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## Companies Act 2013 during the week

Rules -0; Circulars -0; Notifications-2; Orders-0; Important Notices -0

S. No	Date of Issue	Rules/Circular/ Notification/Order	Contents thereof	Gist thereof
1	24/08/2022	Notification	<p><b>Update on MCA21 Version-3</b></p> <p><a href="https://www.pib.gov.in/PressReleasePage.aspx?PRID=1854102">https://www.pib.gov.in/PressReleasePage.aspx?PRID=1854102</a></p>	<p>MCA21 version-3.0 is a technology-driven forward looking project, envisioned to strengthen enforcement, promote Ease of Doing Business and enhance user experience.</p> <p>MCA21 version-3.0 rollout has been planned in phases to ensure minimum disruption in regulatory filings.</p> <p>Company forms (CHG-1, CHG-4, CHG-6, CHG-8, CHG-9, DIR-3 KYC, DIR3 KYC WEB, DPT-3 and DPT-4) are scheduled to go-live on 01.09.2022.</p> <p>Remaining company forms and other modules like e Adjudication, Compliance Management System are scheduled to be fully deployed within this Calendar Year</p>

2	24/08/2022	Notification	<p><b>Companies (Removal of Names of Companies from the Register of Companies) Second Amendment Rules, 2022</b></p> <p><a href="https://www.mca.gov.in/bin/dms/getdocument?mds=z76om3NiBGIHmWy4e0HtcA%253D%253D&amp;type=open">https://www.mca.gov.in/bin/dms/getdocument?mds=z76om3NiBGIHmWy4e0HtcA%253D%253D&amp;type=open</a></p>	<p>Consequent to amendment relating to physical verification carried out under 12(9) of Companies Act, 2013, related provisions under Section 248 read with Companies (Removal of Names of Companies from Register of Companies) Rules, 2016 is amended to include that the notice by the Registrar shall mention that the company is not carrying on any business or operations, as revealed after the physical verification.</p>
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S. No	NEWS ON MCA
	NIL

2

**SEBI during the week**

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

S. No	Date of Issue	Rules/Circular/ Notification/ Order	Contents thereof	Gist thereof
1	22/08/2022  26/08/2022	Regulations  Circular	SEBI (Portfolio Managers) (Amendment) Regulations, 2022 <a href="https://egazette.nic.in/WriteReadData/2022/238238.pdf">https://egazette.nic.in/WriteReadData/2022/238238.pdf</a>  Circular for Portfolio Managers <a href="https://www.sebi.gov.in/legal/circulars/aug-2022/circular-for-portfolio-managers_62374.html">https://www.sebi.gov.in/legal/circulars/aug-2022/circular-for-portfolio-managers_62374.html</a>	SEBI vide its notification dated August 22, 2022, amends the provisions of SEBI (Portfolio Managers) Regulations, 2020, which shall come into force on the thirtieth day from the date of their publication in the Official Gazette. Vide this amendment SEBI has enhanced prudential norms for investments by portfolio managers including investments in associates/ related parties.  It is provided that the portfolio manager may make investments in the securities of its related parties or its associates only after obtaining the prior consent of the client in such manner as may be specified by the SEBI from time to time. Portfolio managers shall obtain a one-time prior consent of client in the specified format as part of the agreement

