

WEEKLY UPDATES ON COMPANY LAW, SEBI, RBI, IFSC AND IBC Edition No 326 Week 17 22-04-2024 to 28-04-2024 Companies Act 2013 during the week Notifications - 0; Rules -0; Circulars - 0; Orders-0; Important Notices -0

S.	Date of Issue	Rules/Circular/	Contents thereof	Gist thereof
No		Notification/Order		
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SEBI during the week

Circulars-3; Report -0; Notification - 0; Regulation-1; Others -0

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S. No	Date of Issue	Rules/Circulars/	Contents thereof		Gist thereof
		Notification/ Order			
1	24/04/2024	Circular	Ease of Doing Business: T	ext on	SEBI has amended the Master Circular (Stock Exchanges and Clearing
			Contract Note with respect to	Fit and	Corporations) dated October 16, 2023, of publishing the text about 'fit and
			Proper status of shareholders		proper' on the contract note and prescribed that in the post-listing
					scenario, instead of text, only a reference of the applicable regulation
					about fit and proper (by mentioning the URL/weblink of Regulation 19 and
					20 of the SCR (SECC) Regulations, 2018) shall be made part of the contract
					note.
					Accordingly, the Stock Exchanges are advised by SEBI to make necessary
					amendments to the relevant bye-laws, rules and regulations for the
					implementation of the above decision immediately, as may be applicable
					and bring the provisions of this circular to the notice of their members.
					Further advised to disseminate the same on the website of the Stock
			D,	a i 14	Exchange and communicate to SEBI the status of implementation of the
			$D\mathcal{U}_{i}$	sin	provisions of this circular in the Monthly Development Report.

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2	25/04/2024	Regulations	Securities and Exchange Board of India	SEBI has made amendments in the Alternative Investment Funds
			(Alternative Investment Funds) (Second	Regulations 2012 as follows:
			Amendment) Regulations, 2024	1) No Alternative Investment Fund(AIF) shall Launch any new
				liquidation scheme under this regulation after this notification
				2) Any Liquidation scheme launched by an AIF prior to this
				notification shall continue to be governed by Regulation 29A and
				the other provisions are wound up.
				3) Every AIF, Manager if AIF, KMP of the Manager shall exercise Due
				Diligence concerning investors and their Investments.
				4) The Scheme of AIF may enter into a dissolution period and file an
				Information memorandum.
				5) The dissolution period shall not be more than the original tenure
				and not extended upon expiry of the dissolution period.
				6) During the Dissolution period, No new commitments to be
				accepted, and not be make any new assignments from any
				investors
3	26/04/2024	Circular	Framework for Category I and II	SEBI has made amendments to the Framework for Category I and II
			Alternative Investment Funds (AIFs) to	Alternative Investment Funds (AIFs):
			create encumbrance on their holding of	
			equity of investee companies	ess Support Solutions



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				Existing Category I or II AIF schemes without investors before April 25,
				2024, can create encumbrances on investee company equity, with explicit
				disclosure in Private Placement Memorandums (PPMs)
				In case of no explicit disclosure than such encumbrance can continue with
				consent of investors by 24.10.2024 or must be removed by January 24,
				2025The duration of encumbrance should not exceed the residual tenure
				of the AIF scheme.
4	26/04/2024	Circular	Flexibility to Alternative Investment	SEBI has now allowed one-time flexibility to AIF schemes whose liquidation
			Funds (AIFs) and their investors to deal	period has expired to deal with unliquidated investments. Thus, AIF
			with unliquidated investments of their	schemes, whose liquidation period has expired or shall expire on or before
			schemes	July 24, 2024, shall be granted a fresh liquidation period till April 24, 2025.
				If the AIF / manager fails to arrange a bid for a minimum of 25% of
				the value of unliquidated investments of the scheme, the AIF can still
				opt for Dissolution Period, provided that it obtains the consent of at least
_				75% of the investors by the value of their investment in the scheme
				of the AIF. The AIF/ mangers shall take requisite prior consent of investors
				and disclose the same to SEBI.
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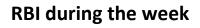


S.No	NEWS ON SEBI
1	Guide to verify your KYC Status: SEBI, as a risk management framework advised that KYC Registration Agencies (KRAs) shall verify PAN, Name Address and
	mobile Number of the clients etc
	The records of those clients in respect of which all the above attributes are verified by KRAs with official database (such as Income Tax database on PAN,
	Aadhaar XML / DigiLocker / M-Aadhaar) shall be considered as validated records. Investors can update their KYC online and offline

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Notifications -1; Master Directions -1; Circulars -3; Press Release-0

