

1

Companies Act 2013 during the week

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

S. No	Date of Issue	Rules/Circular/ Notification/Order	Contents thereof	Gist thereof
1	07/02/2023	Circular	Extension of time for filing 45 Company e-forms and PAS - 03 in MCA 21 Version V3 without additional fee	MCA after considering various representations has decided to allow further additional time of 15 days for filing these forms, without additional fees, to the stakeholders. Further, due dates for filing Form PAS – 03 falling between 20.01.2023 to 06.02.2023, can be also filed without payment of additional fees for a period of 15 days.

S. No	NEWS ON MCA
1	<p><u>1.28 lakh companies struck off from records for noncompliance:</u></p> <p>Over one lakh companies in India have been struck off from the records for failing to submit their financial statements for two continuous financial years. In the last 3 years a total of 1,27,952 companies have been struck off from MCA records.</p>

2

SEBI during the week

**Act -0; Report -0; Circulars-5; Master Circular-0; Notification -0; Regulation- 1;
Reports – 2; NSE Circular – 2; BSE Circular - 1**

S. No	Date of Issue	Rules/Circular/ Notification/ Order	Contents thereof	Gist thereof
1	09/02/2023	Circular	Revised Disclosure Requirements for Issuance and Listing of Green Debt Securities.	SEBI has come up with additional disclosures in respect of public issues / private placement of an issuer desirous of issuing green debt securities.
2	09/02/2023	Regulations	SEBI (Buy-Back) (Amendment) Regulations, 2023	SEBI has recognized Secretarial Auditors for the purpose of buyback. Certificate issued for the purpose of buyback needs to be given by Secretarial auditor now as against Statutory auditor (earlier). Other Significant amendments are: <ul style="list-style-type: none"> • For calculating the maximum limit of buyback, standalone or consolidated financial statements, whichever sets out a lower amount would be used. • Method of buyback through odd lot is withdrawn. All consequent provisions relating to that are also withdrawn by SEBI. SEBI has

				<p>approved systematic phasing out of open market buybacks. Open market buybacks will be completely phased out from April 1, 2025.</p> <ul style="list-style-type: none"> • Consent of lenders is necessary for buyback in case there is a breach of any covenant with such lender(s). Also, specific mention of the consent of the lender is mandatorily required to be given in the letter of offer. • Seven working days have been provided as against seven days for filing copy of resolution with SEBI and exchange • Requirement of filing a draft letter of offer with SEBI and subsequent requirement of SEBI providing its comments on the same is done away with. • Listed entity shall, simultaneously with publishing public announcement as per Regulation 7(i) of SEBI (Buyback of Securities) Regulations, 2018 [i.e. publishing of public announcement in newspapers] file a copy of the public announcement in electronic mode, with the Board and the stock exchanges on which its shares or other specified securities are listed. • Letter of offer to be dispatched through electronic mode in accordance with the provisions of the Companies Act, within 2 working days from the record date as against 5 working days
--	--	--	--	---

				<ul style="list-style-type: none"> The company shall be required to open an escrow account, within two working days of the public announcement.
3	07/02/2023	Circular	Grant of extension of time to entities operating/ desirous of operating as Online Bond Platform Providers (OBPPs) for making an application to obtain certificate of registration as a stock broker under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992	<ul style="list-style-type: none"> SEBI vide its Circular dated November 14, 2022 on “Registration and regulatory framework for Online Bond Platform Providers” requires entities desirous of operating as OBPPs <u>to be companies incorporated in India.</u> Considering the transition of MCA 21 Portal to Version 3 and the technical difficulties faced by Stakeholders, SEBI based on the representation, has granted <u>additional three weeks</u> commencing from February 09, 2023 for making application to obtain <u>Certificate of Registration as a stock broker</u> under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992.
4	08/02/2023	Circular	Entities allowed to use e-KYC Aadhaar Authentication services of UIDAI in Securities Market as sub-KUA	<ul style="list-style-type: none"> The KYC user agency (KUA) shall allow SEBI registered intermediaries to undertake Aadhar authentication service of UIDAI as KYC user in securities market.
5	10/02/2023	Report	Consultation paper on review of Corporate Governance norms for a High Value Debt Listed Entity	<ul style="list-style-type: none"> SEBI has come out with a Consultation Paper on review of Corporate Governance norms for High Value Debt Listed Entity.

