

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

**Edition No.274 Week 18 –April 24 2023 to April 30 2023**

**1**

**Companies Act 2013 during the week**

**Rules -0; Circulars - 0; Notifications-1; Orders-0**

S. No	Date of Issue	Rules/Circular/ Notification/Order	Contents thereof	Gist thereof
1	31-03-2023	Notification*	<b>Companies (Indian Accounting Standards) Amendment Rules 2023</b>	<p>The Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) Amendment Rules, 2023.</p> <p>1. The new rules introduced by MCA have amended Indian Accounting Standard (Ind AS) 101. After paragraph 39AG, a new paragraph, 39AH, has been inserted, which deals with Deferred Tax related to Assets and Liabilities arising from a Single Transaction. This amendment shall be applicable for annual reporting periods beginning on or after April 1, 2023</p>

		<p><b>*Updated on 27/04/2023</b></p>		<p>2. Under the amended rules, companies are now required to disclose "material accounting policy information" in their financial statements instead of "significant accounting policies." This change aims to provide a clearer and more detailed picture of the company's affairs for shareholders, investors, and lenders, as material policies have a significant impact on the financial statement users' decision-making.</p> <p>3. Moreover, the guidelines on determining what constitutes material accounting policy information will further enhance transparency and improve the quality of financial reporting. Industry experts have welcomed the move, noting that it will benefit stakeholders in making informed decisions.</p> <p>4. A new paragraph B14 has also been inserted, which deals with Deferred Tax related to leases and decommissioning, restoration, and similar liabilities. It states that at the time of transition to Ind AS's, a first-time adopter shall recognize a deferred tax asset and a deferred tax liability for all deductible and taxable temporary differences associated with right-of-use assets and lease</p>
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S. No	NEWS ON MCA
1	<p><b><u>Information to the stakeholders for implementation of form STK-2 in V3 MCA21 portal:</u></b></p> <p>In continuous endeavor to serve better, the Ministry of Corporate Affairs is launching STK-2 form along with C-PACE functionality on 01<sup>st</sup> May 2023 at 12:00 AM. To facilitate implementation of this form in V3 MCA21 portal, stakeholders are advised to note the following points:</p> <p>(1) STK-2 form on V2 portal will be disabled from 28<sup>th</sup> April 11:59 PM to 30<sup>th</sup> April 11:59 pm which is planned for roll-out on 01<sup>st</sup> May 2023 at 12:00 AM.</p> <p>(2) All stakeholders are advised to ensure that there are no SRNs in pending payment and Resubmission status.</p> <p>(3) Offline payments using the Pay later option would not be available in V2 for STK-2. You are requested to make payments for these forms in V2 through online mode (Credit/Debit Card and Net Banking).</p> <p>(4) V3 portal will not be available for filing of all Company/LLP forms due to STK-2 form roll-out from 30<sup>th</sup> April (03:00 PM) to 01<sup>st</sup> May 2023 (12:00 AM).</p> <p>(5) V2 Portal for company filing will remain available for all the forms which are currently in V2 system (except STK-2), throughout this time period.</p>
2	<p>Stakeholders to note that there is a delay in issuance of TAN (Tax Deduction and Collection Account Number) from NSDL, due to which there will be slight delay in obtaining COI (Certificate of Incorporation). All pending COI will be issued as soon as TAN is received from NSDL.</p>

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## SEBI during the week

**Circulars– 3; Master Circular – 1; NSE Circular – 1**

S. No	Date of Issue	Rules/Circular/ Notification/ Order	Contents thereof	Gist thereof
1	21-04-2023	Circular	<b>Procedure for seeking prior approval for change in control of Vault Managers</b>	The circular contains the procedure for obtaining prior approval of the Board in case of a change in control of Vault Managers. This was given affect vide Regulation 8(b) of SEBI (Vault Managers) Regulations, 2021 amended vide SEBI (Change in Control in Intermediaries) (Amendment) Regulations, 2023 dated January 17, 2023.
2	25-04-2023	Circular	<b>Modifications in the requirement of filing of Offer Documents by Mutual Funds</b>	In order to contribute to the go green initiative, in partial modification of the SEBI circular vide SEBI/HO/IMD/IMD-RAC-2/P/CIR/2023/60, it has been dedicated that AMCs shall file all final offer documents (final SID and final KIM) only digitally, by emailing the same to a dedicated email ID given in the circular. Going forward, there would be no requirement of filing of physical copies of the same with SEBI.

