

WEEKLY UPDATES ON COMPANY LAW, SEBI, RBI AND IBC

Week 64 – March 18 to March 24, 2019

1

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
NIL				



SEBI during the week

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

Master Circulars-0; Circulars – 3; Press Release –1; Others -0;

S. No	Date of Issue	Notifications/Master Directors/Master Circulars	Subject & Link	Gist thereof
1	18.03.2019	Circular	Clarification on participation of Eligible Foreign Investors (EFIs) in Commodity Derivatives in IFSC	<p>Eligible Foreign Investors (EFIs) may participate in commodity derivatives contracts traded in stock exchanges in IFSC subject to the following conditions:-</p> <ol style="list-style-type: none"> 1. The participation would be limited to the derivatives contracts in non-agricultural commodities only, 2. Contracts would be cash settled on the settlement price determined on overseas exchanges, and 3. All the transactions shall be denominated in foreign currency only.
2	19.03.2019	Press Release	Securities and Exchange Board of India signs a Memorandum of Understanding with the Insolvency and Bankruptcy Board	<p>SEBI and IBBI have entered into a MoU which provides for:</p> <p style="padding-left: 40px;">(a) sharing of information between SEBI and</p>

			of India	<p>IBBI subject to the limitations imposed by the applicable laws;</p> <p>(b) panel of Insolvency Professionals (IPs) to be appointed as Administrators under Administrator Regulations;</p> <p>(c) periodic meetings to discuss matters of mutual interest, including regulatory requirements that impact their responsibilities, research and data analysis, information technology and data sharing;</p> <p>(d) cross-training of staff;</p> <p>(e) capacity building of insolvency professionals and financial creditors;</p> <p>(f) joint efforts towards enhancing the level of awareness among IPs about the importance and necessity of swift administration process under the provisions of the Administrator Regulations, promoting entrepreneurship, availability of credit and balancing the interests of all stakeholders under the Code, etc.</p>
3	20.03.2019	Circular	Framework for Utilization of Regulatory Fee Foregone by SEBI	To encourage the participation by Farmers/Farmer Producer Organizations (FPOs) in agricultural commodity derivatives markets, SEBI has reduced the regulatory fee on Stock Exchanges with respect to turnover in agricultural commodity derivatives..
4	22.03.2019	Circular	Valuation of money market and debt securities	<p>In order to make the existing valuation practices for the said securities more reflective of the realizable value, the following has been decided:</p> <ol style="list-style-type: none"> 1. The residual maturity for amortization based valuation as referred to in SEBI circular dated

				<p>February 28, 2012 shall be reduced from existing 60 days to 30 days.</p> <p>2. Further, the amortized price shall be compared with the reference price which shall be the average of the security level price of such security as provided by the agency(ies)appointed by AMFI for said purpose(hereinafter referred to as “valuation agencies”). The amortized price shall be used for valuation only if it is within a threshold of $\pm 0.025\%$ of the reference price. In case of deviation beyond this threshold, the price shall be adjusted to bring it within the threshold of $\pm 0.025\%$ of the reference price.</p> <p>In addition, valuation of money market and debt securities which are rated below investment grade is also prescribed.</p>
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S. No	NEWS ON SECURITIES EXCHANGE BOARD OF INDIA
1	Indian investors keen on real estate as an asset class are on the cusp of getting a new investment option in the form of REITs, modelled on the lines of mutual funds. This comes as a new and sophisticated investment option for the real estate market, which has been a traditionally favored asset class for most investors.

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RBI during the week

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

Press Release – 2;

S.No	Date of Issue	Notifications/Master Directors/Master Circulars	Subject & Link	Gist thereof
1	20.03.2019	Notification	Compilation of R>Returns: Reporting under FETERS	In order to facilitate compilation of estimates of bilateral trade in services, it has been decided to incorporate an additional field for capturing the country code of ultimate exporter/importer in the BoP file-format under FETERS. In case of export of services, bank may use the transaction information available with them to report country-code of the ultimate exporting country, whereas Form-A2 is being revised here for capturing the required country information for import of services.
2	22.03.2019	Press Release	Meeting Schedule of the Monetary Policy Committee for 2019-20	It has been decided that the Monetary Policy Committee (MPC) will meet six times during 2019-20.

3	22.03.2019	Notification	Deferral of Implementation of Indian Accounting Standards (IND AS)	The legislative amendments recommended by the Reserve Bank are under consideration of the Government of India. Accordingly, it has been decided to defer the implementation of IND AS till further notice.
4	22.03.2019	Press Release	RBI releases 'Quarterly BSR-1: Outstanding Credit of Scheduled Commercial Banks for September 2018'	<p>Highlights:</p> <ol style="list-style-type: none"> 1. Bank credit growth (y-o-y) accelerated for the sixth successive quarter and stood at 13.8 per cent in September 2018. 2. Industrial credit, which accounts for nearly 34 per cent of total credit, has been expanding at a gradual pace over the last one year. 3. Substantial divergence characterised credit growth in respect of major occupational categories of borrowers, viz., agriculture (14.3 per cent), industry (4.8 per cent) and personal loans (17.4 per cent). 4. After recording substantial rise since March 2015, the share of household sector in the total credit has stabilised at around 47 per cent for the last one year. 5. Private sector banks continued to lead overall credit growth. 6. The weighted average lending rate (WALR) stood at 10.33 per cent at end-September 2018, having undergone a moderation of 29 basis points (bps) since September 2017.

S. No	NEWS ON INSOLVENCY AND BANKRUPTCY CODE
1	Cash-strapped IL&FS Group will receive first set of bids under asset monetization process as part of resolution process. The company's board will later consider bids for Rs 8,000 crore renewable energy business that was put on the block in November 2018.

S.No.	GENERAL IMPORTANT NEWS
1	<p>The Power Ministry is likely to issue soon new norms for bringing greener options of electricity transmission cables like aluminum to protect environment from ill-effects of lead-based equipment.</p> <p>Admitting that lead electricity transmission cables are an environmental hazard and poisonous, the Power Ministry along the Central Electricity Authority (CEA), has been discussing issue with industry players to bring new guidelines to avoid use of the material.</p>



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