



WHITESPAN  
A d v i s o r y

# WINS

(WHITESPAN INFORMATION AND NEWS SERVICES)

A GATEWAY TO KNOWLEDGE

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Monthly Newsletter

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## MAA FOUNDATION ACTIVITIES



**In Indian culture, cows hold a significant and revered status, being considered as a holy animal. Maa Foundation organized an event for feeding cows to spread a message of compassionate relationship with animals.**

## **MESSAGE FROM THE CHIEF EDITOR**

*“When I let go of what I am, I become what I might be.” – Lao Tzu*

It gives us immense satisfaction to share the 75<sup>th</sup> Edition of “WINS – E-Newsletter” for June 2023, covering legal updates released during the month of June 2023, articles shared by respected professionals, Case Laws and compliance calendar for the month of July 2023.

In this issue, we have covered the following:

1. Corporate Updates from, MCA, SEBI, RBI, CBDT, and other miscellaneous laws
2. Articles on:
  - i. Different Treatment of Moratorium under Insolvency and Bankruptcy Code, 2016
  - ii. Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) (Second Amendment) Regulations, 2023
3. Case Laws
4. Compliance checklist for the month of July 2023.

Trust, WINS not only helps you to keep yourself updated, but also saves your time with crisp summary, in the form of Editor’s Quick Take.

My sincere gratitude to each one of you for sparing your precious time in reading this newsletter and sharing your valuable feedback. Your suggestions and ideas have been a source of inspiration for us and have motivated and guided us to scout for better contents, every month, in timely manner. We take this opportunity to invite articles on topics of professional interest. Please ensure that the article is original, written in good style and adds value for the readers.

You may reach to us at [vinayshukla@whitespan.in](mailto:vinayshukla@whitespan.in) or [+91 9810 624 262](tel:+919810624262)

With warm regards,

**TEAM WINS (Whitespan Information and News Services)**  
**June 30, 2023**

**OUR EDITORIAL BOARD COMPRISES THE FOLLOWING PROFESSIONALS**

- 1. Mr. Vinay Shukla**, a fellow member of The Institute of Company Secretaries of India (ICSI), a graduate in Law, Commerce and Management and the co-founder of WsA having more than thirty years' experience in wide spectrum of corporate functions.
- 2. Ms. Jaya Yadav**, a practicing company secretary based at Gurgaon is a fellow member of The Institute of Company Secretaries of India (ICSI) and a graduate in Law and Commerce from Delhi University.
- 3. Ms. Divya Shukla**, a practicing advocate enrolled in the Bar Council of Delhi and a graduate in Law and Commerce from Christ University, Bengaluru.
- 4. Mr. Shubham Tyagi**, a practicing advocate enrolled in the Bar Council of Delhi and a graduate in Law and Commerce from Delhi University.
- 5. Ms. Saloni Sharma**, a Qualified Company Secretary, a graduate in Bachelors and Masters of Commerce from Rajasthan University, and pursuing Bachelors of Law.

# Ministry of Corporate Affairs (MCA)

## **1. LLP (Amendment) Rules, 2023**

**Date of Notification- June 02, 2023**

**Effective Date – June 02, 2023**

**Link:**

<https://www.mca.gov.in/bin/dms/getdocument?mds=iiQZzbSNrcRVS%252F9wRBqOew%253D%253D&type=open>

MCA vide its Notification dated June 02, 2023, amended the Limited Liability Partnership Rules, 2009, and the new rules will be called as the Limited Liability Partnership (Amendment) Rules, 2023.

The Central Government hereby enacts the following rules in accordance with the authority granted by under section 79 of the Limited Liability Partnership Act, 2008:

Accordingly vide these new rules, the LLP Form-3 shall be substituted by the new form.