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S.No	Date of Issue	Rules/Circulars/	Subject	Gist thereof	
		Notifications/			
		Order / Press			
		release			
1	24/04/2024	Master	Master Direction – Reserve	The Reserve Bank of India has issued the Master Direction – Reserve Bank of India	
		Direction	Bank of India (Asset	(Asset Reconstruction Companies) Directions, 2024. The Master Direction	
			Reconstruction Companies)	consolidates the existing regulatory guidelines issued to ARCs vide Master Circular on	
			Directions, 2024 ARCs and Master Direction - Fit and Proper Criteria for Sponsors - A		
				Reconstruction Companies (Reserve Bank) Directions, 2018	
2	24/04/2024	Circular	Master Circular - Bank	RBI has issued the revised Master Circular on Bank Finance to Non-Banking Financial	
			Finance to Non-Banking	Companies (NBFCs)	
			Financial Companies	Companies The Circular is updated to reflect all instructions issued as of the date on the above	
			(NBFCs)	matter.	
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4 25/04/2024 Circular Reserve Bank of India has notified the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) (Amendment) Regulations, 2 6 Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Payment and Reporting of Non-Debt Instruments) (Amendment) Regulations, 2 7 He Amendment Regulations inter alia provide the amount of consideration for purchase/subscription of equity shares of an Indian company listed or International Exchange shall be paid,- 8 He or purchase shall be paid,- 9 Antogh banking channels to a foreign currency account of the Indian company
ForeignExchangeManagement(Mode ofPayment and Reporting ofInternational Exchange shall be paid,-
Management (Mode of The Amendment Regulations inter alia provide the amount of consideration for Payment and Reporting of International Exchange shall be paid,- Non-Debt Instruments)
Payment and Reporting of purchase/subscription of equity shares of an Indian company listed or Non-Debt Instruments)
Non-Debt Instruments) International Exchange shall be paid,-
Non-Debt Instruments)
(Amendment) Regulations,
2024 held by the Foreign Exchange Management (Foreign currency accounts by a pe
resident in India) Regulations, 2015, as amended from time to time; or
b. as inward remittance from abroad through banking channels.
5 25/04/2024 Circular Reserve Bank of India has notified the Foreign Exchange Management(For
Foreign Exchange Currency Accounts by a person resident in India)(Amendment) Regulations, 2024
Management (Foreign The Amendment Regulations inter alia provide that subject to compliance with
Currency Accounts by a conditions regarding raising of External Commercial Borrowings (ECB) or raising
person resident in India) resources through American Depository Receipts (ADRs) or Global Depos
(Amendment) Regulations, Receipts (GDRs) or through direct listing of equity shares of companies incorpor
2024 in India on International Exchanges, the funds so raised may, pending their utilization of the solution o
or repatriation to India, be held in foreign currency accounts with a bank outside
6 26/04/2024 Notification Limits for investment in debt The limits for FPI investment in government securities (g-secs), state government
and sale of Credit Default securities (SGSs) and corporate bonds shall remain unchanged at 6%, 2% and
Swaps by Foreign Portfolio 15% respectively, of the outstanding stocks of securities for 2024-25.Table 1:
Investors (FPIs) Runness Small figures in ₹ Crore
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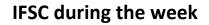
	General Lo	Sec ong erm General	Long	Corpora te Bonds	Total Debt
Current FPI limits	2,67,89 0 1,3	^{36,89} 92,828	7,100	6,67,87 1	11,72,5 78
Revised limit for the HY Apr 2024-Sept 2024	2,68,43 1,3 7	37,43 1,05,29 7 0	7,100	7,15,68 7	12,33,9 51
Revised limit for the HY Oct 2024-Mar 2025	2,68,98 1,3	37,98 1,17,75 4 2	7,100	7,63,50 3	12,95,3 22

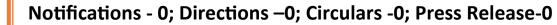
	NEWS ON RBI
1	RBI Bulletin – April 2024
	The Reserve Bank released the April 2024 issue of its monthly Bulletin on April 23, 2024.
	The Bulletin includes Monetary Policy Statement (April 3-5) 2024-2025, five speeches, six articles, and current statistics
	The six articles are: I. State of the Economy; II. What Drives India's Services Exports?; III. Food and Fuel Prices: Second Round Effects on Headline Inflation in



India; IV. India's Foreign Exchange Reserves in High Volatility Episodes – An Empirical Assessment; V. Gauging Linguistic Complexity of Regulatory Communication: A Case Study for India; and VI. Off-site Monitoring System for Surveys (OMOSYS): A Geographic Information System (GIS) Based Approach for Quality Assurance.