				<p>mandated.</p> <p>Further provided that the portfolio manager shall ensure compliance with the prudential limits on investments as may be specified by the SEBI.</p>
2	25/08/2022	Circular	<p><b>Disclosure requirement for Asset Management Companies (AMCs)</b></p> <p><a href="https://www.sebi.gov.in/legal/circulars/aug-2022/disclosure-requirement-for-asset-management-companies-amcs-62345.html">https://www.sebi.gov.in/legal/circulars/aug-2022/disclosure-requirement-for-asset-management-companies-amcs-62345.html</a></p>	<p>SEBI has made an amendment on Disclosure requirement for Asset Management Companies and it has been decided that AMCs shall ensure scheme wise disclosure of investments, as on the last day of each quarter, in securities of such entities that are excluded from the definition of associate.</p> <p>Disclosure of Investment shall include ISIN wise value of investment and value as percentage of AUM of scheme.</p> <p>Such disclosure shall be made on the websites of respective AMCs and on the website of AMFI, within one month from the close of each quarter</p>
3	25/08/2022	Circular	<p><b>Enhanced Disclosures by CRAs and Norms on Rating Withdrawal</b></p> <p><a href="https://www.sebi.gov.in/legal/circulars/aug-2022/enhanced-disclosures-by-cras-and-norms-on-rating-withdrawal_62361.html">https://www.sebi.gov.in/legal/circulars/aug-2022/enhanced-disclosures-by-cras-and-norms-on-rating-withdrawal_62361.html</a></p>	<p>The regulator has mandated Credit Rating Agencies (CRA) to frame detailed guidelines on what constitutes non-cooperation by issuers, which includes non-submission of quarterly financial results within prescribed timelines, current and past operational details about capex plans, debt obligations and repayment details, among others, and any other issue felt appropriate by a credit rating agency as per its internal assessment.</p> <p>The new framework will be applicable to credit ratings of securities that are already listed or proposed to be listed on a stock exchange.</p>

4	26/08/2022	Circular	<p><b>Corrigendum to Master Circular for Depositories dated February 05, 2021 on Opening of demat account in case of HUF</b></p> <p><a href="https://www.sebi.gov.in/legal/circulars/aug-2022/corrigendum-to-master-circular-for-depositories-dated-february-05-2021-on-opening-of-demat-account-in-case-of-huf_62387.html">https://www.sebi.gov.in/legal/circulars/aug-2022/corrigendum-to-master-circular-for-depositories-dated-february-05-2021-on-opening-of-demat-account-in-case-of-huf_62387.html</a></p>	<p>In partial modification of the Master Circular for Depositories dated February 05, 2021 shall be replaced with the following:</p> <p>“In the event of death of Karta of HUF, the name of the deceased Karta in the Beneficial Owner (BO) account shall be replaced by the new Karta of the HUF who in such a case shall be eldest coparcener in the HUF or a coparcener who is appointed as Karta by an agreement reached amongst all the coparceners of the HUF”</p> <p>The Depositories are advised to make amendments to the relevant bye-laws, rules and regulations for the implementation of the above decision, as may be applicable/necessary.</p>
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S.No	<b>NEWS ON SEBI</b>
	<b>NIL</b>

3

**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	22/08/2022	Notification	<p><b>Foreign Exchange Management (Overseas Investment) Regulations, 2022</b>  <a href="https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12380&amp;Mode=0">https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12380&amp;Mode=0</a></p> <p><b>Foreign Exchange Management (Overseas Investment) Directions, 2022</b>  <a href="https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12381&amp;Mode=0">https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12381&amp;Mode=0</a></p>	<p>Some of the significant changes brought about through the Overseas Investments (rules and regulations) are summarised below:</p> <ul style="list-style-type: none"> <li>(i) enhanced clarity with respect to various definitions;</li> <li>(ii) introduction of the concept of “strategic sector”;</li> <li>(iii) dispensing with the requirement of approval for: <ul style="list-style-type: none"> <li>a. deferred payment of consideration;</li> <li>b. investment/disinvestment by persons resident in India under investigation by any investigative agency/regulatory body;</li> <li>c. issuance of corporate guarantees to or on behalf of second or subsequent level step down subsidiary (SDS);</li> </ul> </li> </ul>