## **2. Notification under Section 14 of IBC, 2016**

**Date of Notification- June 14, 2023**

**Effective Date – June 14, 2023**

**Link:**

<https://www.mca.gov.in/bin/dms/getdocument?mds=igjGKv5zktdufUjKGZkigA%253D%253D&type=open>

The Central Government hereby notifies that the provisions of sub-section (1) of section 14 of the Insolvency and Bankruptcy Code, 2016, shall not apply where the debtor is a corporation or partnership, in accordance with the powers granted by clause (a) of sub-section (3) of section 14 that says, those transactions, agreements, or other arrangements as the Central Government may notify after consulting with any authority or financial sector regulator may be kept outside the period of moratorium. Therefore, the following transactions are added and kept outside the period of moratorium:

1. The Production Sharing Contracts, Revenue Sharing Contracts, Exploration Licenses, and Mining Leases made under the Oilfields (Regulation and Development) Act, 1948 (53 of 1948), and rules made thereunder; and
2. Any transactions, arrangements, or agreements, including Joint Operating Agreement, connected or ancillary to the transactions, arrangements, or agreements.



### **3. Relaxation in paying additional fees in case of delay in filing DPT-3 for the financial year ended on 31st March 2023 up to 31st July 2023**

**Date of General Circular- June 21, 2023**

**Link:**

<https://www.mca.gov.in/bin/dms/getdocument?mds=GZbzY8G5s24kITjoGKWLQQ%253D%253D&type=open>

MCA vide its General Circular dated 21st June 2023, has extended the due date for filing the DPT-3 without payment of additional fees i.e., Return of Deposits [Pursuant to rule 16 and rule 16A of the Companies (Acceptance of Deposits) Rules, 2014] to be filed for the financial year ended 31st March 2023 due to the revamping of the Version 2 portal to Version 3 up to 31st July 2023.

# **Securities Exchange Board of India (SEBI)**

## **1. Online processing of investor service requests and complaints by RTAs**

**Date of circular: June 08, 2023**

**Effective Date: In phases-From January 01, 2024 to July 01, 2024**

**Link:**

[https://www.sebi.gov.in/legal/circulars/jun-2023/online-processing-of-investor-service-requests-and-complaints-by-rtas\\_72363.html](https://www.sebi.gov.in/legal/circulars/jun-2023/online-processing-of-investor-service-requests-and-complaints-by-rtas_72363.html)

SEBI vide its circular dated June 08, 2023 released a two phase mechanism for investors to lodge service requests and complaints online and thereafter track the status and obtain periodical updates regarding the same.

Phase I

All RTAs servicing listed companies shall have a functional website and shall mandatorily display the information as mentioned in the circular on their website.

All RTAs shall set up a user-friendly online mechanism or portal for service requests/ complaints with the minimum features as provided in the circular.

RTAs to provide a certificate of compliance from a practicing Company Secretary, within 30 days from the date of implementation of Phase I as per the provided format.

#### Phase II

A common website shall be made and operated by QRTAs from July 01, 2024 through which investors shall be redirected to individual web-based portal/website of the concerned RTA for further resolution by putting the name of the listed company.

## **2. Amendment to Circular on Issue of Certified Copies of Orders and Circulars**

**Date of circular: June 13, 2023**

**Effective Date: June 13, 2023**

**Link:**

[https://www.sebi.gov.in/legal/circulars/jun-2023/online-processing-of-investor-service-requests-and-complaints-by-rtas\\_72363.html](https://www.sebi.gov.in/legal/circulars/jun-2023/online-processing-of-investor-service-requests-and-complaints-by-rtas_72363.html)

SEBI vide its circular dated June 13, 2023 amended its previous Circular no. CIR/LAD/1/2019 dated April 4, 2019 on issue of Certified copies of Orders and Circulars in order to streamline the procedure for issuance of certified copies of orders and circulars based on requests for certified copies of orders passed by the Board, Adjudicating Officers or Recovery Officers or circulars issued by the departments of the Board.

Key highlight of the above mentioned circular are:

1. A non-refundable fee of ₹ 50/- per order or circular or ₹ 5/- per page, whichever is higher, shall be charged as fees for each certified copy. The same shall be paid along with the application or subsequently within such time as may be informed to the applicant, by way of direct credit in the bank account of the Board through NEFT/RTGS/IMPS or online payment using the SEBI payment gateway or any other mode as may be specified by SEBI from time to time.

