

1

Companies Act 2013 during the week

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

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

S. No	NEWS ON MCA
1.	400 chartered accountants, and company secretaries under scanner for flouting norms to incorporate Chinese shell companies : The Central government has recommended disciplinary action against 400 Chartered Accountants (CAs) and Company Secretaries (CSs) for their alleged role in incorporating Chinese shell companies in metropolitan cities by flouting norms and rules.

2

SEBI during the week

Act -0; Report -0; Circulars-6; Press Release-0; Notification -0; Regulation- 0

S. No	Date of Issue	Act/rules/circulars	Subject & Link	Gist thereof
1	20/06/2022	Circular	<p>Naming / Tagging of demat accounts maintained by Stock Brokers</p> <p>https://www.sebi.gov.in/legal/circulars/jun-2022/naming-tagging-of-demat-accounts-maintained-by-stock-brokers_59830.html</p>	<ul style="list-style-type: none"> • All demat accounts of Stock brokers, which are untagged, need to be appropriately tagged by June-end. • Credit of securities will not be allowed in any demat account left untagged from July 01, 2022 onwards. • Credits on account of corporate actions will be permitted. Tagging of bank and demat accounts reflect the purpose for which those bank/demat accounts are being maintained and the reporting of such accounts to the stock exchanges/depositories. • Debit of securities will also not be allowed in any demat account left untagged from August 01, 2022.

2	21/06/2022	Circular	<p>Modification in the Operational Guidelines for Foreign Portfolio Investors, Designated Depository Participants and Eligible Foreign Investors – Bank account details to which the payment is to be done electronically</p> <p>https://www.sebi.gov.in/legal/circulars/jun-2022/modification-in-the-operational-guidelines-for-foreign-portfolio-investors-designated-depository-participants-and-eligible-foreign-investors-bank-account-details-to-which-the-payment-is-to-be-done-59884.html</p>	<ul style="list-style-type: none"> • Annexure D of the ‘Operational Guidelines for Foreign Portfolio Investors, Designated Depository Participants and Eligible Foreign Investors’, issued vide SEBI Circular ,specifies Bank account details for remittance of various payment of various SEBI fees in US \$. • In order to facilitate faster confirmation of remittances by the intermediaries, SEBI has modified Bank account details to which the payment is to be done electronically. • All other provisions of the Operational Guidelines shall remain unchanged. The provisions of this circular shall be applicable with effect from June 24, 2022
3.	24/06/2022	Circular	<p>Introduction of Unified Payments Interface (UPI) mechanism for Infrastructure Investment Trusts (InvITs)</p> <p>Introduction of Unified Payments Interface (UPI) mechanism for Real Estate Investment Trusts (REITs)</p> <p>https://www.sebi.gov.in/legal/circulars/jun-2022/introduction-of-unified-payments-interface-upi-mechanism-for-infrastructure-investment-trusts-invits-60072.html</p>	<ul style="list-style-type: none"> • SEBI, After consultation with stakeholders, decided to provide an additional option to individual investors to apply in public issues of units of REITs, InvITs with a facility to block funds through Unified Payments Interface (UPI) mechanism for application value upto Rs. 5 Lac. • The provisions of this circular shall be applicable to a public issue of units of REIT, InvITs under the applicable SEBI Regulations, which opens on or after August 01, 2022. • Stock Exchanges, Depositories, NPCI, Sponsor Banks and Self Certified Syndicate Banks shall make required

