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Companies Act 2013 during the week

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

S. No	Date of Issue	Rules/Circular/ Notification/Order	Contents thereof	Gist thereof
1	05/08/2022 published on 11/08/2022	Notification	Companies (Accounts) Fourth Amendment Rules, 2022 238055.pdf (egazette.nic.in)	<p>The following amendments have been made in Rule 3 of Companies (Accounts) Rules, 2014</p> <ul style="list-style-type: none"> • The books of account and other relevant books and papers maintained in electronic mode shall remain accessible in India , <i>at all times</i> (newly inserted) • Back-up of the books of account and other books and papers of the company maintained in electronic mode, including at a place outside India, if any, shall be kept in servers physically located in India on a daily basis (earlier periodic basis). • Where the service provider is located outside India, the name and address of the person in control of the books of account and other

				books and papers in India shall be intimated to the Registrar on an annual basis at the time of filing of financial statement.
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S. No	NEWS ON MCA
1	<p>Vacancies for various contractual positions in Indian institute of corporate affairs</p> <ul style="list-style-type: none"> • The details of eligibility conditions, remuneration, terms etc. can be downloaded from the website: https://iica.nic.in/Images/Vacancies-Dated-10.08.2022.pdf • One candidate can apply for one position at a time • The number of position(s) can be increased/decreased at any point in time as per the discretion of the Head of the Institution

2

SEBI during the week

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

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

S.No	NEWS ON SEBI
1	<p>SEBI constitutes an expert group of FPIs to boost overseas flows</p> <p>SEBI has constituted an expert group of foreign portfolio investors (FPIs) to boost overseas flows into the country. The FPI Advisory Committee (FAC) will be chaired by KV Subramanian, Former Chief Economic Adviser and consists of 14 other members representing foreign banks, stock exchanges, depositories and the RBI. The FAC has been tasked with advising on issues related to investments and operations of FPIs in the financial markets, including measures to facilitate ease of doing business by FPIs in India. Also, to review investment avenues available for FPIs and to advise on feasibility of new investment avenues. And to suggest measures required to encourage FPI participation in the bond market.</p>

<p>2</p>	<p>The coming SEBI storm for FINTECHs</p> <p>The regulator is likely to issue a paper “on bridging the gap between who is a research analyst and who is a registered investment advisor” this month. Discussion papers are often step one in a change in SEBI rules. As a rule, research analysts can offer research on stocks but many fintech firms are offering model portfolios— they not only recommend a portfolio, they also suggest ways to rebalance it. In short, they are running a mini-PMS (portfolio management service) without a license and in some cases straight up acting as investment advisor,” stated an individual with direct data of the matter.</p> <p>SEBI has constituted a working group to see if the distinction between RA (Research Analysts) and RIA (Registered Investment Advisors) norms is being exploited. The former are extra disclosure-driven and require conserving a distance between analysis and different actions. In distinction, RIA norms require post-graduate qualification, a cap on charges and a contract between the consumer and RIA to make sure accountability.</p>
<p>3</p>	<p>SEBI plans tighter eligibility criteria for F&O inclusion</p> <p>The Securities and Exchange Board of India (Sebi) is planning to tighten the eligibility criteria for inclusion of stocks into the equity derivatives segment. The stricter rules could restrict the entry of various thinly-traded stocks into futures and options. The regulator has proposed to double the market-wide position limit from the existing ₹500 crore to ₹1,000 crore on a rolling basis, raising the bar for the inclusion of stocks into the segment. The market-wide position limit is the number of shares valued by taking the closing prices of stocks in the underlying cash market on the date of contract expiry in the month.</p>

4

SEBI proposes blue bonds to give impetus to sustainable financing

Markets regulator SEBI has suggested the concept of blue bonds as a mode of sustainable finance, saying such securities can be utilised for various blue economy-related activities, including oceanic resource mining and sustainable fishing. The proposals are aimed at aligning with the updated Green Bond Principles (GBP) published by the International Capital Market Association (ICMA). SEBI framework defines Green Debt Securities (GDS) as debt securities issued for raising funds that are to be utilised for projects or assets falling under certain categories. As per SEBI, the issuers should disclose information pertaining to reporting of the environmental impact of the projects financed by the green debt securities. This will enable investors to gather information pertaining to the impact of the project on the environment.

3

RBI during the week

Notifications - 4; Master Directions –0; Master Circulars –0; Press Release -0;

S. No	Date of Issue	Notifications/Master Directors/Master Circulars	Subject & Link	Gist thereof
1	08/08/2022	Notification	<p>Authorised Dealer Category-I License eligibility for Small Finance Banks (SFB)</p> <p>https://www.rbi.org.in/Scripts/NotificationU ser.aspx?Id=12373&Mode=0</p>	<p>All the scheduled SFBs, after completion of at least two years of operations as Authorised Dealer Category-II, will be eligible for Authorised Dealer Category-I license, subject to compliance with the eligibility norms given in the Annex-I in the circular of the link provided.</p> <p>The eligible SFBs may approach Foreign Exchange Department, Central Office, Reserve Bank of India with their applications along with the supporting documents with regard to their eligibility and requisite documents as specified in Annex-II for grant of Authorised Dealer Category-I license.</p>

