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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	26/09/2022	Notification	Ministry of Corporate Affairs (MCA) : Clarification https://www.mca.gov.in/content/mca/global/en/home.html	Amendment to Schedule III to the Companies Act, 2013 vide MCA Notification GSR. 207(E) dated 24th March 2021 mandates companies to round off the figures appearing in the Financial Statements depending upon their total income. If the companies provide absolute figures in eforms i.e., AOC-4, the same shall not be treated as incorrect certification by the Professionals.

2	28/09/2022	Notification	<p>Extension of time for filing e-form DIR-3-KYC and web-form DIR-3-KYC-WEB without fee</p> <p>https://www.mca.gov.in/bin/dms/getdocument?mds=2itVg%252FZQrw%252FU4s9JXtbS1w%253D%253D&type=open</p>	<p>The MCA has decided to allow filing of e-form DIR-3-KYC and web-Form DIR-3-KYC-WEB without filing fee upto October 15, 2022.</p>
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S. No	NEWS ON MCA
	NIL

2

SEBI during the week

Act -0; Report -0; Circulars-6; Press Release-1; Notification -0; Regulation- 0

S. No	Date of Issue	Rules/Circular/ Notification/ Order	Contents thereof	Gist thereof
1	26/09/2022	Press Release	<p>Modalities related to Investment Adviser applications</p> <p>https://www.sebi.gov.in/media/press-releases/sep-2022/modalities-related-to-investment-adviser-applications_63385.html</p>	<p>SEBI, vide circular dated June 18, 2021, granted recognition to BSE Administration and Supervision Ltd. (BASL), a wholly owned subsidiary of BSE to act as an Investment Adviser Administration and Supervisory Body (IAASB) for a period of three years from June 01, 2021 in terms of Regulation 14 of SEBI (Investment Advisers) Regulations, 2013 (SEBI IA Regulations).</p> <p>The administration and supervision of Investment Advisers (IAs) has been delegated to BASL.</p> <p>It is provided that all the new IA applicants as well as existing IAs are advised to approach BSE Administration and Supervision Limited (BASL) for registration and post registration activities related to Investment Advisers.</p>

2	26/09/2022	Circular	<p>Modification in the Operational Guidelines for FPIs, DDPs and EFIs pertaining to FPIs registered under Multiple Investment Managers (MIM) structure</p> <p>https://www.sebi.gov.in/legal/circulars/sep-2022/modification-in-the-operational-guidelines-for-fpis-ddps-and-efis-pertaining-to-fpis-registered-under-multiple-investment-managers-mim-structure_63378.html</p>	<p>SEBI has amended Operational Guidelines as follows:</p> <p>Where an entity engages multiple investment managers (MIM) for managing its investments, the entity can obtain multiple FPI registrations mentioning name of Investment Manager for each such registration.</p> <p>Such applicants can appoint different DDPs for each such registration. Investments made under such multiple registrations shall be clubbed for the purposes of monitoring of investment limits.</p>
3	27/09/2022	Circular	<p>Circular on Modification in Daily Price Limits (DPL) for Commodity Futures Contracts</p> <p>https://www.sebi.gov.in/legal/circulars/sep-2022/circular-on-modification-in-daily-price-limits-dpl-for-commodity-futures-contracts_63404.html</p>	<p>SEBI has modified the Daily Price Limit (DPL) for Commodity Futures Contracts.</p> <p>DPL maybe further relaxed in stages of 3% by the Exchange with cooling off period of 15 minutes in case where price movement in international markets is more than aggregate DPL or if international price is beyond aggregate DPL</p>