6	10/02/2023	Report	<p>Consultation Paper on Review of Role and Obligations of Mutual Fund Trustees</p>	<ul style="list-style-type: none"> SEBI with the objective of achieving clarity on the role and accountability of the Board of Asset Management Companies (AMC) and to safeguard unitholders' interest, across all products and services, has released a consultation paper on Review of Role and Obligations of Mutual Fund Trustees
7	10/02/2023	Report	<p>Consultation paper on proposal for introduction of the concept of General Information Document (GID) and Key Information Document (KID), mandatory listing of debt securities of listed issuers and other reforms under the NCS Regulations</p>	<ul style="list-style-type: none"> SEBI has released a consultation paper pertaining to NCS Regulations.
8	10/02/2023	Circular	<p>Clarification in respect of the compliance by the first-time issuers of debt securities under SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 with Regulation 23(6)</p>	<ul style="list-style-type: none"> SEBI vide its Circular, has advised the Stock Exchanges to take an undertaking from first-time issuers of privately placed NCDs or public issue of NCDs that the issuers will ensure the AoA are amended within a period of six months from the date of the listing of the debt securities. This undertaking may be obtained at the time of granting the in-principle approval. The issuer shall, within such time, comply and report compliance to Stock Exchanges, which shall periodically monitor/ remind such issuers on doing the needful.

9	11/02/2023	NSE Circular	Surveillance measure for securities under IBC	<ul style="list-style-type: none"> The NSE has specified revised joint surveillance mechanism for securities under IBC.
10	09/02/2023	NSE Circular	FAQ's on filing of announcements in XBRL format on NSE Electronic Application Processing System (NEAPS) platform.	<ul style="list-style-type: none"> The NSE has released a detailed FAQs to facilitate filing of announcements in XBRL format on NEAPS platform
11	09/02/2023	BSE Circular	Release of new module for filing of information required under Regulation 46 and 62 of SEBI (LODR) Regulations, 2015 on BSE Listing Center	<ul style="list-style-type: none"> As per Regulation 46 and 62 of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulation, 2015 ("Listing Regulation"), the listed entities are required to maintain a functional website containing basic information about the Company. In order to ensure effective enforcement of the Listing Regulations, the Exchange has developed a new module in BSE Listing Centre wherein all the listed entities are required to provide the URLs of the information required under Regulation 46 & 62 of Listing Regulations on the specified path provided in the Circular Listed entities shall incorporate the above by February 20, 2023
12	08/02/2023	Circular	SEBI (Issue and Listing of Non – convertible Securities) Regulations, 2021	<ul style="list-style-type: none"> The securities that has the following characteristics shall be required to comply with provisions of Chapter V of the NCS Regulations

				<ul style="list-style-type: none"> • The issuer is permitted by RBI to issue such instruments • The instruments form part of non equity regulatory capital • The instruments are perpetual debt instruments, perpetual non-cumulative preference shares or instruments of similar nature and • The instruments contain a discretion with the issuer/RBI for events including but not restricted to all or any of the below events: <ul style="list-style-type: none"> ➤ conversion into equity; ➤ write off of interest/ principal; ➤ skipping/ delaying payment of interest/principal; ➤ making an early recall; ➤ changing any terms of issue of the instrument
--	--	--	--	---