2	11/08/2022	Notification	<p>Section 23 of the Banking Regulation Act, 1949 (As Applicable to Co-operative Societies) – Opening of new place of business by District Central Co-operative Banks (DCCBs)</p> <p>https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12375&Mode=0</p>	<p>The criteria for opening of branches/extension counters/specialized branches/regional offices/zonal offices/administrative offices/shifting of branches/upgradation of extension counters into full-fledged branches by a DCCB are as follows:</p> <ul style="list-style-type: none"> • A licensed DCCB should have completed at least three years of operation • CRAR not being less than 9 per cent • No default in maintenance of CRR/SLR during the preceding financial year • Net NPA being less than 5 per cent • The bank should have made a net profit during the preceding two financial years • The bank should have a good track record of regulatory compliance and no monetary penalty should have been imposed on the bank for violation of Reserve Bank of India directives/guidelines during last two financial years • The bank should not have been placed under any
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				<p>specific direction issued by Reserve Bank of India during the preceding two financial years</p> <p>These guidelines will come into effect from the date of issue of the circular.</p>
3	11/08/2022	Notification	<p>Bilateral Netting of Qualified Financial Contracts - Amendments to Prudential Guidelines</p> <p>https://www.rbi.org.in/Scripts/NotificationU ser.aspx?id=12376&Mode=0</p>	<p>This circular is applicable to all Commercial Banks, Co-operative Banks, Standalone Primary Dealers, Systemically Important Non-Deposit taking Non-Banking Financial Companies (NBFC-ND-SIs), Deposit taking Non-Banking Financial Companies (NBFC-Ds) and Housing Finance Companies (HFCs).</p> <p>These instructions shall come into force with immediate effect.</p> <p>Foreign exchange (except gold) contracts which have an original maturity of 14 calendar days or less are excluded from capital requirements for counterparty credit risk.</p> <p>‘Sold options’, provided the entire premium / fee or any other form of income is received / realized, are excluded from capital requirements for counterparty credit risk.</p> <p>For Credit Default Swap transaction where bank is protection seller, the exposure is capped at the amount of premium unpaid by the protection buyer.</p>

4	12/08/2022	Notification	<p>Outsourcing of Financial Services - Responsibilities of regulated entities(RE) employing Recovery Agents</p> <p>https://www.rbi.org.in/Scripts/NotificationU ser.aspx?Id=12378&Mode=0</p>	<p>Entities regulated by the RBI and permitted to carry out lending business (Regulated Entities) shall strictly ensure that they or their agents do not resort to intimidation or harassment of any kind, either verbal or physical, against any person in their debt collection efforts.</p> <p>Regulated Entities should not</p> <ul style="list-style-type: none"> • carry out acts which are intended to humiliate publicly or intrude upon the privacy of the debtors' family members, referees and friends • send inappropriate messages either on mobile or through social media • make threatening and/ or anonymous calls, persistently call the borrower and/ or call the borrower before 8:00 a.m. and after 7:00 p.m. for recovery of overdue loans, making false and misleading representations, etc. <p>This shall be applicable to all banks and NBFCs except in relation to microfinance loans.</p>
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S. No	NEWS ON RBI
1.	<p>RBI releases regulatory framework for digital lending</p> <ul style="list-style-type: none">• Registered Entities (REs) to ensure that any loan disbursements and any repayment transactions, are undertaken solely between the accounts of the RE and the borrower, without any pass-through account or a pool account. Few exemptions are given.• Any fee with respect to the services rendered by the Lending Service Provider must be paid by the RE and not directly charged to the borrower• REs and the LSPs to appoint a nodal grievance redressal officer to deal with any Fintech/digital lending related complaints• REs have been directed to provide a Key Facts Statement (KFS) to borrowers before the execution of the loan agreement.• LSPs engaged by the REs must not be allowed to store the personal information of the borrowers, except for some 'basic minimal data' required to carry out operations.

4

IBC during the week

Notifications -0; 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>E-Court Mission Mode Project : The e-Court Integrated Mission Mode Project was launched with the objective of improving access to justice using technology. The steps taken to provide efficient and time bound access to citizen centric services of courts to plaintiffs having no access to internet and facing digital divide:</p> <ol style="list-style-type: none"> 1. eSewa Kendras have been rolled out to bridge the digital divide by providing e-filing services to lawyers and litigants. 2. Using SMS pull facility stakeholders can receive case status by sending sixteen characters CNR number of a case to the number 97668-99899. 3. SMS push facility is provided to stakeholders like litigants and advocates to get SMS on the occurrence of each event in a case like filing, registration, adjournment, scrutiny, listing, transfer of the case, disposal, uploading of orders etc., on their mobile registered with the court. 4. Service desk to be set up for internal stakeholders to get the relevant information.

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Others during the week

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

	GENERAL NEWS
	NIL

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

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Update on Regulated Sector

S.No	Sector	Update
1.	INSURANCE	IRDAI to revamp grievance redressal mechanism, to rename it 'Bima Bharosa' Insurance regulator IRDAI will soon launch a revamped grievance redressal mechanism to make complaint redressal more efficient with the option of customers filing their complaints in regional languages. The Integrated Grievance Redressal System (IGMS), launched in 2011, is being upgraded to make it more convenient for customers. The new portal will not only be a gateway for registering and tracking grievances online but also act as an industry-wide grievance repository for the Insurance Regulatory and Development Authority of India (Irdai) to monitor disposal of grievances by insurance companies



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