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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	15/09/2022	Notification	<p>Companies (Specification of Definition details) Amendment Rules 2022</p> <p>https://www.mca.gov.in/bin/dms/getdocument?mds=tiMs9IFJ8xuPm%252B%252Ffoxc6fUw%253D%253D&type=open</p>	<p>With effect from 15th September 2022, MCA has amended definition of small company</p> <p><u>Earlier limit:</u> Paid up capital – Rs.2 crores ; Turnover – Rs.20 Crores</p> <p><u>Amended limit:</u> Paid up capital – Rs.4 crores; Turnover – Rs.40 Crores</p>

S. No	NEWS ON MCA
1.	<p>Serious Fraud Investigation Office (SFIO) has arrested a person named Dortse, Director of Jillian Consultants India Pvt Ltd after searches and seizure operations were conducted at his premises in Gurugram, Bengaluru, and Hyderabad. Dortse was attempting to flee India through a land route when he was arrested in Bihar. According to the Ministry of Corporate Affairs, Dortse (the name revealed by the authorities) is the mastermind of a racket incorporating a large number of shell companies with Chinese links in India and providing dummy directors on their boards.</p>

2

SEBI during the week

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

S. No	Date of Issue	Rules/Circular/ Notification/ Order	Contents thereof	Gist thereof
1	13/09/2022	Circular	<p>Master Circular on Surveillance of Securities Market</p> <p>https://www.sebi.gov.in/legal/master-circulars/sep-2022/master-circular-on-surveillance-of-securities-market_62914.html</p>	<p>To ensure availability of comprehensive information mentioned in the circulars pertaining to Surveillance of Securities Market at one place, SEBI has been issuing Master Circular.</p> <p>These circular covers various circulars issued till August, 31, 2022 by Integrated Surveillance Department.</p> <p>This Master Circular shall supersede previous Master Circular No. SEBI/HO/ISD/ISD/CIR/P/2021/22 dated March 01, 2021.</p> <p>The set of circulars covered under the said Master Circular are as follows:</p> <ol style="list-style-type: none"> 1. Trading Rules & Shareholdings in Dematerialised Form. 2. Unauthenticated News Circulated by the SEBI Registered Market Intermediaries by way of several modes of communication. 3. SEBI (Prohibition of Insider Trading) Regulations 2015 4. Disclosures under Regulations 6 and 8 (Code of Fair Disclosures)

				<p>and Regulation 9 (Code of Conduct)</p> <ol style="list-style-type: none"> 5. Allowing OFS (Offer for Sale) and RS (Rights Entitlement) transactions during the closure of trading window 6. Reporting to Recognized Stock Exchanges concerning violations relating to the Code of Conduct 7. Automation of the Continuation Disclosures under Regulation 7 (2) of the SEBI (Prohibition of Insider Trading) Regulations 2015 – System Driven Disclosures
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S.No	NEWS ON SEBI
1.	<p><u>SEBI seeks details on startup valuation from PE, VC funds</u></p> <p>The capital market regulator is taking a close look at how private equity houses (PE) and venture capital funds (VCF) value the startups and unicorns they bankroll. A propped-up valuation gives a rosy picture of the portfolio to a fund's investors and paves the way for the fund manager to attract more money from new as well as old investors when it goes for the next round of fund-raising. Probably driven by complaints from investors and recent reports of opaque accounting of a few unicorns, the Securities & Exchange Board of India (Sebi), in communication on September 6, asked a large number of funds to disclose their valuation practices and share details like the qualification of the valuer, whether the valuer hired is an associate of the fund or its manager or sponsor, and if there was a significant change in the valuation methodology in the past three years among other things.</p>

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RBI during the week

Notifications - 3; Master Directions –0; Master Circulars –0; Press Release -0;

