

**WEEKLY UPDATES ON COMPANY LAW, SEBI, RBI AND IBC**

**Edition No.249 Week 45- October 31 2022 to November 06 2022**

**1**

**Companies Act 2013 during the week**

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

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

S. No	NEWS ON MCA
1.	<p><b>MCA observes Special Campaign 2.0 for Swachhata in Government Offices and Disposal of Pending Matters from 2nd October to 31st October, 2022</b></p> <p>The Ministry of Corporate Affairs (MCA) has been actively carrying out the Special Campaign 2.0 for Swachhata in Government Offices and Disposal of Pending Matters from 2nd October to 31st October, 2022. Vigorous efforts were made to bring down all Pendency identified during Preparatory phase. Progress in different parameters have been constantly monitored by the Senior Level Officers. As on 31st Oct. 2022, all 23 identified campaign sites have been cleaned. Further, Scrap material amounting to Rs. 22 Lakh (approx.) has been disposed off. A total number of 1,15,545 (One lakh fifteen thousand five hundred forty five) physical files have been reviewed, out of which 90,957 (Ninety thousand nine hundred fifty seven) files have been weeded out.</p>

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## SEBI during the week

Act -0; Report -0; Circulars-2; Press Release-0; Notification -1; Regulation- 0

S. No	Date of Issue	Rules/Circular/ Notification/ Order	Contents thereof	Gist thereof
1	31/10/2022	Circular	<p>Review of provisions pertaining to specifications related to International Securities Identification Number (ISIN) for debt securities issued on private placement basis – Modification to Chapter VIII of Operational Circular dated August 10, 2021</p> <p><a href="https://www.sebi.gov.in/legal/circulars/oct-2022/review-of-provisions-pertaining-to-specifications-related-to-">https://www.sebi.gov.in/legal/circulars/oct-2022/review-of-provisions-pertaining-to-specifications-related-to-</a></p>	<p>SEBI issues circular on capping the limits of ISIN for debt securities issued on private placement basis. Chapter VIII of the Operational Circular dated 10-08-2021 deals with specifications related to ISIN for debt securities.</p> <p>The provisions of this circular will be applicable from 1-04-2023</p> <p>Gist:</p> <ol style="list-style-type: none"> <li>1) Newly capped limits are not applicable on ISINs utilized for issuance of debt securities upto 31-03-2023 and maturing in later years.</li> </ol>

			<p><a href="#">international-securities-identification-number-isin-for-debt-securities-issued-on-private-placement-basis-modification-to-chapter-viii- 64522.html</a></p>	<p>2) Earlier, the maximum number of ISINs maturing in any financial year allowed for an issuer of debt security was 17 which has been reduced to 14.</p> <p>3) For issuance of the capital gains tax debt securities under 54-EC of the Income Tax Act, 1961, the number has been reduced from 12 to 6.</p> <p>4) Out of the fourteen ISINs maturing in a financial year, the bifurcation of ISINs shall be as under :</p> <p>(i) For plain vanilla debt securities- maximum 9 ISINs maturing is allowed (secured and unsecured debts securities). If the outstanding amount reaches Rs. 15,000 crores, then another 3 can be permitted to mature in the same year.</p> <p>(ii) For structured debt securities and market linked debt securities- maximum 5 ISINs maturing will be allowed.</p> <p>5) In case of only structured/ market linked debt securities, a maximum of 9 ISINs are allowed to mature.</p>
2	31/10/2022	Circular	<p><b>Standardisation of Rating Scales Used by Credit Rating Agencies (CRAs)</b></p> <p><a href="https://www.sebi.gov.in/legal/circulars/oct-2022/standardisation-of-rating-scales-">https://www.sebi.gov.in/legal/circulars/oct-2022/standardisation-of-rating-scales-</a></p>	<p>Capital markets regulator SEBI issued new guidelines in order to standardize the usage of rating scales used by Credit Rating Agencies (CRAs).</p>