4	28/09/2022	Circular	<p>Credit Ratings supported by Credit Enhancement (CE)</p> <p>https://www.sebi.gov.in/legal/circulars/sep-2022/credit-ratings-supported-by-credit-enhancement-ce-63443.html</p>	<p>The following circular is applicable from January 1, 2023:</p> <p>CRA's can assign the suffix 'CE' (Credit Enhancement) to the rating of instruments having explicit credit enhancement.</p> <p>To enable investors to understand the extent of credit enhancement provided by a third party or parent or group company and support considerations specified by the regulator, including debt backed by a pledge of shares and a letter of comfort, SEBI said that the press release for credit ratings, with or without the CE-suffix, backed by such support considerations need to contain certain disclosures.</p> <p>Details are mentioned in Annexure A of the circular in the link provided</p>
6	30/09/2022	Circular	<p>Two-Factor Authentication(2FA) for transactions in units of Mutual Funds</p> <p>https://www.sebi.gov.in/legal/circulars/sep-2022/two-factor-authentication-for-transactions-in-units-of-mutual-funds-63557.html</p>	<p>SEBI extended the two-factor authentication (2FA) for subscription transactions in the units of mutual funds as well.</p> <p>The new framework will come into force from 1 April 2022.</p> <p>In case of subscription and redemption of units, Two Factor Authentication (for online transactions) and signature method (for offline transactions) shall be used for authentication. One of the Factors</p>

				for such Two Factor Authentication for non demat transaction shall be a One Time Password sent to the unit holder at his/her email/ phone number registered with the AMC/RTA.
7	30/09/2022	Circular	Circular for Portfolio Managers https://www.sebi.gov.in/legal/circulars/sep-2022/circular-for-portfolio-managers_63561.html	<ul style="list-style-type: none"> Portfolio Manager should segregate each clients' funds and portfolio of securities and keep them separately from his own funds and securities and be responsible for safekeeping of clients' funds and securities. Portfolio Managers shall put in place a written down policy ("policy"), in compliance with the PMS Regulations and circulars issued. Portfolio Managers shall ensure that all clients are treated in a fair and equitable manner Based on APMI's (Association of Portfolio Managers in India) deliberations with the stakeholders, it has been decided that the provisions of this Circular shall be applicable with effect from April 01, 2023
8	30/09/2022	Circular	Amendment to guidelines and extension of timeline for implementation of Standardized industry classification by Credit Rating Agencies (CRAs) https://www.sebi.gov.in/legal/circulars/sep-2022/amendment-to-guidelines-	<p>SEBI has been decided to extend the date of applicability of the standardized industry classification to November 30th, 2022.</p> <p>Earlier SEBI advised CRAs to implement standardized industry classification by September 30th, 2022 for the purpose of rating exercise, peer benchmarking, research activities including research for Economy, Industries and Companies etc.</p>

			and-extension-of-timeline-for-implementation-of-standardized-industry-classification-by-credit-rating-agencies-cras- 63573.html	
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S.No	NEWS ON SEBI
	NIL

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	30/09/2022	Notification	<p>Late Submission Fee for reporting delays under Foreign Exchange Management Act, 1999 (FEMA)</p> <p>https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12393&Mode=0</p>	<p>RBI imposes late submission fees for delayed reporting in ECB, Foreign Investment and overseas investment related transactions</p> <p>Calculation for late fees:</p> <table border="1"> <thead> <tr> <th>S.N</th> <th>Type of Reporting delays</th> <th>LSF Amount (INR)</th> </tr> </thead> <tbody> <tr> <td>0</td> <td></td> <td></td> </tr> <tr> <td>1</td> <td>Form ODI Part-II/ APR, FCGPR (B), FLA Returns, Form OPI, evidence of investment or any other return which does</td> <td>7500</td> </tr> </tbody> </table>	S.N	Type of Reporting delays	LSF Amount (INR)	0			1	Form ODI Part-II/ APR, FCGPR (B), FLA Returns, Form OPI, evidence of investment or any other return which does	7500
S.N	Type of Reporting delays	LSF Amount (INR)											
0													
1	Form ODI Part-II/ APR, FCGPR (B), FLA Returns, Form OPI, evidence of investment or any other return which does	7500											

