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## Companies Act 2013 during the week

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

S. No	Date of Issue	Rules/Circular/ Notification/Order	Contents thereof	Gist thereof
1	27/06/2022	Circular	<p><b>MCA notification for National CSR Awards-22 inviting nominations from eligible companies</b></p> <p><a href="https://www.mca.gov.in/bin/dms/getdocument?mds=OCnH7QFQphF%252BpGJ6ZotY0Q%253D%253D&amp;type=open">https://www.mca.gov.in/bin/dms/getdocument?mds=OCnH7QFQphF%252BpGJ6ZotY0Q%253D%253D&amp;type=open</a></p>	<ul style="list-style-type: none"> <li>• MCA has invited Nomination for National CSR award 2022.</li> <li>• Nominations are Invited upto 31/07/2022.</li> <li>• Award categories and Nomination process are detailed in the Circular of the link provided.</li> </ul>
2	29/06/2022	Notification	<p><b>Relaxation of additional fees on filing of Form No. 11 (Annual Return) by Limited Liability Partnerships</b></p> <p><a href="https://www.mca.gov.in/content/mca/global/en/home.html">https://www.mca.gov.in/content/mca/global/en/home.html</a></p>	<p>The Ministry of Corporate Affairs (MCA) decided to further extend the timeline and allow Limited Liability Partnerships to file eForm 11 (Annual Return) for the financial year 2021-2022 without paying additional fees up to July 15, 2022.</p>

S. No	NEWS ON MCA
1	MCA has announced that any complaint against any officer/official of SFIO may be sent or may be intimated at: E-mail id (cvo-mca@gov.in) Helpline Number (011-23384566)
2	<p><b>Engagement of Retired Central Government Servant(Sr.PPS/PPS/PS/PA) on contractual basis as Consultants in the National Financial Reporting Authority (NFRA)-reg</b></p> <p>NFRA has invited Applications from Retired Central Government Servant on contractual basis as Consultants in the National Financial Reporting Authority. Eligibility Criteria has been detailed in the Circular. The application should reach within 08/07/2022</p> <p><a href="https://www.mca.gov.in/bin/dms/getdocument?mds=Ue%252FecVxsGLqNlIktn2quDQ%253D%253D&amp;type=open">https://www.mca.gov.in/bin/dms/getdocument?mds=Ue%252FecVxsGLqNlIktn2quDQ%253D%253D&amp;type=open</a></p>

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## SEBI during the week

**Act -0; Report -0; Circulars-4; Press Release-1; Notification -0; Regulation- 0**

S. No	Date of Issue	Act/rules/circulars	Subject & Link	Gist thereof
1	29/06/2022	Press release	SEBI Board Meeting <a href="https://www.sebi.gov.in/media/press-releases/jun-2022/sebi-board-meeting_60354.html">https://www.sebi.gov.in/media/press-releases/jun-2022/sebi-board-meeting_60354.html</a>	<p>The SEBI Board meeting on June 29, 2022 approved the following:</p> <ul style="list-style-type: none"> <li>• The SEBI Annual Report: 2021-22 = In compliance with Section 18(2) of SEBI Act, 1992, the Annual Report would be submitted to the Central Government.</li> <li>• The amendment to SEBI (Mutual Funds) Regulations, 1996 to remove applicability of the definition of “associate” as per the said regulations to such sponsors, which invest in various companies on behalf of the beneficiaries of insurance policies or such other schemes as may be specified by the Board from time to time.</li> <li>• The amendments to the SEBI (Portfolio Managers) Regulations, 2020, to enhance prudential norms for investments by portfolio managers including</li> </ul>