			<a href="#">used-by-credit-rating-agencies-cras-64506.html</a>	<p>Issuer rating or corporate credit rating indicates the degree of safety of the issuer or the rated entity with regard to timely servicing of all its debt obligations.</p> <p>Pursuant to the consultation with the CRAs, standardized symbols and their definitions have been devised for issuer rating or corporate credit rating. The new guidelines will come into force from January 1, 2023.</p> <p>Monitoring: Monitoring of this circular shall be done in terms of the half-yearly internal audit for CRAs, mandated under Regulation 22 of the SEBI (Credit Rating Agencies) Regulations, 1999 and Circular SEBI/MIRSD/CRA/Cir-01/ 2010 dated January 06, 2010 issued thereunder.</p>
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S.No	NEWS ON SEBI
1	<p><b>Shri B. Rajendran takes charge as Executive Director, SEBI</b></p> <p>Shri B.Rajendran took charge as Executive Director, Securities and Exchange Board of India, in Mumbai on 1<sup>st</sup> November 2022.</p> <p>He will handle Corporation Finance Investigation Department (CFID) and Alternative Investment Fund and Foreign Portfolio Investors Department (AFD)</p>

**2**

**Sebi has dues of Rs 67,000 crore from penalties imposed**

The Securities and Exchange Board of India (Sebi) is struggling to recover the fines it has imposed on wrongdoers. SEBI classified dues worth ₹67,228 crores as "difficult to recover" (DTR) at the end of FY22, according to its annual report for the financial year. Whenever SEBI passes an order against an entity imposing fines or seeking disgorgement of funds, it issues a 'recovery certificate'. Based on this, an officer in Sebi initiates the recovery process by alerting banks, stock exchanges, and depositories.

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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	01/11/2022	Notification	<p><b>Eligibility Criteria for offering Internet Banking Facility by Regional Rural Banks, 2022</b></p> <p><a href="https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12407&amp;Mode=0#AN">https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12407&amp;Mode=0#AN</a></p>	<p>The eligibility criteria applicable to Regional Rural Banks (RRBs) for offering Internet Banking with transactional facility to their customers have been revised. For extending internet banking services with transactional facility, RRBs fulfilling the specified criteria and other conditions prescribed. The circular came into force from November 01, 2022.</p> <p>The revised eligibility criteria to seek approval for providing Internet Banking with transactional facility by RRBs to their customers are as under:</p> <ul style="list-style-type: none"> <li>• Full implementation of Core Banking Solutions (CBS) and migration to IPv6.</li> <li>• Compliance with minimum prescribed CRAR requirement as applicable from time to time.</li> <li>• Net worth of ₹50 crore or more as on March 31 of the previous financial year.</li> </ul>

				<ul style="list-style-type: none"> <li>• Net NPA of not more than 5% as on March 31 of the previous financial year.</li> <li>• Net profit in the two immediately preceding financial years.</li> <li>• No instance of default in maintenance of CRR/SLR during the immediately preceding financial year.</li> <li>• The bank shall have a satisfactory track record of regulatory compliance and there shall be no instances of monetary penalty imposed for violation of RBI directives/guidelines during the two preceding financial years.</li> <li>• The bank shall have a sound internal control system approved by a CISA qualified independent auditor.</li> </ul>
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S. No	NEWS ON RBI
1	<p><b>Operationalisation of Central Bank Digital Currency-Wholesale (e₹-W) Pilot</b> The Reserve Bank of India (RBI) vide Press Release dated October 7, 2022 had announced that the Reserve Bank will soon commence pilot launches of Digital Rupee (e₹) for specific use cases. Accordingly, the first pilot in the Digital Rupee - Wholesale segment (e₹-W) shall commence on November 1, 2022. Nine banks, viz., State Bank of India, Bank of Baroda, Union Bank of India, HDFC Bank, ICICI Bank, Kotak Mahindra Bank, Yes Bank, IDFC First Bank and HSBC have been identified for participation in the pilot. The first pilot in Digital Rupee - Retail segment (e₹-R) is planned for launch within a month in select locations in closed user groups comprising customers and merchants. The details regarding operationalisation of e₹-R pilot shall be communicated in due course.</p>

2	<p><b>Nation-wide Awareness Programme: November 2022</b> The Reserve Bank has been taking several initiatives to improve customer awareness on extant regulations to protect consumer interests, alternative grievance redress mechanisms, safe banking practices, etc., through various media and print campaigns. Earlier this year, as part of the “Azadi Ka Amrit Mahotsav”, the Reserve Bank launched a pan-India awareness programme through Ombudsman Speak and Ombudsman Talkathon events. As a part of these initiatives, during November 2022, the Reserve Bank, in collaboration with its regulated entities, will run a nation-wide consumer financial awareness programme with deeper outreach covering all segments of population, especially those in rural and semi-urban areas.</p>
3	<p><b>Cancellation of license to carry on banking business in India under Section 22 read with Section 56 of the Banking Regulation Act, 1949 – Rupee Co-operative Bank Ltd., Pune</b></p> <p>RBI has cancelled the banking license of Rupee cooperative bank, the same was suspended by Bombay High court.</p> <p>The same shall stand restricted to the period up to and inclusive of October 31, 2022.</p>