S.No	NEWS ON SEBI
1	<p><u>Reconsider decision on role of company secretary: SC to SAT</u></p> <p>SEBI levied penalty of Rs.10 lacs on Company Secretary since he signed public announcement in connection with buy-back of Rs. 270 Crores during 2010-11 without verifying the offer documents which was without adequate free reserves in violation of Sections 68 and 77A of Companies Act 1956 and SEBI regulations. In appeal, SAT vide order dated 1.11.2022 set aside the order and held that Balance Sheet was approved by the Board of Directors and hence the duty of CS was only to authenticate the contents of Balance Sheet and offer documents and not to enquire into veracity of the same. Supreme Court however in its judgement dated 8.2.2023 held that as per SEBI Buy Back Regulations company had to appoint Compliance Officer to ensure compliance of the provisions</p>

	and hence SAT was not correct in relieving the CS from his liability. The order of SAT was therefore reversed and matter was restored to SAT for a fresh decision
2	<p><u>SEBI proposes bondholders' nod for related party transactions for companies.</u></p> <p>SEBI proposed that bondholders should have the right to object to related party transactions proposed by companies, which have listed high value debt securities. The regulator has asked for comments till February 22, 2023. SEBI said the proposal will be applicable in cases where more than 90% of the company's shareholding is with entities defined as related parties. If more than 75% of bondholders object to a transaction, then the board will have to withdraw it. The norms will be applicable to only listed non-convertible debt securities, according to SEBI.</p>

3

RBI during the week

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

S. No	Date of Issue	Notifications/Master Directors/Master Circulars	Subject & Link	Gist thereof
1	08/02/2023	Press Release	RBI extends Market trading hours	<ul style="list-style-type: none"> RBI has restored the market hours in respect of Government securities from 9:00 AM to 3:30 PM to 9:00 AM to 5: 00 PM
2	10/02/2023	Press Release	Issuance of PPIs to Foreign Nationals / Non-Resident Indians (NRIs) visiting India	<ul style="list-style-type: none"> RBI has allowed access to Unified Payment Interface (UPI) to Foreign Nationals / Non-Resident Indians (NRIs) visiting India

S. No	NEWS ON RBI
1	<p><u>Insurance companies can now participate in TReDS: RBI</u></p> <p>To increase MSMEs' participation in the invoice discounting platform Trade Receivables Discounting System (TReDS) and enhance their working capital flow, the central bank permitted insurance facility for invoice financing under the platform, as per an official statement released by the RBI. This will encourage financing/discounting of payables of buyers irrespective of their credit ratings. Accordingly, insurance companies will be permitted to participate as a “fourth participant” on TReDS, apart from the MSME sellers, buyers, and financiers.</p>
2	<p><u>RBI announces pilot for QR code-based Coin Vending Machine</u></p> <p>To improve the distribution of coins among members of the public, the Reserve Bank of India (RBI) is preparing a pilot project on QR code-based Coin Vending Machine (QCVM) in collaboration with a few leading banks. Unlike cash-based traditional Coin Vending Machine, the QCVM would eliminate the need for</p>

	<p>physical tendering of banknotes and their authentication. Customers will also have the option to withdraw coins in the required quantity and denominations in QCVMs. Based on the learnings from the pilot tests, guidelines would be issued to banks to promote better distribution of coins using QCVMs.</p>
<p>3</p>	<p><u>RBI framework for invoicing and payments for international trade in Indian Rupee</u></p> <p>The Reserve Bank of India (RBI) has allowed invoicing and payments for international trade in Indian Rupee vide A.P (DIR Series) Circular No. 10 RBI/2022-2023/90 dated 11.07.2022 on “International Trade Settlement in Indian Rupees (INR)”.</p> <p>The Circular lays down that all exports and imports under the arrangement may be denominated and invoiced in Rupee (INR) and the settlement of trade transactions under the arrangement shall take place in INR.</p> <p>RBI has put in place the arrangement to promote growth of global trade with emphasis on exports from India and to support the increasing interest of global trading community in INR.</p>

4

IBC during the week

Notifications -0; Master Directions -0; Circulars -1; Press Release -0;

S. No	Date of Issue	Notifications/ Master Directors/Master Circulars	Subject & Link	Gist thereof
1	08/02/2023	Circular	Synopsis For Application Under Section 54(1) Of the Insolvency And Bankruptcy Code, 2016 Read With IBBI (Liquidation Process) Regulations, 2016	<ul style="list-style-type: none"> The NCLT Chennai Bench through its Circular has stated that the Application filed for dissolution under Section 54(1) of Insolvency and Bankruptcy Code, 2016 read with IBBI (Liquidation Process) Regulations, 2016 shall be accompanied by a Synopsis in the format as enclosed in the Circular. The application filed without synopsis will not be taken up for scrutiny and numbering.

