

WEEKLY UPDATES ON COMPANY LAW, SEBI, RBI AND IBC
Edition No.272 Week 16 – April 10, 2023, to April 16 2023
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><u>Competition (Amendment) Act, 2023 received the assent of the President from Egazette:</u></p> <p>President Droupadi Murmu has given assent to the bill to amend the Competition Law and the changes seek to ensure regulatory certainty and foster a trust-based business environment. The bill to amend the Competition Act was cleared by Parliament on April 3, after its introduction in Lok Sabha, which approved the same on March 29, 2023.</p>

2. Industry body calls for separate digital competition law:

MCA has constituted a 10-member panel to review the existing competition norms in space and the need for a new legislation. The Ministry of Corporate Affairs (MCA) has reportedly invited representatives of big tech firms including Google, Meta, Apple, Amazon, Twitter, and Netflix for discussions on the proposed digital competition law.

2

SEBI during the week

Circulars– 4; NSE Circular –3; BSE Circular – 3; Press Release - 1

S. No	Date of Issue	Rules/Circular/ Notification/ Order	Contents thereof	Gist thereof
1	10/04/2023	Circular	Direct plan for schemes of Alternative Investment Funds (AIFs) and trail model for distribution commission in AIFs	SEBI Circular No. SEBI/HO/IMD/DF6/CIR/P/2020/24 dated February 05, 2020, introduced template(s) for Private Placement Memorandum (PPM) for AIFs, in order to ascertain that certain minimum level of information in a simple and comparable format is disclosed to investors. The aforesaid PPM template(s), inter-alia, provides for disclosure with respect to Direct Plan for investors and Trail model for distribution commission in AIFs (constituents of fees that may be charged by the AIF/ scheme of AIF, including distribution fee/ placement fee) to provide flexibility to investors for investing in AIFs.

2	10/04/2023	Circular	Guidelines with respect to excusing or excluding an investor from an investment of AIF	<p>SEBI Circular No. SEBI/HO/IMD/DF6/CIR/P/2020/24 dated February 05, 2020 has introduced template for Private Placement Memorandum (PPM) for AIFs to provide minimum level of information to be disclosed in simple and comparable format.</p> <p>In this regard, a proposal to review the information disclosed in PPM under the term 'Excuse and Exclusion' for excusing or excluding an investor from an investment of the AIF, was deliberated in Alternative Investment Policy Advisory Committee ('AIPAC') due to inconsistency and lack of adequate disclosure with respect to certain industry practices.</p> <p>The circular contains the circumstances for which an AIF may excuse its investors from participating in a particular investment based on the recommendations of AIPAC.</p>
3	10/04/2023	Press Release	Surrender of certificate of registration by L&T Mutual Fund pursuant to merger of schemes with HSBC Mutual Fund	<p>SEBI has accepted the request for surrender of certificate of registration of L&T MF. Consequently, L&T Mutual Fund ceases to exist as a mutual fund w.e.f. April 06, 2023. L&T Mutual Fund will continue to be liable for all liabilities / obligations (including monetary penalties) for violations of the provisions of the SEBI Act and SEBI (Mutual Fund) Regulations, 1996 that have taken place before its surrender of certificate of registration.</p>

4	10/04/2023	NSE Circular	Introduction of Issue Summary Document (ISD) – Further Issues.	With reference to the Circular NSE/CML/2023/26 dated March 31, 2023, updated Annexures A has been provided for utilities in order to facilitate the filing of the ISD by the listed entities and Annexure B provides for the steps to be undertaken for the submission of details as per the ISD, with NSE.
5	10/04/2023	NSE Circular	FAQs on the submission of the quarterly Corporate Governance Report.	With reference to all the earlier issued FAQs against the submission of Corporate Governance Report on the NSE Electronic Application Processing System (NEAPS) platform, NSE India Limited, has published the frequently asked questions (FAQs) for guidance purpose.
6	10/04/2023	NSE and BSE Circular	Additional affirmations by Practicing Company Secretaries (PCS) in Annual Secretarial Compliance Report (ASCR)	With reference to the Circular No. NSE/CML/ 2023/21 dated March 16, 2023, regarding additional affirmations by PCS in ASCR, wherein point no. 1 is being replaced with the below mentioned point: <ul style="list-style-type: none"> a. <u>Secretarial Standards:</u> The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI)
7	10/04/2023	BSE Circular	FAQ- Corporate Governance	With reference to all the earlier issued FAQs against the submission of Corporate Governance Report on the BSE website, BSE has published the frequently asked questions (FAQs) for guidance purpose.

8	10/04/2023	BSE Circular	Download of Penalty Report for modification of Client Codes of non-institutional trades (All Segments)	The penalty report as per the Exchange Notice Nos. 20110729-24 dated July 29, 2011, and 20110826-4 dated August 26 2011, for the client code modifications of non-institutional trades done during the month of March 2023 has been downloaded with the file-name PM0323. Clg no. in EQUITY TRANSACTION FOLDER in Extranet.
9	11/04/2023	Circular	Formulation of price bands for the first day of trading pursuant to Initial Public Offering (IPO), re-listing etc. in normal trading session	<p>SEBI vide circular no. CIR/MRD/DP/02/2012 dated January 20, 2012, prescribed parameters regarding price discovery through Call Auction and applicable price band for the first day of trading pursuant to IPO or recommencement of trading for re-listed scrips in normal trading session.</p> <p>Aforesaid Call Auction sessions are conducted on multiple stock exchanges, the discovered price / equilibrium price pursuant to such Call Auction sessions could be different on each exchange. If the difference in these discovered prices is significant, there could be a situation wherein price bands on individual exchanges are far apart from each other, giving an incorrect picture of price band to investors.</p> <p>This circular depicts the decisions of SEBI, for trading on first day pursuant to IPO or re-listing in discussion with Stock exchange and SMAC.</p>