			https://www.sebi.gov.in/legal/circulars/jun-2022/introduction-of-unified-payments-interface-upi-mechanism-for-real-estate-investment-trusts-reits-60070.html	changes to implement the same from August01, 2022.
4	24/06/2022	Circular	<p>Reduction of timelines for listing of units of privately placed Infrastructure Investment Trust (InvIT)</p> <p>https://www.sebi.gov.in/legal/circulars/jun-2022/reduction-of-timelines-for-listing-of-units-of-privately-placed-infrastructure-investment-trust-invite-60089.html</p>	<ul style="list-style-type: none"> • It was decided to examine the reduction of timelines for listing of units of privately placed InvIT, which was also discussed with market participants. • The stock exchanges and depositories shall co-ordinate to ensure completion of listing and commencement of trading of units of InvIT issued on private placement basis, within six working days from the date of the closure of issue. • Timelines from issue closure till date of listing has been detailed in the circular.
5	24/06/2022	Circular	<p>Implementation of Circular on ‘Guidelines in pursuance of amendment to SEBI KYC (Know Your client) Registration Agency (KRA) Regulations, 2011</p> <p>https://www.sebi.gov.in/legal/circulars/jun-2022/implementation-of-circular-on-guidelines-in-pursuance-of-amendment-to-sebi-kyc-know-your-client-registration-agency-kra-regulations-</p>	<p>With effect from 01/07/2022, the following implementation will come into effect regarding amendment to SEBI KYC (Know Your client) Registration Agency (KRA) Regulations, 2011.</p> <p>SEBI has received requests from the KRAs to extend the timelines for applicability of the clause 9 and clause 13.</p> <p>After consideration, it has been decided that:</p> <ol style="list-style-type: none"> 1. KYC records of all existing clients (who have used Aadhaar as an OVD) shall be validated within a period

			2011- 60099.html	<p>of 180 days from August01, 2022.</p> <p>2. The validation of all KYC records (new and existing) shall commence from August 01, 2022</p>
24/06/2022	Circular	<p>Guidelines for Large Value Fund for Accredited Investors under SEBI (Alternative Investment Funds) Regulations, 2012 and Requirement of Compliance Officer for Managers of all AIFs</p> <p>https://www.sebi.gov.in/legal/circulars/jun-2022/guidelines-for-large-value-fund-for-accredited-investors-under-sebi-alternative-investment-funds-regulations-2012-and-requirement-of-compliance-officer-for-managers-of-all-aifs_60104.html</p>	<p>SEBI has made amendments in Alternate Investment Fund to provide certain relaxations from regulatory requirements to 'Large Value Fund for Accredited Investors' (LVF)</p> <p>LVFs are exempt from filing their placement memorandum with SEBI through Merchant Banker and incorporate comments of SEBI, if any, in their placement memorandum.</p> <p>In case of LVF schemes already filed with SEBI, similar duly signed and stamped undertaking by CEO of the Manager to the AIF (or person holding 17equivalent role or position depending on the legal structure of Manager) and Compliance Officer of Manager to the AIF shall be submitted to SEBI on or before July 31, 2022.</p> <p>In order to enable the investors to take an informed decision, the placement memorandum, contribution agreement or other fund documents of LVF shall lay down terms and conditions for extension of the tenure beyond two years.</p> <p>All AIFs shall ensure that Manager to AIF designates an</p>	

				<p>employee or director as Compliance Officer who shall be a person other than CEO of the Manager (or such equivalent role or position depending on the legal structure of Manager). The compliance officer shall be responsible for monitoring compliance with the provisions of the SEBI Act, AIF Regulations and circulars issued thereunder.</p>
--	--	--	--	--

S. No	NEWS ON SEBI
1	<p>SEBI allows mutual funds to resume investing in international stocks</p> <p>Capital markets regulator SEBI has permitted mutual funds to again invest in foreign stocks within the aggregate mandated limit of USD 7 billion for the industry. This came in the wake of a major correction in global markets that brought down the valuation of international stocks. In January, SEBI had asked mutual fund houses to stop taking fresh subscriptions in schemes investing in overseas stocks. The directive to stop subscription was mainly on account of the mutual fund industry crossing the mandated limit of USD 7 billion for overseas investments.</p>
2	<p>SEBI imposes Rs 1.62 crore fine on 9 entities for fraudulent trading</p> <p>Capital markets regulator SEBI on June 21, 2022, , imposed a fine of Rs 1.62 crore on nine entities for manipulating shares of Sterling Green Woods Ltd. SEBI had conducted an investigation into alleged irregularity in the trading in the scrip of Sterling Green Woods Ltd (SGWL) for the period April-July 2009. In its order, SEBI noted that SAT vide an order date March 02, 2022, have allowed the appeals filed by the entities against the SEBI order. The tribunal had remanded the case back to SEBI for fresh order on merits after giving an opportunity of personal hearing to the appellants.</p>