				<p>d. write-off on account of disinvestment;</p> <ul style="list-style-type: none"> <li>(iv) introduction of “Late Submission Fee (LSF)” for reporting delays.</li> <li>(v) Relaxation in the timelines for repatriation of dues receivable from a foreign entity to India</li> <li>(vi) Reporting of the Annual Performance Rationalised.</li> <li>(vii) The term “Disinvestment” is defined under the new norms and Disinvestment norms are rationalised.</li> <li>(viii) No further financial commitment/transfer is allowed until delay in reporting is regularised.</li> <li>(ix) Entities under investigation are allowed to make ODI</li> <li>(x) Investment in foreign entity which has made investment in India (commonly known as ODI-FDI Structure) is now permitted subject to conditions</li> </ul>
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<b>S. No</b>	<b>NEWS ON RBI</b>
<b>1.</b>	<p><b>RBI wary of easing capital rules for loans to infra companies</b></p> <p>Amid rising interest rates and low Capex growth, pressure is building on the regulator and banks to accept a more flexible capital rule that could soften the rate on infrastructure loans and let lenders fund more projects. The Reserve Bank of India (RBI), however, is unwilling to change the regulations. Nudged by infrastructure companies and developers, the lobby of lenders recently approached the central bank to let banks assess the risk of an infrastructure company based on its cash flow and the nature of counterparties. For instance, if an energy company has a power purchase pact with NTPC NSE -0.52 % or any other quasi-sovereign entity, banks should be allowed to assign a lower risk weight to such a loan exposure once the project execution by the operating company is complete and the plant has begun selling power to the public sector undertaking.</p>



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**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><b>Insolvency And Bankruptcy Code Will Prevail Over The Customs Act:</b></p> <p>The Supreme Court had held that the Insolvency and Bankruptcy Code (IBC) will prevail over the Customs Act. The bench comprising Chief Justice N.V. Ramana, Justices JK Maheshwari, and Hima Kohli observed that the customs authority can only determine the quantum of duties and levies but cannot initiate recovery proceedings. While pronouncing the judgment, CJI Ramana stated that once a moratorium under IBC is declared, Customs authorities have only limited jurisdiction to assess the quantum and they cannot take steps to recover the dues. The court stated that after such assessment, customs authorities had the option to approach the adjudicating authority, claiming the customs dues as operational debt under IBC. IRP can take steps to secure the property.</p>

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**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	22/08/2022	Notification	<p><b>Overseas investment rules and regulations notified</b></p> <p><a href="https://pib.gov.in/PressReleasePage.aspx?PRID=1853679">https://pib.gov.in/PressReleasePage.aspx?PRID=1853679</a></p>	<p>In supersession of the Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2004 and the Foreign Exchange Management (Acquisition and Transfer of Immovable Property Outside India) Regulations, 2015, except as respects things done or omitted to be done before such supersession, the Central Government has notified Foreign Exchange Management (Overseas Investment) Rules, 2022.</p> <p>Nothing in these rules or the Foreign Exchange Management (Overseas Investment) Regulations, 2022 shall apply to– (a) any investment made outside India by a financial institution in an IFSC; (b) acquisition or transfer of any investment outside India made,– (i) out of Resident Foreign Currency Account; or (ii) out of foreign currency resources held outside India by a person who is employed in India for a specific</p>

				duration irrespective of length thereof or for a specific job or assignment, duration of which does not exceed three years; or (iii) in accordance with sub-section (4) of section 6 of the Act.
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	<b>GENERAL NEWS</b>
	<b>NIL</b>

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**Update on Regulated Sector**

S.No	Sector	Update
1.	AIFs	<p><b>SEBI TO TIGHTEN NORMS FOR MUTUAL FUND CHIEFS</b></p> <ul style="list-style-type: none"> <li>• SEBI may tighten regulations for mutual funds and alternative investment funds (AIFs) in its upcoming board meeting. The chiefs of at least three different fund houses have come under regulatory glare in the past few months.</li> <li>• The regulator may pronounce direct action against these CEOs by debarring them from the capital market or asking that they not to be a part of the AMC set-up anymore.</li> <li>• Instances related to front-running, inter-scheme transfers and investments in AT1 bonds have come to light of SEBI, against which action may be taken up by SEBI.</li> <li>• The regulator may amend AIF regulations against the backdrop of several investor complaints received in the past few months and irregularities in obtaining credit ratings.</li> <li>• New norms may come to ensure that the investments being made by the funds are line with the private placement memorandums filed with Sebi.</li> </ul>



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