10	13/04/2023	Circular	<p>Contribution by eligible Issuers of debt securities to the Settlement Guarantee Fund of the Limited Purpose Clearing Corporation for repo transactions in debt securities</p>	<p>The SEBI Board in its meeting held on September 29, 2020, permitted the setting up of a Limited Purpose Clearing Corporation (LPCC) for clearing and settling repo transactions in debt securities. The Board, inter alia, also decided that an amount of 0.5 basis points of the issuance value of debt securities per annum be collected upfront prior to the listing of such securities in order to build the Settlement Guarantee Fund of the LPCC.</p> <p>In this regard, AMC Repo Clearing Limited (ARCL) has been granted recognition as LPCC by SEBI. The Reserve Bank of India also accorded necessary approvals to ARCL to function as a Clearing Corporation with a limited purpose and to offer central counter party services for repo transactions in debt securities.</p> <p>This circular provides the framework for upfront collection of amounts as charges from eligible issuers at the time of allotment of debt securities</p>
----	------------	----------	---	--

S.No	NEWS ON SEBI
1.	<p><u>New Logo of SEBI unveiled on the occasion of SEBI Foundation Day:</u></p> <p>SEBI's new logo seeks to reflect the unique combination of rich traditions of SEBI and new data and technology-based approach to all the three areas of its mandate in the securities market - Development and Regulation of the Securities Market and Investor Protection.</p>
2.	<p><u>Names of the companies/Intermediaries/MIs having complaints pending for more than 3 months on SCORES as on March 31, 2023:</u></p> <p>SEBI issued the names of the Companies/Intermediaries/MIs having complaints pending for more than 3 months on SCORES as on March 31, 2023.</p>
3.	<p><u>Status of SCORES complaints as on March 31, 2023:</u></p> <p>SEBI issued the Status of SCORES complaints as on March 31, 2023, and category wise complaints pending for more than 3 months.</p>
4.	<p><u>NSE launches India's first Reits and InvITs Index (April 12, 2023):</u></p> <p>NSE Indices Ltd, a subsidiary of National Stock Exchange (NSE), has launched India's first ever Real Estate Investment Trusts (Reits) and Infrastructure Investment Trusts (InvITs) Index. The new index— Nifty Reits and InvITs index—aims to track the performance of Reits and InvITs that are publicly listed and traded on the NSE.</p>

3

RBI during the week **Notifications - 1; Master Directions –1; Press Release:4**

S.No	Date of Issue	Rules/Circular/ Notification/ Order/Press release	Subject	Gist thereof
1	10/04/2023	Press Release	RBI simplifies the application process for registration of Core Investment Companies	The Reserve Bank has undertaken a comprehensive review of the system of processing applications for registration as Core Investment Companies (CICs) to make the registration process smoother and hassle free. Accordingly, the application form has been revamped to make it structured and aligned with the extant CIC regulations.
2	10/04/2023	Master Direction	Master Direction on Outsourcing of Information Technology Services	RBI has released finalised Reserve Bank of India (Outsourcing of Information Technology Services) Directions, 2023 based on the feedback received for the draft Master Direction on the same. Regulated Entities (REs) have been extensively leveraging Information Technology (IT) and IT enabled Services (ITeS) to

				<p>support their business models, products and services offered to their customers. REs also outsources substantial portion of their IT activities to third parties, which expose them to various risks.</p> <p>This master Direction is to ensure effective management of attendant risks and ensure that outsourcing arrangements neither diminish REs ability to fulfil its obligations to customers nor impede effective supervision by the RBI. And also with a view to provide REs adequate time to comply with the requirements.</p>
3	11/04/2023	Press Release	<p>Impact of Foreign Direct Investment on Profitability - Evidence from the Indian Corporate Sector</p>	<p>RBI placed on its website a Working paper titled, “Impact of Foreign Direct Investment on Profitability: Evidence from the Indian Corporate Sector” under the Reserve Bank of India Working Paper Series. The paper empirically assesses the impact of foreign direct investment (FDI) on the capital structure and profitability of Indian companies.</p>
4	11/04/2023	Notification	<p>Framework for acceptance of Green Deposits</p>	<p>Deposits constitute a major source for mobilizing of funds by the Regulated Entities (REs). It is seen that some REs are already offering green deposits for financing green activities and</p>

				<p>projects. Taking this forward and with a view to fostering and developing green finance ecosystem in the country, it has been decided to put in place the <i>Framework for acceptance of Green Deposits for the REs to mobilize resources and their allocation thereof in green activities/projects.</i></p>
5	12/04/2023	Press Release	<p>Draft Circular on Fair Lending Practice - Penal Charges in Loan Accounts</p>	<p>RBI releases Draft Circular on Fair Lending Practice - Penal Charges in Loan Accounts in pursuance of the announcement made in the Statement on Developmental and Regulatory Policies dated February 08, 2023, regarding the review of extant regulatory guidelines on levy of penal interest.</p>

S.No	NEWS ON RBI
	NIL

4

IBC during the week

Notification -0; Master Direction – 0; Circulars – 0; Order -0

S.No	Date of Issue	Rules/Circular/ Notification / Order/Press release	Subject	Gist thereof
NIL				

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	Rules/Circular/ Notification/Order/Press Release	Contents thereof	Gist thereof
NIL				

S NO	GENERAL NEWS
NIL	

6

Update on Regulated Sector

S.No	Sector	Update
NIL		



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.