2 Shri T. Rabi Sankar re-appointed as RBI Deputy Governor The Central Government has re-appointed Shri T. Rabi Sankar as Deputy Governor, Reserve Bank of India for a period of one year with effect from May 03, 2024, or until further orders, whichever is earlier.



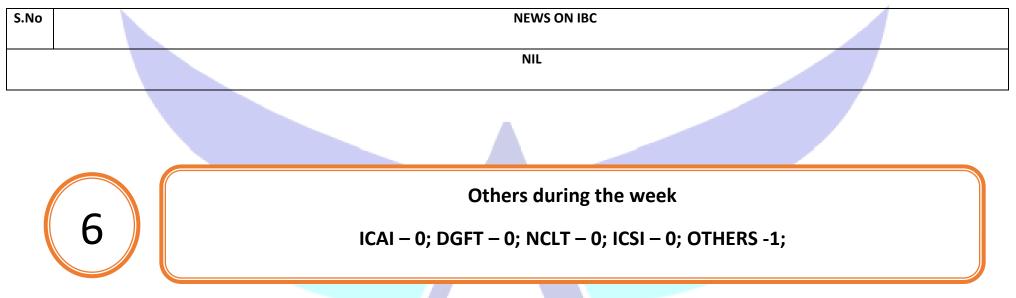


S.No	Date of Issue	Rules/Circulars/	Subject		Gis	t thereof	
		Notifications/				_	
		Order / Press					
		release					
				NIL			
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S.No		NEWS ON IFSC				
				NIL		
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5	Р	ress Release – 0;	Master Direction –	0; Notification – 0; C	irculars – 0; Order -0	; Others - 0
S.	Date	Rules/Circulars/	Contents thereof		Gist thereof	
No		Notifications/Order /Press Release				
		/Fless Release		NIL		
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S. No	Date	Rules/Circulars/	Contents thereof	Gist thereof
		Notifications/Order		
		/Press Release		
1	23/04/2024	Circular	Relief for TDS Deductors on PAN-Aadhar	The CBDT, aims to address grievances of deductors/collectors who
			Linkage	collected TDS/TCS at the normal rate but were required to
				deduct/collect at double the rate due to the deductee's PAN being
				inoperative (unlinked with Aadhar) since April 1, 2023, issued Circular
			Developer	No. 6 on April 23, 2024. This circular prevents treating such TDS
			<i>BUSINE</i>	deductors as in default (for short deduction) if, by May 31, 2024, the



	deductee's PAN is linked to Aadhar, rendering it operative for
	transactions until March 31, 2024. Consequently, no liability arises for
	deductors/collectors to deduct/collect tax under sections
	206AA/206CC at double the rate due to PAN inoperability, and they
	need not pay the difference.

S NO	GENERAL NEWS
	NIL



S.No	Sector	Update
1.	Health insurance for aging	To expand the market and foster adequate protection from healthcare expenses, the insurance regulator Insurance
	parents is now possible as	Regulatory and Development Authority of India (IRDAI) has removed the age limit of 65 years for individuals buying health
	IRDAI scraps the age limit	insurancepolicies.
		This marks a significant change from the old rules that stopped people from getting full coverage. By abolishing the
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		maximum age restriction on purchasing health insurance plans, the IRDAI aims to foster a more inclusive and accessible
		healthcare ecosystem, ensuring adequate protection against unforeseen medical expenses.
2.		To launch a Market Study to understand the ecosystem around Artificial Intelligence and Competition in India, the
		Competition Commission of India (CCI) invites proposals for engagement of an Agency/ Institution for conducting the study.
	The Competition	The Competition Commission of India (CCI) will launch a Market Study on Artificial Intelligence (AI) and Competition to
	Commission of India (CCI)	understand the transformative capabilities of AI that have significant pro-competitive potential, as well as competition
	invites proposals for	concerns emanating from the use of AI.
	launching a Market Study	
	on Artificial Intelligence	
	and Competition in India	The proposed study will be a knowledge-building exercise to develop an in-depth understanding of the emerging
		competition dynamics in the development ecosystems of AI systems and the implications of AI applications for competition,
		efficiency, and innovation in key user industries.
3.		Sustainability has become integral to success in today's fast-paced manufacturing landscape. Industries confront challenges
	Transforming	like resource scarcity, environmental degradation, and evolving consumer preferences, necessitating a profound shift in
	manufacturing:	business strategies.
	Embracing the circular	
	economy and ESG	
	initiatives	The concept of the 'circular economy' emerges as a transformative approach poised to revolutionize manufacturing,
		fostering economic growth while mitigating environmental impact.

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