S. No	Date of Issue	Notifications/Master Directors/Master Circulars	Subject & Link	Gist thereof
1	15/09/2022	Notification	<p>Rupee Drawing Arrangement - Enabling Bharat Bill Payment System (BBPS) to process cross-border inbound Bill Payments</p> <p>https://www.rbi.org.in/Scripts/NotificationUser.aspx?id=12386&Mode=0</p>	<p>1. RBI has been decided to allow foreign inward remittances received under the Rupee Drawing Arrangement (RDA), to be transferred to the KYC compliant bank account of the biller (beneficiary) through Bharat Bill Payment System (BBPS), subject to the conditions mentioned in the circular.</p> <p>2. AD Cat-I Banks may bring the contents of this circular to the notice of their constituents concerned.</p>
2	16/09/2022	Notification	<p>Master Directions on Interest Rate on Deposits</p> <p>https://www.rbi.org.in/Scripts/NotificationUser.aspx?id=12388&Mode=0</p>	<p>1. RBI has modified the Master Direction dated March 03, 2016, on interest rates on deposits and May 12, 2016, on 'Interest Rate on Deposits'.</p> <p>2. The reference rates are being quoted / displayed by Financial Benchmarks India Pvt. Ltd. (FBIL) with effect</p>

				<p>from January 31, 2022</p> <p>3. Further, the instructions regarding eligibility for the opening of savings account contained in Section 28 (h) and Section 27 (h) of the above-mentioned Master Directions (MDs) dated March 03, 2016, and May 12, have been modified to make them more explicit.</p>
3	16/09/2022	Notification	<p>Exim Bank's GOI-supported Line of Credit of USD 448 million to the Government of Republic of Uzbekistan for Social Infrastructure and Other Development Projects</p> <p>Reserve Bank of India - Notifications (rbi.org.in)</p>	<p>Export-Import Bank of India entered into an agreement with the Government of Republic of Uzbekistan. The export of eligible goods and services from India are allowed subject to their eligibility under the Foreign Trade Policy of the Government of India. The Agreement under the LoC is effective from September 12, 2022.</p> <p>No agency commission is payable for export under the LoC.</p>

S. No	NEWS ON RBI
	NIL

4

IBC during the week

Notifications -5; Master Directions –0; Master Circulars –0; Circular –0;

S. No	Date of Issue	Notifications/ Master Directors/Master Circulars	Subject & Link	Gist thereof
1	13/09/2022	Notification	Insolvency and Bankruptcy Board of India (Insolvency Professionals) (Second Amendment) Regulations, 2022 https://ibbi.gov.in/uploads/legalframework/8a614479d5c2b8eacb205e226f5e841a.pdf	<p>The Insolvency and Bankruptcy Board of India (IBBI) vide its notification dated September 13, 2022 has notified “the Insolvency and Bankruptcy Board of India (Insolvency Professionals) (Second Amendment) Regulations, 2022” which shall come into force on the date of its publication in the Official Gazette. According to the notification, “an insolvency professional shall not accept /share any fees or charges from any professional and/or support service provider who are appointed under the processes”</p>

2	13/09/2022	Notification	<p>Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) (Third Amendment) Regulations, 2022</p> <p>https://ibbi.gov.in/uploads/legalframwork/7c96f51884d5ad840f4a7af0d6bba604.pdf</p>	<p>IBBI has amended Insolvency Resolution Process for Corporate Persons.</p> <p>The fee of interim resolution professional or resolution professional, under regulation 33 and 34, shall be decided by the applicant or committee in accordance with this regulation.</p> <p>The fee of the interim resolution professional or the resolution professional, appointed on or after 1 st October 2022, shall not be less than the fee specified in clause 1 for the period specified in clause 2 of Schedule-II of this regulation.</p>
3	16/09/2022	Notification	<p>IBBI (Voluntary Liquidation Process) (Second Amendment) Regulations, 2022</p> <p>https://ibbi.gov.in/uploads/legalframwork/812b4ba287f5ee0bc9d43bbf5bbe87fb.pdf</p>	<p>The Insolvency and Bankruptcy Board of India (IBBI) vide its notification has amended Voluntary Liquidation Process.</p> <p>IBBI states that the liquidator shall preserve copies of all such records which are required to give a complete account of the voluntary liquidation process.</p> <p>The liquidator shall preserve: (a) electronic copy of all records(physical and electronic) for a minimum period of eight years; and (b) a physical copy of records for a minimum period of three years</p> <p>List of documents are detailed in the circular of the link provided.</p>