				not capture flows or any other periodical reporting	
				2	<p>FC-GPR, FCTRS, Form ESOP, Form LLP(I), Form LLP(II), Form CN, Form DI, Form InVi, Form ODI-Part I, Form ODI-Part III, Form FC, Form ECB, Form ECB-2, Revised Form ECB or any other return which captures flows or returns which capture reporting of non-fund transactions or any other transactional reporting</p> <p>[7500 + (0.025% × A × n)]</p> <p>a) “n” is the number of years of delay in submission rounded-upwards to the nearest month and expressed up to 2 decimal points.</p> <p>b) “A” is the amount involved in the delayed reporting.</p> <p>c) LSF amount is per return.</p> <p>d) The facility for opting for LSF shall be available up to three years from the due date of reporting/ submission.</p>
					<ul style="list-style-type: none"> The facility for opting for LSF shall be available up to three years from the due date of reporting/ submission. The option of LSF shall also be available for delayed reporting/submissions under the Notification No. FEMA 120/2004-RB and earlier corresponding regulations, up to three years from the date of notification

				<p>of Foreign Exchange Management (Overseas Investment) Regulations, 2022.</p> <ul style="list-style-type: none"> In case a person responsible for any submission or filing under the provisions of FEMA, neither makes such submission/filing within the specified time nor makes such submission/filing along with LSF, such person shall be liable for penal action under the provisions of FEMA, 1999.
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S. No	NEWS ON RBI
1.	<p>Tokens for card payments RBI unlikely to extend credit card security deadline : RBI has extended the deadline for businesses to set up an additional layer of security for consumers' credit card data even after some concerns remain over payments failing and revenue losses, say bankers and merchants till 30-9-2022 . Despite a demand by smaller merchants to delay the compliance date, there has been no indication so far by the central bank that there is likely to be an extension in deadline</p>
2.	<p>RBI tells banks to make extra provisions for earlier defaults</p> <p>The Reserve Bank of India has identified a set of loan accounts, including companies owned by the state governments which defaulted on repayments between FY20 and FY22, and has asked banks to make provisions against them retrospectively. The regulator recently conducted an inspection for FY22 and insisted that the banks set aside 20% of outstanding loans taken by the entities as provisions. RBI pulled up banks for not following a 7 June 2019 circular on the resolution of stressed assets, which mandated lenders to review loan accounts within 30 days of default</p>

4

IBC 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
	28/09/2022	Notification	Insolvency and Bankruptcy Board of India (Insolvency Professionals) (Fourth Amendment) Regulations, 2022 https://ibbi.gov.in/uploads/legalframwork/0aade43c842d51184839bd7cbca06f35.pdf	<p>IBBI has notified amendment to Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016 wherein the Insolvency professional entities (IPEs) can now register themselves as insolvency professionals and perform all their functions, including managing operations of a company undergoing insolvency proceedings etc.</p> <ul style="list-style-type: none"> An insolvency professional entity eligible for registration as an insolvency professional under sub-regulation (2) of regulation 4 may make an application to the Board in Form AA of Second Schedule along with a nonrefundable application fee of two lakh rupees

				<ul style="list-style-type: none"> In case an insolvency professional entity is an insolvency professional, it shall allow only a partner or director, as the case may be, who is an insolvency professional and holds a valid authorisation for assignment to sign and act on behalf of it.
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S. No	NEWS ON IBC
1.	NIL

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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	26/09/2022	Notification	<p>Foreign Trade Policy extended for six months</p> <p>https://pib.gov.in/PressReleaseframePage.aspx?PRID=1862</p>	<p>The Government has received requests from Export Promotion Councils and leading exporters that we should continue with current Foreign Trade Policy (2015-20), which had been extended from time to time. In recent days, exporters and industry bodies have strongly urged the government that in view of the prevailing, volatile global economic and geo-political situation, it would be advisable to extend the current policy for some time, and undertake more consultations before coming out with the new policy. The Government has always involved all stakeholders in formulating policy. In view of this, it has been decided to extend the Foreign Trade Policy 2015-20, valid till Sept 30, 2022 for a further period of six months, w.e.f. October 1st, 2022.</p>

	GENERAL NEWS
	NIL

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Update on Regulated Sector

S.No	Sector	Update
		NIL



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