S. No	NEWS ON IBC
1	<p><u>Non-payment of full provident fund and gratuity dues to employees, workers is violative of IBC: NCLAT</u></p> <p>The National Company Law Appellate Tribunal (NCLAT) recently held that non-payment of full provident fund (PF) and gratuity dues to workmen and employees by any successful resolution applicant would amount to non-compliance with provisions of the Insolvency and Bankruptcy Code of 2016 (IBC).</p>
2	<p><u>NCLT Hyderabad Invokes Rule 153; Permits Filing Of Rejoinder Post Closure Of Opportunity</u></p> <p>The National Company Law Tribunal (“NCLT”), while adjudicating a petition filed in State Bank of India & Ors. v India Power Corporation Limited, invoked its powers under Rule 153 of the NCLT Rules and permitted the Financial Creditor to file its Rejoinder, even after the opportunity to do so stood closed by an earlier order of NCLT. The Bench further held that an application to condone the delay and to receive the Rejoinder which was filed post closure of opportunity, is not in the nature of a Review Application. The Bench treated such application as an application for condonation of delay</p>

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	
1	<p><u>MSME policy ready for release after extensive consultations</u></p> <p>The national policy on micro, small and medium enterprises (MSMEs) is ready for release, having completed a protracted stakeholder consultation. The MSME policy has been prepared after long stakeholder consultations. MSME ministry believes, the sector is set to witness high growth thanks to various government schemes launched over the years. The Emergency Credit Line Guarantee Scheme (ECLGS) scheme has helped MSMEs survive the covid shocks. The policy has come out with a backdrop of taking MSME on a global scale</p>
2	<p>Indian Trademarks Office is set to abandon more than 1,80,000 trademarks published in journal 2090 dated 06-02-2023 in the next 30 days. In this regard, a Public Notice was issued by the Office of Controller General of Patents, Designs and Trademark.</p>

6

Update on Regulated Sector

S.No	Sector	Update
1	RBI – Forex trading	<p>RBI updates 'Alert List' of entities not authorised to deal in forex trading.</p> <ul style="list-style-type: none"> • The Reserve Bank of India has updated its 'alert List' for the Public on unauthorized forex trading platforms to include names of entities/platforms/ websites which appear to be promoting such entities. • The Alert list includes names of entities/platforms/ websites which appear to be promoting unauthorised entities/Electronic Trading Platform (ETPs), including through advertisements of such unauthorised entities or claiming to be providing training/advisory service • Residents are cautioned against entities/platforms/websites which appear to be promoting such unauthorised entities/ETPs, including through advertisements of such unauthorised entities or claiming to be providing training/advisory services (e.g. on social media including video streaming platforms) by providing for 'demo trading' in 'simulated environment' and such other indirect means for facilitating and doing forex trading through unauthorised entities

- | | |
|--|---|
| | <ul style="list-style-type: none">• The authorisation status of any person/Electronic Trading Platform (ETP) can be ascertained from the list of authorised persons and authorised ETPs available in the RBI's website.• An entity not appearing in the Alert List should not assume that it is authorised by the RBI to deal in foreign exchange or can operate electronic trading platforms for forex transactions.• The RBI also reiterated that residents using any means to remit/deposit funds, directly or indirectly, in INR or in any other currency, for undertaking forex transactions for purposes other than those permitted under the FEMA or on ETPs not authorised by the RBI shall render themselves liable for penal action under the provisions of FEMA. |
|--|---|



Flat No.7, Door No.10 Madhans,
South Canal Bank Road,
Mandavelipakkam, Chennai 600028.

bhuvana.r@akshayamcorporate.com | jayanth.v@akshayamcorporate.com

www.akshayamcorporate.com ;

Mobile: 9789982805 | 9962156708

The Information Contained herein is of general nature and is not intended to address the circumstances of any particular individual or entity. The views expressed here are solely those of the author in his private capacity. The News items are taken as is provided in various websites and newspapers and the author shall not be held responsible for any of it.