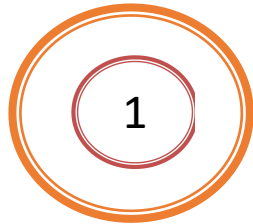


WEEKLY UPDATES ON COMPANY LAW, SEBI, RBI AND IBC

Week 04 – January 20 to January 27, 2020



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

S. No	NEWS ON MCA
1	MCA to shortly notify & deploy a new Web Form christened 'SPICe+' for companies



SEBI during the week

**Act -0; Rules -0; Regulations-0; General Orders – 0; Guidelines- 0;
Master Circulars-0; Circulars – 0; Press Release –0; Others -0;**

S. No	Date of Issue	Act/rules/circulars....	Subject & Link	Gist thereof
1				

S. No	NEWS ON SECURITIES EXCHANGE BOARD OF INDIA
1.	<p>SEBI Has issued informal guidance in the matter of AGC Networks limited under SEBI (LODR) Regulations, 2015</p> <p>The company has sought informal guidance on calculation and working for ascertaining the material Subsidiary based on Net worth Criteria.</p> <p>SEBI confirmed their standing and guided that: “identification of subsidiaries as material, for the purpose of compliance with LODR regulations, based on net worth may be done in accordance with definition of net worth as provided under section 2(57) of Companies Act,2013, including the deductibles mentioned therein</p>
2	<p>SEBI Has issued informal guidance in the matter of IPFII Singapore 4 Pte Ltd under SEBI (FPI) Regulations, 2019</p>

	<p>The company has sought clarification on whether a Foreign Portfolio Investor can invest in unlisted Equity shares of an Indian Company.</p> <p>SEBI consolidated its view as under: <i>“FPI are permitted to invest in unlisted NCD/ bonds issued by an Indian Company subject to a minimum residual maturity of three years and end-use restriction on investment in real estate business, capital market and purchase of land. The custodian bank shall ensure compliance with this condition”</i></p>
3	<p>Sebi plans to rationalise margin system in derivatives</p> <p>Markets regulator Sebi is planning to rationalise margin system in the equity and commodity derivatives segments as part of its effort to boost liquidity and bring down trading cost</p>
4	<p>Sebi plans to get tough on Infosys, order forensic probe of allegations</p> <p>The markets regulator is set to order a forensic audit into Infosys Ltd’s books following whistleblowers’ allegations that its top executives were involved in financial irregularities, two people with direct knowledge of the matter said.</p>
5	<p>SEBI-Sahara case: Supreme Court exempts Sahara group chief Subrata Roy from personal appearance</p>
6	<p>New India Assurance settles insider trading case with Sebi, pays over Rs 62 lakh</p>

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RBI during the week

Notifications -3; Master Directions –0; Master Circulars – 0; Circular -0;

Press Release – 0;

S. No	Date of Issue	Notifications/Master Directors/Master Circulars	Subject & Link	Gist thereof
1	21.01.2020	Notification	Lending against security of single product – Gold jewellery	Through this notification, RBI allows NBFC's to pool gold jewellery from different branches in a district and auction it at any location within the district, subject to meeting the following conditions: <ol style="list-style-type: none"> 1. The first auction has failed. 2. NBFC shall ensure that all other requirements of the extant directions regarding auction (prior notice, reserve price, arms-length relationship, disclosures, etc.) are met.
2	23.01.2020	Notification	Investment by Foreign Portfolio Investors (FPI) in Debt	Based on the feedback received from custodians, FPIs and other stakeholders, RBI has decided to provide some operational flexibility as well as transition path for FPIs and custodians to adapt to

				<p>regulations.</p> <p>Following changes are made through this notification:</p> <ol style="list-style-type: none"> 1. As per directions, short-term investments by an FPI shall not exceed 20% of the total investment of that FPI in either Central Government Securities (including Treasury Bills) or State Development Loans. This short-term investment limit is hereby increased from 20% to 30%. 2. Short-term investments by an FPI shall not exceed 20% of the total investment of that FPI in corporate bonds. This short-term investment limit is hereby increased from 20% to 30%. 3. FPI investments in Security Receipts are currently exempted from the short-term investment limit as in point No.2. These exemptions shall also extend to FPI investments in the following securities: <ol style="list-style-type: none"> A. instruments issued by Asset Reconstruction Companies; and B. instruments issued by an entity under the Corporate Insolvency Resolution Process as per the
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				resolution plan approved by the National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016
	23.01.2020	Notification	Voluntary Retention Route' (VRR) for Foreign Portfolio Investors (FPIs) investment in debt – relaxations	<p>Following changes are made to the Directions governing investment through the Voluntary Retention Route (VRR).</p> <ol style="list-style-type: none"> 1. The investment cap is increased to Rs. 1, 50,000 crores from Rs. 75,000 crores. 2. FPIs that have been allotted investment limits under VRR may, at their discretion, transfer their investments made under the General Investment Limit to VRR. 3. FPIs are also allowed to invest in Exchange Traded Funds that invest only in debt instruments

S. No	NEWS ON RESERVE BANK OF INDIA
1	RBI pre-empts RTI by releasing minutes of October board meet. This is the first time RBI has revealed the proceedings of its central board to the public
2	As RBI includes NPR in KYC papers, panic withdrawal starts from Central Bank of India's branch in Tamil Nadu

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IBC during the week

Notifications -2; Master Directions –0; Master Circulars – 0; Circular –0 ;

Press Release –0;

S.No	Date of Issue	Notifications/Master Directors/Master Circulars	Subject & Link	Gist thereof
1	20.01.2020	Notification	Deposit of unclaimed dividends and / or undistributed proceeds of voluntary liquidation process in accordance with regulation 39 of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017	<p>The amended Regulation 39 of IBBI(Voluntary Liquidation Process)(Amendment) Regulation,2020 provides that the IBBI shall operate and maintain an account to be called Corporate Voluntary Liquidation Account in the Public accounts of India for the purpose of depositing amount of unclaimed dividends and instituted proceeds, if any, in voluntary liquidation process by liquidators.</p> <p>This circular provides bank account details opened by IBBI for the purpose of depositing unclaimed dividends and undistributed profits.</p>

2	23.01.2020	Notification	Constitution of a committee for recommending Rules and Regulatory framework for smooth implementation of proposed Cross Border Insolvency provisions in the Insolvency & Bankruptcy Code, 2016	For smooth implementation of cross border insolvency provisions under IBC, 2016, IBBI have decided to refer the matter to a committee to suggest its recommendations on rules and regulatory framework.
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S. No	NEWS ON INSOLVENCY AND BANKRUPTCY CODE
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S. No	GENERAL NEWS
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