3	25-04-2023	Circular	<b>Bank Guarantees (BGs) created out of clients' funds</b>	<p>SEBI vide its circular SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/061, decided to implement the following measures in order to safeguard the interests of the investors:</p> <ol style="list-style-type: none"> <li>1. Beginning May 01, 2023, no new Bank Guarantees shall be created out of clients' funds by Stockbrokers and Clearing Members.</li> <li>2. Existing Bank Guarantees out of client's funds shall be wound down by September 30, 2023.</li> <li>3. The provisions of this framework shall not be applicable for proprietary funds of SBs/CMs in any segment and SB's proprietary funds deposited with CM in the capacity of a client.</li> </ol>
4	27-04-2023	Master Circular	<b>Master Circular for Custodians</b>	<p>In addition to the requirements specified under this Master Circular, the custodians shall be required to independently comply with the other requirements specified by SEBI for market intermediaries such as the 'Levy of Goods &amp; Services Tax (GST) on the fees payable to SEBI', 'Approach to securities market data access and terms of usage of data provided by data sources in Indian securities market', 'Digital mode of payment', 'Information regarding Grievance Redressal Mechanism' and 'Guidelines on Outsourcing of Activities by Intermediaries', etc.</p> <p>This Master Circular is effective from 27<sup>th</sup> April 2023.</p>

5	28-04-2023	NSE Circular	<b>Introduction of Issue Summary Document (ISD)– Buy-back on NSE Electronic Application Processing System (NEAPS) platform.</b>	This is in relation to the introduction of Issue Summary Document (ISD) and dissemination of issue advertisements. The Stock Exchanges have developed the utilities in order to facilitate the filing of the ISD effective from 2 <sup>nd</sup> of May 2023 by the listed entities in the format prescribed in the give Circular.
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S.No	NEWS ON SEBI
1.	

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**RBI during the week**

**Notifications - 1; Master Circulars –0;Press Release:0**

S.No	Date of Issue	Rules/Circular/ Notification /Order /Press release	Subject	Gist thereof
1	28-04-2023	Notification	Amendment to the Master Direction (MD) on KYC	RBI vide RBI/2023-24/24 decided to amend MD on KYC to (a) align the instructions with the recent amendments carried out in the Prevention of Money Laundering (Maintenance of Records) Rules, 2005, (b) incorporate instructions in terms of the Government Order dated January 30, 2023, titled “Procedure for Implementation of Section 12A of the Weapons of Mass Destruction (WMD) and their Delivery Systems (Prohibition of Unlawful Activities) Act, 2005 (WMD Act, 2005)” ; (c) update certain instructions in accordance with FATF Recommendations; and (d) refine certain extant instructions post review.

S.No	NEWS ON RBI
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**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

S.No	NEWS ON IBC



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**Others during the week**  
**DIPP-0; Finance Ministry-0; Others -0;**

S. No	Date	Rules/Circular/ Notification/Order/Press Release	Contents thereof	Gist thereof

S NO	GENERAL NEWS
1	<p><b><u>ICSI issues Model Charter of Audit Committee:</u></b></p> <p>The Model Charter of Audit Committee comprises of legal, regulatory, as well as desirable good practices to be followed by the Audit Committee. This Charter is further inclusive of suggested good practices which may be adopted by the Audit Committee while approving related party transactions which is a focussed area from governance perspective. (Enclosed)</p>
3	<p><b><u>Trade Notice issued by Department of Commerce, Directorate General of Foreign Trade:</u></b></p> <p>On 21<sup>st</sup> of April Directorate General of Foreign Trade issued a Trade Notice vide No. 04/2023-24 stating the amendment under Interest Equalisation Scheme in respect of UIN-reg. The amendments are deferred in view of the operational challenges expressed by the beneficiaries of the scheme and the banks. The revised guidelines are given in the Trade Notice.</p>

<p><b>4</b></p>	<p><b><u>Restoration of Abandoned Applications/Oppositions to Original Status:</u></b></p> <p>Public notice is issued as per undertaking given before the Hon’ble High Court of Delhi and in compliance of the said order dated 13/04/2023, that the two Public Notices dated 6<sup>th</sup> February 2023 (notified in Trademarks Journal No: 2090) and two Public Notices dated 27<sup>th</sup> March 2023 (notified in Trade Marks Journal No: 2097) stands withdrawn and all the applications are getting restored to the original status. The further processing of all the applications/opposition matters shall take place immediately after due verification of their restoration on TMR Portal following the queue of their respective matters in different TM Registry</p>
<p><b>5</b></p>	<p><b><u>Notification for Online Eligibility Test (ET) for Post Qualification Course on Information Systems Audit:</u></b></p> <p>The ICAI has set up an Online Eligibility Test for Post Qualification Course on Information Systems Audit on Saturday the 13<sup>th</sup> May 2023 (10:00 AM to 12:30 PM) Organized by Digital Accounting &amp; Assurance Board of ICAI. The process to register for the same has been briefed in the given announcement along with the General instructions for ISA Eligibility Test.</p>
<p><b>6</b></p>	<p><b><u>Public Notice issued by Directorate General of Foreign Trade:</u></b></p> <p>The Directorate General of Foreign Trade notifies the Appendices &amp; Aayat Niryat Forms. The updated Appendices &amp; Aayat Niryat Forms is made available in the website of DGFT.</p>

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**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](mailto:bhuvana.r@akshayamcorporate.com) | [jayanth.v@akshayamcorporate.com](mailto:jayanth.v@akshayamcorporate.com)

[www.akshayamcorporate.com](http://www.akshayamcorporate.com) ;

Mobile: 9789982805 | 9962156708

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