				<p>investments in associates/ related parties.</p> <ul style="list-style-type: none"> <li>• The participation of Foreign Portfolio Investors (FPIs) in Exchange Traded Commodity Derivatives (ETCDs).</li> <li>• The existing Eligible Foreign Entity (EFE) route, which required actual exposure to Indian physical commodities, has been discontinued. Any foreign investor desirous of participating in Indian ETCDs with or without actual exposure to Indian physical commodities, can do so through FPI route.</li> <li>• The participation of FPIs in ETCDs is expected to enhance liquidity and market depth as well as promote efficient price discovery. The Amendments to Securities Contracts (Regulation)(Stock Exchanges and Clearing Corporations) Regulations, 2012 (SECC Regulations) – provisions relating to Limited Purpose Clearing Corporation (LPCC) for clearing and settlement of Corporate Bond Repo Transactions, to align the provisions of the SECC regulations with those of the RBI Central Counter Party Directions, 2018.</li> </ul>
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2	30/06/2022	Circular	<p><b>Disclosure of holding of specified securities and Holding of specified securities in dematerialized form</b></p> <p><a href="https://www.sebi.gov.in/legal/circulars/jun-2022/disclosure-of-holding-of-specified-securities-and-holding-of-specified-securities-in-dematerialized-form_60459.html">https://www.sebi.gov.in/legal/circulars/jun-2022/disclosure-of-holding-of-specified-securities-and-holding-of-specified-securities-in-dematerialized-form_60459.html</a></p>	<ul style="list-style-type: none"> <li>• SEBI vide Circular dated November 30, 2015 had prescribed formats for disclosure of holding of specified securities and shareholding pattern under Annexure-I to the Circular.</li> <li>• In the interest of providing further clarity and transparency in the disclosure of shareholding pattern to the investors in the securities market, the SEBI has partially modified the aforesaid circular.</li> <li>• It is provided that in the disclosure of public shareholding, names of the shareholders holding 1% or more than 1% of shares of the listed entity is to be disclosed.</li> <li>• Names of the shareholders who are persons acting in concert, if available, shall be disclosed separately.</li> <li>• This Circular shall come into force with effect from the quarter ending September 30, 2022</li> </ul>
3	30/06/2022	Circular	<p><b>Modification in Cyber Security and Cyber resilience framework for Stockbrokers / Depository Participants</b></p> <p><a href="https://www.sebi.gov.in/legal/circulars/jun-2022/modification-in-cyber-security-and-cyber-">https://www.sebi.gov.in/legal/circulars/jun-2022/modification-in-cyber-security-and-cyber-</a></p>	<p>SEBI vide circular dated 03 December 2018, prescribed framework for Cyber Security and Cyber Resilience for Stock Brokers / Depository Participants. SEBI has modified the Annexure 1 of the aforesaid SEBI circular dated December 03, 2018 and provided that all Cyber-attacks, threats, cyber</p>

			<a href="#">resilience-framework-for-stock-brokers-depository-participants_60453.html</a>	<p>incidents and breaches experienced by Stock Brokers / Depositories Participants shall be reported to Stock Exchanges / Depositories &amp; SEBI within 6 hours of noticing / detecting such incidents or being brought to notice about such incidents. This information shall be shared to SEBI through the dedicated e-mail id: <a href="mailto:sbdp-cyberincidents@sebi.gov.in">sbdp-cyberincidents@sebi.gov.in</a></p>
4	30/06/2022	Circular	<p><b>Implementation of Circular on ‘Execution of ‘Demat Debit and Pledge Instruction’ (DDPI) for transfer of securities towards deliveries / settlement obligations and pledging / re-pledging of securities’ – Extension</b></p> <p><a href="https://www.sebi.gov.in/legal/circulars/jun-2022/implementation-of-circular-on-execution-of-demat-debit-and-pledge-instruction-ddpi-for-transfer-of-securities-towards-deliveries-settlement-obligations-and-pledging-re-pledging-of-securities-60403.html">https://www.sebi.gov.in/legal/circulars/jun-2022/implementation-of-circular-on-execution-of-demat-debit-and-pledge-instruction-ddpi-for-transfer-of-securities-towards-deliveries-settlement-obligations-and-pledging-re-pledging-of-securities-60403.html</a></p>	<p>SEBI vide circular dated April 04, 2022 issued guidelines regarding execution of ‘Demat Debit and Pledge Instruction’ (DDPI) for transfer of securities towards deliveries / settlement obligations and pledging / re-pledging of securities.</p> <p>The provisions of this circular were to come into effect from July 01, 2022.</p> <p>In view of the representation received from Depositories and that the changes to the systems are still under process, SEBI has extended the implementation date of the aforesaid circular to September 01, 2022.</p>