S. No	NEWS ON SEBI
3	<p>SEBI imposes ₹30 lakh fine on RIL and 2 of its compliance officers: SEBI has imposed a fine of ₹30 lakh on Reliance Industries (RIL) and its compliance officers, Savithri Parekh and K. Sethuraman, for failing to clarify on news or promptly disclose information with regard to stake purchases in the company's subsidiary Jio Platforms by FaceBook, Silver Lake and Vista equity partners.</p>
4	<p>Sebi sets up panel on hybrid securities</p> <p>SEBI has set up an advisory committee on hybrid securities, which will make recommendations for giving a fillip to the growth of such instruments, including measures focusing on ease of issuance and attracting domestic and global capital.</p> <p>The 20-member committee will be chaired by K V Kamath, Chairperson of National Bank for Financing Infrastructure and Development, an update with the Securities and Exchange Board of India (Sebi) showed.</p>

3

RBI during the week

Notifications -1; Master Directions –0; Master Circulars –0; Press Release -1;

S. No	Date of Issue	Notifications/Master Directors/Master Circulars	Subject & Link	Gist thereof
1	21/06/2022	Notification	<p>Extension of timeline for implementation of certain provisions of Master Direction – Credit Card and Debit Card – Issuance and Conduct Directions, 2022</p> <p>https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12342&Mode=0</p>	<p>RBI decided to extend the timeline for implementation of few provisions of the Master Direction to October 01, 2022.</p> <p>The Card-issuers shall seek One Time Password (OTP) based consent from the cardholder for activating a credit card if the same has not been activated by the customer for more than 30 days from the date of issuance. If no consent is received for activating the card, card-issuers shall close the credit card account without any cost to the customer within 7 working days from date of seeking confirmation from the customer.</p>

2	23/06/2022	Press Release	<p>Draft Master Direction on Outsourcing of Information Technology (IT) Services</p> <p>https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=53911</p>	<p>Regulated Entities (REs) have been extensively leveraging Information Technology (IT) and IT-enabled services (ITeS) in their business, products and services with increasing dependence on third parties. It was announced in the Statement on Developmental and Regulatory Policies, released with the bi-monthly Monetary Policy Statement dated February 10, 2022, that draft guidelines on risk management framework for Outsourcing of IT Services, managing related concentration risk, its periodic risk assessment and aspects of outsourcing of IT Services to foreign service providers, will be issued by the Reserve Bank of India. Accordingly, the Reserve Bank has released a draft Master Direction on Outsourcing of IT Services, for comments of stakeholders and members of public. Comments / feedback from REs and other stakeholders may be submitted by July 22, 2022 through email (mditocomments@rbi.org.in) with the subject line 'Feedback on Master Direction on Outsourcing of IT Services'.</p>
---	------------	---------------	--	---

S. No	NEWS ON RBI
1	<p>Proposed digital lending norms may aid penetration in BNPL lending</p> <p>Fintech players are expecting some disruptions to be caused by the norms proposed by the Reserve Bank of India (RBI) on Buy Now Pay Later (BNPL) ecosystem. However, by providing transparency to the largely unregulated sector, fintech players also expect the norms to provide much needed clarity, to enable stakeholders to bring in innovation and penetration. Banks, Non-Banking Finance Companies (NBFC) and intech companies are developing BNPL products aimed at those who do not have a credit history or access to credit cards</p>