4	16/09/2022	Notification	<p>IBBI (Liquidation Process) (Second Amendment) Regulations, 2022</p> <p>https://ibbi.gov.in/en/whats-new#:~:text=IBBI%20(Liquidation%20Process)%20(Second%20Amendment)%20Regulations%2C%202022</p>	<p>IBBI has amended liquidation process which states as follows:</p> <ol style="list-style-type: none"> 1.The recommendation to explore proposal of compromise or arrangement has been made by the committee under regulation 39BA of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, the liquidator shall file the proposal within thirty days of the order of liquidation. 2.The liquidator shall process email account handed over to him by the resolution professional. 3.The liquidator shall, on the advice of the consultation committee, provide in the application along with the final report filed for the manner in which proceedings in respect of avoidance transactions, if any, will be pursued after the dissolution or closure of liquidation process and the manner in which the proceeds, if any, from such proceedings shall be distributed. 4.The liquidator shall preserve copies of all such records which give a complete account of the liquidation process.
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5.	16/09/2022	Notification	<p>Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) (Fourth Amendment) Regulations, 2022.</p> <p>https://ibbi.gov.in/uploads/legalframwork/98dce83da57b0395e163467c9dae521b.pdf</p>	<ol style="list-style-type: none"> 1. The Insolvency Resolution Process for Corporate Persons (Fourth Amendment) Regulations issued by IBBI mentioned that the resolution professional hired by the lenders has to communicate with stakeholders by way of emails and where there is a change in the professional, the credentials of the email account have to be shared with the new person. 2. The 'interim' resolution professional shall open an email account and use it for all correspondences with stakeholders and in the event of their replacement by a resolution professional, they shall hand over the credentials of the email to the other person, said the regulations. 3. The resolution professional too, in case of their replacement, has to hand over the credentials to the newly hired professional. <p>In certain cases, where it is not possible to send a communication to creditors, a public announcement made will be deemed to be the communication.</p>
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S. No	NEWS ON IBC
	NIL

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				

	GENERAL NEWS			
	NIL			

6

Update on Regulated Sector

S.No	Sector	Update
1.	Insurance	<p>Finance ministry mulls changes in insurance laws; considers easing the entry-level capital requirement</p> <p>The finance ministry is contemplating changes in insurance laws, including a reduction in the minimum capital requirement, with a view to increasing insurance penetration in the country. Insurance penetration in India increased from 3.76 percent in 2019-20 to 4.20 percent in 2020-21, registering a growth of 11.70 percent. Insurance penetration measured as the percentage of insurance premium to GDP witnessed handsome growth during the year, mainly due to the outbreak of COVID-19. The ministry is doing a comprehensive review of the Insurance Act, 1938, and also looking at making relevant changes to help push the growth of the sector, sources said, adding the process is at a preliminary stage.</p>
2.	FEMA	<p>Policy amended, international trade can now be settled in Rupee</p> <p>The government has amended the Foreign Trade Policy to allow international trade invoicing, payment and settlement in the Indian rupee, activating the mechanism announced by the Reserve Bank of India (RBI) to facilitate trade in the domestic currency. The Directorate General of Foreign Trade (DGFT) has notified the changes to the policy. Under the arrangement, Indian importers will make payment in rupees into the special Vostro account of the partner country bank against the invoices for the supply of goods or services from the overseas seller or supplier, the trade policy said.</p>



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