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**IBC during the week**

**Notifications -2; Master Directions –0; Master Circulars –0; Press Release –0;**

S. No	Date of Issue	Notifications/ Master Directors/Mast er Circulars	Subject & Link	Gist thereof
1	01/11/2022	Notification	<p><b>IBBI (Model Bye-Laws and Governing Board of Insolvency Professional Agencies) (Second Amendment) Regulations, 2022</b></p> <p><a href="https://ibbi.gov.in/uploads/press/2022-11-01-220308-2ip9z-9001ac8ce8835b9ec6adbca4172d3f4a.pdf">https://ibbi.gov.in/uploads/press/2022-11-01-220308-2ip9z-9001ac8ce8835b9ec6adbca4172d3f4a.pdf</a></p>	<p>The Board has notified Insolvency and Bankruptcy Board of India (Model Bye-Laws and Governing Board of Insolvency Professional Agencies) (Second Amendment) Regulations, 2022 on November 01, 2022, vide which provisions of the circulars have been incorporated in the Model Bye Laws Regulations and the said circulars stand rescinded.</p> <p>No change in the list of contraventions by the IP and the amount of monetary penalties, has been introduced, as contained in the circular no. IBBI/IPA/43/2021, dated July 28, 2021.</p> <p>The Board had issued three circulars, namely:</p>

				<p>(i) Circular No. IP/005/2018 dated January 16, 2018 specifying the format for disclosure of relationship by the insolvency professional (IP)</p> <p>(ii) Circular no. IPA/009/2018 dated April 19, 2018 mandating IPAs to submit Annual Compliance Certificate in the format given in the circular</p> <p>(iii) Circular No. IBBI/IPA/43/2021 dated July 28, 2021 specifying the list of contraventions by IP and the amount of penalty to be imposed by IPAs.</p>
2	02/11/2022	Notification	<p><b>Circular - Annual Compliance Certificate for Insolvency Professional Agencies</b></p> <p><a href="https://ibbi.gov.in/uploads/legalframwork/d904d53472aef0f550a1dc9f2ca71e41.pdf">https://ibbi.gov.in/uploads/legalframwork/d904d53472aef0f550a1dc9f2ca71e41.pdf</a></p>	<p>An Insolvency Professional Agencies (IPA) shall designate or appoint a compliance officer who shall submit a compliance certificate to the Board annually, verifying that the IPA has complied with the provisions of the Code and regulations, circulars, guidelines, and directions issued thereunder.</p> <p>The certificate is to be submitted within 45 days of the end of the financial year.</p>

<b>S. No</b>	<b>NEWS ON IBC</b>
	<b>NIL</b>

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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	27/10/2022	Circular	<p><b>Circular No. 21</b></p> <p><a href="https://incometaxindia.gov.in/com munications/circular/circular-21-2022.pdf">https://incometaxindia.gov.in/com munications/circular/circular-21-2022.pdf</a></p>	<p>The Central Board of Direct Taxes extends the due date of filing of Form 26Q for the second quarter of financial year 2022-23 from 31st October, 2022 to 30th November, 2022.</p>
2	01/10/2022	Circular	<p><b>Circular No. 22-CBDT Condone delay in filing of Form No. 10A</b></p> <p><a href="https://incometaxindia.gov.in/com munications/circular/circular-no-22-2022.pdf">https://incometaxindia.gov.in/com munications/circular/circular-no-22-2022.pdf</a></p>	<p>The Central Board of Direct Taxes (CBDT) has issued notification regarding the Condonation of delay in filing of Form No.10A related to making an application for re-registration or provisional registration of Trust.</p> <p>The due date for filing Form No.10A is required to be filed on or before March 31, 2022.</p> <p>To avoid genuine hardship in such cases where the Form could not be filed by the given date, the Board, condones the delay up to November 25, 2022.</p>

	<b>GENERAL NEWS</b>
	<b>NIL</b>

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## Update on Regulated Sector

S.No	Sector	Update
		NIL



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