4

IBC during the week

Notifications -3; Master Directions –0; Master Circulars –0; Circular –0;

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

S. No	NEWS ON IBC
1	<p>SEBI can't initiate proceedings against companies under IBC, says panel : The Insolvency Law Committee has recommended against giving any special dispensation to the Securities and Exchange Board of India (Sebi) from the moratorium clause under the Insolvency and Bankruptcy Code (IBC). According to the rules, once a company is admitted into insolvency under the code, a blanket moratorium kicks in barring regulators from initiating any fresh proceedings against the company. SEBI has made representations to the central government, seeking an exemption from this rule and the matter was referred to the Insolvency Law Committee.</p>

5

Others during the week

NSE-0; BSE-0; DIPP-0; Finance Ministry-0; Others -1;

S. No	Date of Issue	Rules/Circular/ Notification/Order	Contents thereof	Gist thereof
1	22/06/2022	Press release	<p>EPFO Payroll data : EPFO adds 17.08 lakh net subscribers in the month of April, 2022</p> <p>https://pib.gov.in/PressReleaselframePage.aspx?PRID=1835558</p>	<p>The provisional payroll data of EPFO released on June 20, 2022 highlights that EPFO has added 17.08 lakh net subscribers in the month of April, 2022.</p> <p>A year-on-year comparison of payroll data shows an increase of 4.32 lakh net subscribers in April, 2022 as compared to the net subscription in the month of April, 2021 last year.</p> <p>Out of the total 17.08 lakh subscribers added during the month, around 9.23 lakh new members have come under the social security cover of EPF & MP Act, 1952 for the first time. Approximately 7.85 lakh</p>

				<p>net subscribers exited & re-joined the establishments covered under EPFO by changing their jobs within the establishments covered by EPFO and opted to retain membership under the Scheme, through transfer of funds rather than coming for final withdrawal of their PF accumulations. The payroll data reflects a declining trend of members exit during the last four months.</p>
--	--	--	--	---

GENERAL NEWS	
1.	<p>Officers committee suggests deferment of decision on levying GST on crypto : The officers committee on GST has suggested the GST Council to defer a decision on taxability of cryptocurrency and other virtual digital assets. The Fitment Committee in its report to the GST Council has suggested that a law on regulation of cryptocurrency is awaited and it would be essential to identify all relevant supplies associated with the crypto-ecosystem, besides classification on whether they are goods or services. The committee of officers comprising both from Centre and states, referred to as Fitment Committee, felt that a deeper study was needed on the issues involved in crypto ecosystem.</p>

6

Update on Regulated Sector

S.No	Sector	Update
1.	MF	<p>AMCs barred from offering insurance products bundled with MFs</p> <p>The Securities and Exchange Board of India (Sebi) has barred asset management companies (AMCs) in India from offering insurance products bundled with their mutual fund schemes. Usually, under SIP insurance plans, mutual funds offer a free life cover on starting SIP investments. In a 17 June letter, which was addressed to the Association of Mutual Funds in India (Amfi), the markets regulator observed that some of the AMCs are proposing to introduce bundled products while some existing schemes have such bundled products, e.g., insurance features with the scheme investments such as SIP Insure, etc.</p> <p>“In this regard, it is informed that no existing schemes or ones which are proposed to be launched shall have bundled products,” SEBI said in the letter. The regulator has advised Amfi to communicate the decision to all the AMCs.</p>



Flat No.7, Door No.10 Madhans,
South Canal Bank Road,
Mandavelipakkam, Chennai 600028.

bhuvana.r@akshayamcorporate.com | jayanth.v@akshayamcorporate.com

www.akshayamcorporate.com ;

Mobile: 9789982805 | 9962156708

The Information Contained herein is of general nature and is not intended to address the circumstances of any particular individual or entity. The views expressed here are solely those of the author in his private capacity. The News items are taken as is provided in various websites and newspapers and the author shall not be held responsible for any of it.