5	28/06/2022	Circular	<p><b>Adjustment in derivative contracts for dividend announcements</b></p> <p><a href="https://www.sebi.gov.in/legal/circulars/jun-2022/adjustment-in-derivative-contracts-for-dividend-announcements_60306.html">https://www.sebi.gov.in/legal/circulars/jun-2022/adjustment-in-derivative-contracts-for-dividend-announcements_60306.html</a></p>	<p>Based on the recommendations of Secondary Market Advisory Committee (SMAC) it has been decided that the adjustment in derivative contracts shall be carried out in cases where dividends declared are at or above 2% of the market value of underlying stock.</p> <p>The revised threshold, as stated above, would be applicable for dividend announcements done on or after the effective date of the circular.</p> <p>The provisions of this circular came into effect from June 29, 2022</p>
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S. No	NEWS ON SEBI
1	<p><b>New rules to invest in mutual funds, teething troubles initially, but a safer future</b></p> <p>From July 1, 2022, mutual fund investments cannot be initiated from a pool account.</p> <p>The money has to go from the investor's bank account to the bank account of the mutual fund house, as mandated by regulator SEBI.</p> <p>All transaction platforms backed by stock exchanges will implement this, which may see some teething troubles for investors as well as other stakeholders.</p>

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**RBI during the week**

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

S. No	Date of Issue	Notifications/Master Directors/Master Circulars	Subject & Link	Gist thereof
1	28/06/2022	Notification	<b>Provisioning Requirement for Investment in Security Receipts (SRs)</b> <a href="https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12346&amp;Mode=0">https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12346&amp;Mode=0</a>	<p>RBI has issued Master Direction in order to provide a glide path to the entities which were kept out of the ambit of circular “Guidelines on Sale of Stressed Assets by Banks” dated September 1, 2016 and ensure smooth implementation of clause 77 of the MD-TLE, it is advised as under in respect of valuation of investments in SRs outstanding on the date of issuance of MD-TLE</p> <ul style="list-style-type: none"> <li>The difference between the carrying value of such SRs and the valuation arrived at as on the next financial reporting date after the date of issuance of MD-TLE, in terms of clause 77 of the MD-TLE, may be provided over a five-year period starting with the</li> </ul>



				<p>financial year ending March 31, 2022 - i.e. from FY2021-22 till FY2025-26.</p> <ul style="list-style-type: none"> <li>• All lending institutions shall put in place a board approved plan to ensure that the provisioning made in each of the financial years in compliance of clause 2(a) above is not less than one fifth of the required provisioning on this count.</li> <li>• Valuation of investments in SRs made after the issuance of MD-TLE shall be strictly in terms of the provisions thereunder.</li> </ul>
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S. No	NEWS ON RBI
1	<p><b>RBI - Payments Council seeks govt help on RBI rule :</b> Trel's troubles mount Last week, the Digital Lenders' Association of India (DLAI) reached out to the government and the RBI, seeking a six-month extension to comply with the central bank's new mandate for fintech firms. Now, another industry body – the Payments Council of India – is urging the government to help resolve the fallout from the controversial new rule.</p>

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**IBC during the week**

**Notifications -1; Master Directions –0; Master Circulars –0; Circular –0;**

S. No	Date of Issue	Notifications/Master Directors/Master Circulars	Subject & Link	Gist thereof
1	27/06/2022	Notification	<p>Provisional List of Insolvency Professionals for appointment as IRP, liquidator, RP and BT, during the period July 01, 2022 to December 31, 2022</p> <p><a href="https://www.ibbi.gov.in/uploads/w/hatsnew/5dbebe47be7ab490abac969bafd1f2b8.pdf">https://www.ibbi.gov.in/uploads/w/hatsnew/5dbebe47be7ab490abac969bafd1f2b8.pdf</a></p>	<p>IBBI published list of Insolvency Professionals which is prepared in accordance with 'Insolvency Professionals to act as Interim Resolution Professionals, Liquidators, Resolution Professionals and Bankruptcy Trustees (Recommendation) Guidelines, 2022', during the period July 1, 2022, to December 31, 2022, for appointment as Insolvency Resolution Professional (IRP) in a CIRP under section 16(4), liquidator in a liquidation process under section 34(6), Resolution Professional(RP) in an individual insolvency resolution process under section 97(4) or 98(3) and Bankruptcy Trustee (BT).</p>

