------|
| NIL | | | | |

| S. No | NEWS ON SEBI |
|-------|---|
| 1 | <u>SEBI issues Circular regarding RTA inter-operable Platform for enhancing investors' experience in Mutual Fund transactions service requests</u> : Any RTA providing its services to Mutual Fund(s), subsequent to issuance of this circular, shall follow the guidelines specified in this circular or amendments thereto as may be intimated by SEBI from time to time. |
| 2 | <u>Sebi revises minimum application value, trading lot for REITs, InvITs</u> : Markets regulator Sebi has reduced the minimum application value of REITs and InvITs, and revised trading lot to one unit for these emerging investment instruments to make them attractive for retail investors. The minimum application value has been cut down to the range of Rs 10,000-15,000 for both REITs and InvITs, compared to the earlier requirement of Rs 50,000 for REITs and Rs 1 lakh for InvITs, Sebi said in two separate notifications dated July 30. Also, the regulator said the revised trading lot will be of one unit for real estate investment trusts (REITs) and infrastructure investment trusts (InvITs). Allotment to any investor is required to be made in the multiples of a lot. |
| 3 | <u>Sebi allows mutual funds to offer instant access facility in overnight funds</u> : Modifying a 2017 circular, the Securities and Exchange Board of India (Sebi) allowed mutual fund houses to offer instant access facility in overnight funds. This is in addition to liquid funds which were earlier made eligible for this facility. The new rule is applicable with immediate effect. Instant Access facility is an option available to investors who opt to get access to their funds within a few hours or even minutes of giving the redemption request. Investors can withdraw up to 90% of the value of their units, subject to a cap of ₹5K for the instant access facility |

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|---|---|
| 4 | <p><u>Sebi to ease rules for startups to go public</u> : India's markets regulator plans to introduce rules that will hold the controlling shareholders of companies accountable, departing from the concept of regulating promoters, as dozens of investor-backed and entrepreneur-led startups are set to go public. "We are revisiting the concept of promoters and controlling shareholders. There is an increasing number of companies that do not have any clear promoters," Ajay Tyagi, chairman of the Securities and Exchange Board of India (Sebi), said at the annual capital market summit organized by industry body Ficci.</p> |
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3

RBI during the week

Notifications -0; Master Directions –0; Master Circulars –0; Circular -0;

Press Release – 0

| S. No | Date of Issue | Notifications/Master Directions/Master Circulars | Subject & Link | Gist thereof |
|-------|---------------|--|----------------|--------------|
| NIL | | | | |

| S. No | NEWS ON RBI |
|-------|--|
| 1 | The Government introduced the Deposit Insurance and Credit Guarantee Corporation (Amendment) Bill, which aims to enable bank customers to access their deposits in a time-bound manner even when restrictions are imposed on a bank, in the Rajya Sabha. The proposed legislature seeks to ensure that the guaranteed amount of up to ₹5 lakh is paid to depositors within 90 days of the Reserve Bank of India (RBI) placing a bank under moratorium. |

4

IBC during the week

Notifications -0; Master Directions –0; Master Circulars –0; Circular –0;

Press Release –0; Others – 0

| S. No | Date of Issue | Notifications/ Master Directors/ Master Circulars | Subject & Link | Gist thereof |
|-------|---------------|---|----------------|--------------|
| 1 | | | NIL | |

| S. No | NEWS ON IBC |
|-------|---|
| 1 | <u>IBBI amends the guidelines on Technical Standards for the performance of core services and other services under the Insolvency and Bankruptcy Board of India regulation</u> : The Insolvency and Bankruptcy Board of India has notified the Guidelines for Technical Standards for the Performance of Core Services and Other Services (Amendment), 2021 under the Insolvency and Bankruptcy Board of India (Information Utilities) Regulations, 2017 |
| 2 | Finance and Corporate Affairs Minister Nirmala Sitharaman had introduced the Insolvency and Bankruptcy Code (Amendment Bill), 2021 in the Lok Sabha. The Bill is set to replace the IBC Amendment Ordinance 2021 promulgated in April which introduced pre-packs as an insolvency resolution mechanism for micro, small and medium enterprises (MSMEs) with defaults up to Rs 1 crore |

5

Others during the week

NSE-0; BSE-0; DIPP-0; Finance Ministry-0; Others -0;

| S. No | Date of Issue | Rules/Circular/ Notification/Order | Contents thereof | Gist thereof |
|-------|---------------|------------------------------------|------------------|--------------|
| NIL | | | | |

| S. No | General News |
|-------|--|
| 1 | <p>Cabinet clears amendments to LLP Act, to decriminalize 12 offences to boost biz The union cabinet on July 28, 2021 cleared the amendments to the Limited Liability Partnership (LLP) Act, in order to decriminalise several provisions under the Act and also foster the ease of doing business in India. The changes, which include the removal of criminal action for failing to comply with the provisions of the Act, will help about 2,30,000 firms in the country.</p> |
| 2 | <p>CBIC notifies provision for self-certification from August 1 : The Central Board of Indirect Taxes and Customs (CBIC) has notified provision for self-certification instead of audit report from August 1. The Board has made the reconciliation statement part of annual goods and service tax return. According to notifications issued by the Board on Saturday, every registered person having aggregate turnover under Rs 5 crore, will have to furnish a self-certified reconciliation statement along with the annual return. The government has exempted filing of annual returns for registered person whose aggregate turnover in the FY 2020-21 is upto Rs 2 crore.</p> |



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