

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

**Week 08 – February 15, 2021 to February 21, 2021**



**Companies Act 2013 during the week**

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

S. No	Date of Issue	Rules/Circular/ Notification/Order	Contents thereof	Gist thereof
1.	19-02-2021	Notification	<u>Companies (Specification and definitions details) 2nd Amendment Rules 2021</u>	<p>Vide this amendment, MCA notified that the following Class of Companies shall not be considered as Listed Companies:</p> <ul style="list-style-type: none"> <li>Public Companies (which have not listed equity shares) whose Non- convertible debt securities and/or Non- convertible redeemable preference Share issued under SEBI regulations, listed on Recognized Stock exchange</li> <li>Private Companies whose Non- convertible debt securities are listed on recognized Stock Exchange</li> </ul>

				<ul style="list-style-type: none"> <li>Public Companies(which have not listed equity shares) whose securities are listed on permitted Foreign Jurisdiction</li> </ul>
--	--	--	--	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------

S. No	NEWS ON MCA
1.	<p>Ministry of Corporate Affairs planning to extend the following provisions of the Companies Act to LLP</p> <ul style="list-style-type: none"> <li>Section 90(1) to (11) - Register of significant beneficial owners in a Company</li> <li>Section 164 (1) and (2) - Disqualifications for Appointment of Director</li> <li>Section 165 (1) , (3) to (6) – Number of Directorships</li> <li>Section 167 (1) to (3) – Vacation of Office of Director</li> <li>Section 206 (5) - Power to Call for Information, Inspect Books and Conduct Inquiries</li> <li>Section 207 (3) - Conduct of Inspection and Inquiry</li> <li>Section 252 (1) to (3) - Appeal to Tribunal.</li> <li>Section 439 (1) to (4) - Offences to be Non-cognizable</li> </ul>



### 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
NIL				

S. No	NEWS ON SECURITIES EXCHANGE BOARD OF INDIA
1.	<p><b><u>Informal Guidance:</u></b></p> <p><b>Facts</b></p> <p>A promoter group company (Transferee) is proposing Scheme of Amalgamation and Arrangement for acquiring 10 entities (Transferor Company) forming part of the Promoter and Promoter Group. Both Transferor and transferee entities hold shares of Listed entity. Shares in the listed entity held by these 10 entities will be transferred to Transferee as per the scheme. As per the scheme, the entire consideration for the amalgamation would be discharged by way of issue of shares of the Transferee Company. Pursuant to the scheme, the shares of the listed entity held by the transferor cos will be transferred to the Transferee Company.</p>

	<p><b>Query :</b> Whether this acquisition of shares pursuant to the merger of 10 Transferor Companies would fall under the exemption provided under Regulation 10(1)(d)(iii) of SEBI (SAST) Regulation, 2011</p> <p><b>Response:</b></p> <p>A merger of the 10 Transferor Companies with the Transferee Company pursuant to an order of a court or a tribunal or under any law or regulation, Indian or Foreign would be exempt from the open offer obligations by virtue of Regulation 10 (1)(d)(iii) of SAST Regulations, 2011 subject to the other conditions being complied with under Regulation 10 of the SEBI (SAST) Regulation, 2011.</p>
2.	<p>Sebi eases listing rules for large IPOs, paving way for LIC's mega float : The Securities and Exchange Board of India (Sebi) eased the listing norms for large companies, apparently paving the way for the much-awaited mega float of Life Insurance Corporation (LIC). Sebi eased the minimum public offer (MPO) norms and said that for any company with post issue market capital of above ₹1 tn, the IPO size is required to be ₹10,000 crore plus 5% of the incremental market capital amount beyond ₹1 trillion</p>



### RBI during the week

**Notifications - 1; 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
2	17-02-2021	Notification	<a href="#">Capital and provisioning requirements for exposures to entities with Unhedged Foreign Currency Exposure (UFCE)</a>	RBI guidelines mandates banks to obtain UFCE data on a quarterly basis. Banks faced difficulty in obtaining this data from listed entities for last quarter due to disclosure restrictions before accounts finalisation. Now, RBI has instructed the Banks to use UFCE data pertaining to the immediately preceding quarter for computing capital and provisioning requirements.

S. No	NEWS ON RESERVE BANK OF INDIA
1.	Reserve Bank of India issues Master Directions for housing finance companies : The Reserve Bank of India (RBI) came out with a slew of directions related to maintenance of liquidity coverage ratio, risk management, asset classification and loan-to-value ratio, among others, for housing finance companies (HFCs).
2.	<p><b><u>RBI tightens norms for e-payments</u></b></p> <p>The Reserve Bank of India(RBI) has tightened payment security norms, making banks and other regulated entities more responsible for apps provided by third parties. In its new directive on digital payments security control, the central bank has got down to the minutiae of the transactions.</p>
3.	<p><b><u>Frame New Bank Locker Rules In 6 Months, Supreme Court Tells RBI</u></b></p> <p>Banks are the custodians of public property and they "cannot leave their customers in the lurch" by claiming ignorance of the contents of their lockers, the Supreme Court observed that "(the) present state of regulations on locker management is inadequate and muddled". The Reserve Bank of India will set new regulations on the locker facility management within six months that will be followed by banks across the country, the top court directed.</p>

4

**IBC during the week**  
**Notifications -; Master Directions -; Master Circulars -; Circular -;**  
**Press Release -;**

S.No	Date of Issue	Notifications/Master Directors/Master Circulars	Subject & Link	Gist thereof
Nil				

S. No	NEWS ON INSOLVENCY AND BANKRUPTCY CODE

S. No	GENERAL NEWS



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

*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.*