S. No	NEWS ON IBC
1.	<p>The National Company Law Tribunal (NCLT) on June 27, 2022 reserved its order on the petition filed by Amazon opposing Bank of India's plea to initiate insolvency resolution proceedings against debt-ridden Future Retail (FRL). After hearing the arguments of Amazon and Bank of India (BoI) on June 27, 2022, the Tribunal directed the e-retailer to submit its written response to the lender's submission by June 30, 2022.</p>
2.	<p><b>Government may introduce Bill on cross-border insolvency in the monsoon session</b></p> <p>The government has finalized amendments to the Insolvency and Bankruptcy Code (IBC) to bring in a cross-border resolution framework and may introduce a Bill in this regard as early as in the monsoon session of the Parliament starting next month, sources told FE. The cross-border insolvency law aims to ensure lenders have easier access to overseas assets of stressed companies. It will enable India to seek cooperation from foreign countries to bring defaulters' assets there under consideration for insolvency proceedings.</p>
3.	<p><b>Under 'Right Of Subrogation' Guarantor Is Entitled To Initiate CIRP Against Principal Borrower: NCLT Kolkata</b> : While adjudicating a petition filed in Orbit Towers Pvt. Ltd. v Sampurna Suppliers Pvt. Ltd., has held that if a Guarantor pays the debt on behalf of the Principal Borrower, then it steps into the shoes of the Creditor and can initiate Corporate Insolvency Resolution Process ("CIRP") against the Principal Borrower. The order was passed on 27.06.2022.</p>

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**Others during the week**

**NSE-0; BSE-0; DIPP-0; Finance Ministry-0; Others -2;**

S. No	Date of Issue	Rules/Circular/ Notification/Order	Contents thereof	Gist thereof
1	28/06/2022	Notification	<p><b>Income Tax 20th Amendment Rules 2022</b></p> <p><b>Notification No. 70</b></p> <p><a href="https://egazette.nic.in/(S(jbux1zpkzsipabr1i2al30fb))/default.aspx">https://egazette.nic.in/(S(jbux1zpkzsipabr1i2al30fb))/default.aspx</a></p>	<p>The Central Government notifies that where the variation between the Arm's Length Price (ALP) determined under section 92C of the Income Tax Act, 1961 and the price at which the International Transaction or Specified Domestic Transaction has actually been undertaken does not exceed 1% of the latter in respect of wholesale trading and 3% of the latter in all other cases, the price at which the international transaction or specified domestic transaction has actually been undertaken shall be deemed to be the arm's length price for assessment year 2022-2023.</p>

2	29/06/2022	Press Release	<p><b>Recommendations of 47th GST Council Meeting</b></p> <p><a href="https://www.pib.gov.in/PressReleasePage.aspx?PRID=1838020">https://www.pib.gov.in/PressReleasePage.aspx?PRID=1838020</a></p>	<p>The 47th GST Council has inter-alia made the following recommendations relating to changes in GST rates on supply of goods and services and changes related to GST law and procedure:</p> <ol style="list-style-type: none"> <li>1. All taxable service of Department of Posts would be subject to forward charge. Hitherto certain taxable services of Department of post were taxed on reverse charge basis.</li> <li>2. Goods transport agency (GTA) is being given option to pay GST at 5% or 12% under forward charge; option to be exercised at the beginning of Financial Year. RCM option to continue.</li> <li>3. Service provided by Indian Tour operator to a foreign resident for a tour partially in India and partially outside India is to be subject to tax proportionate to the tour conducted in India for such foreign tourist subject to conditions that this concession does not exceed half of tour duration. The rate changes recommended by the 47th GST Council will be made effective from July 18, 2022.</li> </ol>
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## Update on Regulated Sector

S.No	Sector	Update
1.	FEMA	<p><b><u>Foreign Contribution (Regulation) Amendment Rules, 2022</u></b></p> <p>Following changes were made pursuant to the amendment</p> <ul style="list-style-type: none"> <li>• Relatives can send money upto ₹10 lakhs (earlier 1 lakh) without informing the government. If the amount exceeds, the individuals will now have three months (earlier 30 days) to inform the government.</li> <li>• Individuals and organisations have 45 days (earlier 30 days) to inform the MHA about bank account (s) that are to be used for utilization of such funds.</li> <li>• In case of change of bank account, name, address, aims or key members of the organisation (s) receiving foreign funds, the same has to informed within 45 days (earlier 15 days).</li> <li>• Government omitted provision relating to declaration of foreign funds including details of donors, amount received, and date of receipt etc every quarter on its website. Now, anyone receiving foreign funds under the FCRA will have to follow the existing provision of placing the audited statement of accounts on receipts and utilisation of the foreign contribution, including income and expenditure statement, receipt and payment account and balance sheet for every financial year beginning on the first day of April, within nine months of the closure of the financial year, on its official website or on the website as specified by the Government.</li> </ul>



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