

WEEKLY UPDATES ON COMPANY LAW, SEBI, RBI AND IBC

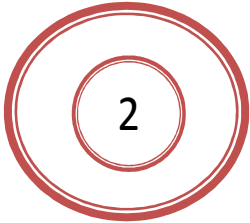
Week 55 - January 14 to January 20, 2019

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Companies Act 2013 during the week

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

S.No	Date of Issue	Rules/Circular/ Notification/order	Contents thereof	Gist thereof
1	14.01.2019	Notification	The Companies (Amendment) Ordinance, 2019	The Companies (Amendment) Ordinance, 2019 has been notified on 14.01.2019 and shall deemed to have come into force on the 2 nd day of November 2018.
2	15.01.2019	Rules	NCLT Amendment Rules, 2019	For application for obtaining the approval of the Tribunal for the consolidation and division of all or any of the share capital into shares of a larger amount than its existing shares, the power has been moved to the Regional Director.



SEBI during the week

Act -0; Rules -0; Regulations-1; General Orders – 0; Guidelines- 0;

Master Circulars-0; Circulars – 3; Press Release –0; Others -0

S.No	Date of Issue	Act/rules/circulars..	Subject & Link	Gist thereof
1	15.01.2019	Circular	Guidelines for public issue of units of InvITs – Amendments	With a view to further rationalise and ease the process of public issue of units of REITs, SEBI has made amendments in InvITs, SEBI has made amendments in InvIT Guidelines in reference of the following: <ol style="list-style-type: none"> 1. Acceptance of Bids for InvITs 2. Role of Intermediaries 3. Role of Stock Exchange
2	15.01.2019	Circular	Guidelines for public issue of units of REITs - Amendments	With a view to further rationalise and ease the process of public issue of units of REITs, SEBI has made amendments in REIT Guidelines in reference of the following: <ol style="list-style-type: none"> 1. Acceptance of Bids for REITs 2. Role of Intermediaries 3. Role of Stock Exchange
3	16.01.2019	Circular	Norms for investment and disclosure	Based on the suggestions of market participants and recommendations of Mutual

			by mutual funds in derivatives	<p>Fund Advisory Committee (MFAC), it has been decided to permit mutual funds to write call options under a covered call strategy.</p> <p>For schemes intending to use covered call strategy, the risks and benefit of the same, must be disclosed in the Scheme Information Document.</p> <p>For existing schemes, writing of call options shall be permitted subject to appropriate disclosure and compliance with Regulation 18 (15A) of SEBI (Mutual Funds) Regulations, 1996.</p>
4	18.01.2019	Regulations	SEBI (Foreign Portfolio Investors) Regulations, 2014 [Last amended on December 31, 2018]	The said regulations have been published on SEBI's official website.

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RBI during the week

Notifications -0; Master Directions –0; Master Circulars – 0; Circular - 0;

Press Release – 1

S.No	Date of Issue	Notifications/Master Directors/Master Circulars	Subject & Link	Gist thereof
1	16.01.2019	Press Release	RBI announces the New External Commercial Borrowings (ECB) Framework	<p>The salient features of the new framework are as under:</p> <ol style="list-style-type: none"> 1. Merging of Tracks: Merging of Tracks I and II as “Foreign Currency denominated ECB” and merging of Track III and Rupee Denominated Bonds framework as “Rupee Denominated ECB”. 2. Eligible Borrowers: This has been expanded to include all entities eligible to receive FDI. Additionally, Port Trusts,

				<p>Units in SEZ, SIDBI, EXIM Bank, registered entities engaged in micro-finance activities, viz., registered not for profit companies, registered societies/trusts/cooperatives and non-government organisations can also borrow under this framework.</p> <p>3. Recognised Lender: The lender should be resident of FATF or IOSCO compliant country. Multilateral and Regional Financial Institutions, Individuals and Foreign branches / subsidiaries of Indian banks can also be lenders as detailed in Annex.</p> <p>4. Minimum Average Maturity Period (MAMP): MAMP will be 3 years for all ECBs. However, for ECB raised from foreign equity holder and utilised for specific purposes, as detailed in the Annex, the MAMP would be 5 years. Similarly, for ECB up to USD 50 million per financial year raised by manufacturing sector, which has been given a special</p>
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				<p>dispensation, the MAMP would be 1 year as given in the Annex.</p> <p>5. Late Submission Fee (LSF) for delay in Reporting: Any borrower, who is otherwise in compliance of ECB guidelines, except for delay in reporting drawdown of ECB proceeds before obtaining LRN or Form ECB 2 returns, can regularize the delay by payment of LSF as per the laid down procedure.</p>
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S. No	NEWS ON INSOLVENCY AND BANKRUPTCY CODE
1	The former directors of the crippled IL&FS Group Wednesday approached the National Company Law Tribunal (NCLT) seeking clarification on bench's earlier order restraining them from disposing of or creating any third-party rights on their properties till January 16.
2	Infrastructure Leasing & Financial Services Ltd (IL&FS) would be unable to service its obligation in respect of interest of non-convertible debenture due on January 19.

S.No.	GENERAL NEWS
1	<p>The income tax department has a backup plan if things don't go its way when making a demand on companies — a safety net in the form of protective notices.</p> <p>The revenue department has started issuing two sets of tax demand notices to one company, a move that has stumped multinationals already fighting transfer pricing cases, apart from potentially increasing their legal burden.</p> <p>The second, protective notice gets triggered only if a company successfully contests the initial demand for tax payable under transfer pricing. Industry experts said such notices have been issued in several transfer pricing cases, ranging from royalty payments to advertising, marketing and promotion (AMP) expenses.</p>



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