

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

**Week 48 -23<sup>rd</sup> November 2020 to 29<sup>th</sup> November 2020**

**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				

S. No	NEWS ON MCA
	NIL

2

**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 SEBI
1	<p><b>SEBI to relax norms for promoters to reclassify as ordinary shareholders</b>            SEBI has released Consultative paper on re-classification of promoter/ promoter group entities and disclosure of promoter group entities in the shareholding pattern            Promoters of listed companies that wish to re-classify themselves as ordinary shareholders may find it easy to do so. The Securities and Exchange Board of India (Sebi) on Monday proposed to relax and streamline existing re-classification process. To begin with, the market regulator has said the eligibly threshold can be relaxed from 10 per cent to 15 per cent. Currently, only promoters that hold less than 10 per cent in a company can initiate the process of re-classifying themselves are public shareholders. “...the persons who may have been promoters but are no longer in day-to-day control having shareholding of less than 15 per cent may “opt-out” from being classified as “promoters”, without having to reduce their share-holding,” Sebi has said.</p>
2	<p>SEBI-appointed advisory panel may take up some big bang reforms for discussion during its meeting on Thursday. On the agenda could be reducing settlement days to T+1, capital adequacy norms for brokers and banks needing separate entities to become clearing members etc.,</p>
3	<p><b>Sebi gives additional mode to investor to apply in public issue of debt securities</b> : Markets regulator Sebi on Monday provided an option to investors to apply in public issues of debt securities through the online interface of stock exchanges with a facility to block</p>

	<p>funds through UPI mechanism for application value up to ₹2 lakh. The regulator has permitted the unified payment interface (UPI) mechanism to block funds for such application submitted through intermediaries. These debt securities included non-convertible redeemable preference shares, securitised debt instruments and municipal debt securities. The new framework would be applicable to a public issue of debt securities which opens on or after January 1, 2021, the Securities and Exchange Board of India (Sebi) said in a circular.</p>
4	<p><b>SEBI Eases Software Testing Requirement</b> : Markets regulator SEBI on Tuesday relaxed the requirement of mandatory mock trading sessions to facilitate testing of new software or existing software that has undergone any change of functionality in certain conditions. The decision comes after the regulator received various representations from stakeholders seeking relaxation in software testing norms. In a circular, SEBI said that requirement of mandatory mock trading sessions to facilitate testing of new software or existing software that has undergone any change of functionality will be optional if a stock exchange provides suitable simulated test environment to test such software and ensures the test environment will be made available to all the members.</p>
5	<p><b>SEBI launches SMARTs program to strengthen investor education framework</b> : Markets regulator Sebi on Wednesday launched the Securities Market Trainers (SMARTs) program, an initiative aimed at enhancing investor education and awareness. "In the present scenario of uncertainty in economic growth and extra ordinarily buoyant market, there is a dire need to further ramp up the investor education and awareness efforts," Sebi Chairman Ajay Tyagi said. "In that sense there couldn't have been any better time to launch SMARTs an initiative of Sebi to strengthen the existing investor education framework," he said in a statement. He also exhorted SMARTs to keep abreast of developments in the securities market and expressed confidence that they would take investor education to all parts of the country.</p>

3

**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
1	23-11-2020	Notification	<p><b>Establishment of Branch Office (BO) / Liaison Office (LO) / Project Office (PO) or any other place of business in India by foreign law firms</b></p> <p><a href="https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11997&amp;Mode=0">https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11997&amp;Mode=0</a></p>	RBI has directed AD Category – I banks not to grant any approval to any branch office, project office, liaison office or other place of business in India under FEMA for the purpose of practicing legal profession in India. It advised banks to bring to its notice in case any such violation of the provisions of the Advocates Act comes to their notice.

S. No	NEWS ON RBI
	Nil

4

**IBC during the week**

**Notifications -0; Master Directions –0; Master Circulars –0; Circular –1;**

**Press Release –0; Others – 0**

S. No	Date of Issue	Notifications/Master Directors/Master Circulars	Subject & Link	Gist thereof
1	27-11-2020	Circular	Filing of list of creditors under clause (ca) of sub-regulation (2) of regulation 13 of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 <a href="https://www.ibbi.gov.in/uploads/legalframework/Obcad0b591e7289ec6b2d4b9adc7a066.pdf">https://www.ibbi.gov.in/uploads/legalframework/Obcad0b591e7289ec6b2d4b9adc7a066.pdf</a>	CIRP Regulations, 2016 requires the interim resolution professional or the resolution professional to file the list of creditors on the electronic platform of the Board for dissemination on its website. IBBI has made available an electronic platform at <a href="http://www.ibbi.gov.in">www.ibbi.gov.in</a> for filing of list of creditors as well as updating it thereof. The platform permits multiple filings by the interim resolution professional or the resolution professional, as the case may be, as and when the list of creditors is updated by him. The format of list of creditors for the purpose of filing has been finalised in consultation with the insolvency professional agencies and is placed as Annexure.

S. No	NEWS ON IBC
1.	<p><b>IBBI proposes mechanism to allow withdrawal from voluntary liquidation</b> : The Insolvency and Bankruptcy Board of India (IBBI) has proposed a statutory mechanism that will allow a company to withdraw from the process of voluntary liquidation at any point after its initiation. IBBI said, “The proposed amendment provides an orderly framework for withdrawal from the process, by way of insertion of new regulation, which also ensures adequate checks and balances so that the process is not misused.” The rules propose that a corporate person be allowed to seek approval of the adjudicating authority for withdrawal from voluntary liquidation.</p>

5

**Others during the week**

**NSE-0; BSE-0; DIPP-0; Finance Ministry-0; Others -0;**

S. No	Date of Issue	Rules/Circular/ Notification/Order	Contents thereof	Gist thereof
NIL				

S. No	GENERAL NEWS
<b>MSME NEWS</b>	
1	Only one-fifth of the total payments due to micro, small and medium enterprises (MSMEs) in the country are pending as of now, the government said on Tuesday. The total dues to MSMEs rose to Rs 5,096.53 crore at the end of October from Rs 2,346.82 crore at the end of May, the MSME ministry said.



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.*