### **3. Amendment to Guidelines on Anti-Money Laundering (AML) Standards and Combating the Financing of Terrorism (CFT) /Obligations of Securities Market Intermediaries under the Prevention of Money-laundering Act, 2002 and Rules framed there under**

**Date of circular: June 16, 2023**

**Effective Date: June 16, 2023**

**Link:**

<https://www.sebi.gov.in/legal/circulars/jun-2023/amendment-to-guidelines-on-anti-money-laundering-aml-standards-and-combating-the-financing-of-terrorism-cft-obligations-of-securities-market-intermediaries-under-the-prevention-of-money-launderin-72683.html>

SEBI vide its circular dated June 16, 2023 amended the Master Circular reference number SEBI/HO/MIRSD/MIRSDSEC-5/P/CIR/2023/022 dated February 03, 2023 on the captioned subject issued by the Securities and Exchange Board of India (SEBI) in view of the amendments to the Prevention of Money-Laundering (Maintenance of Records) Rules, 2005.

Key highlights of the same are:

- a. Verify the client's identity using reliable, independent source documents, data or information.
- b. Every registered intermediary shall register the details of a client, in case of client being a non-profit organisation, on the DARPAN Portal of NITI Aayog, if not already registered, and maintain such registration records for a period of five years after the business relationship between a client and the registered intermediary has ended or the account has been closed, whichever is later.

## **4. Trading Preferences by Clients**

**Date of circular: June 21, 2023**

**Effective Date: August 01, 2023**

**Link:**

[https://www.sebi.gov.in/legal/circulars/jun-2023/trading-preferences-by-clients\\_72892.html](https://www.sebi.gov.in/legal/circulars/jun-2023/trading-preferences-by-clients_72892.html)

SEBI vide its circular dated June 21, 2023 with a view to standardize the format of “Trading Preferences” in order to ensure that clients are permitted to access all the stock exchanges in which the stock brokers are registered for the same segment, modified Para C of Annexure – 8 of “Master Circular for Stock Brokers” with reference no. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/71 dated May 17, 2023. All stock brokers are mandated to register their new clients on all the active stock exchanges after obtaining the trading preferences as per the aforementioned format. For existing clients, the stock brokers are mandated to offer them access on all the active stock exchanges for the segments already opted by them, as a default mode, within three months from the effective date of the circular and inform their respective clients through email / SMS. Clients shall be given a choice to opt out of such access by providing negative consent in this regard. Further, the stock brokers shall activate / deactivate the segments based on the preference of the clients.



## **5. The Securities and Exchange Board of India (Alternative Investment Funds) (Second Amendment) Regulations, 2023**

**Date of circular: June 15, 2023**

**Effective Date: Date of publication in the official gazette**

**Link:**

[https://www.sebi.gov.in/legal/regulations/jun-2023/securities-and-exchange-board-of-india-alternative-investment-funds-second-amendment-regulations-2023\\_72778.html](https://www.sebi.gov.in/legal/regulations/jun-2023/securities-and-exchange-board-of-india-alternative-investment-funds-second-amendment-regulations-2023_72778.html)

SEBI vide its circular dated June 15, 2023 notified the Securities and Exchange Board of India (Alternative Investment Funds) (Second Amendment) Regulations, 2023. Key highlights of the same are:

Addition of definition of Corporate Debt Market Development Fund, liquidation period, liquidation scheme

1. The Alternative Investment Fund shall issue units in dematerialised form subject to the S.
2. Except with the approval of seventy five percent of the investors by value of their investment in the scheme of Alternative Investment Fund and subject to the conditions specified by the Board, a scheme of an Alternative Investment Fund shall not buy or sell investments, from or to -

(a) associates; or (b) schemes of Alternative Investment Funds managed or sponsored by its Manager, Sponsor or associates of its Manager or Sponsor; or (c) an investor who has committed to invest at least fifty percent of the corpus of the scheme of Alternative Investment Fund: Provided that while obtaining approval of the investors, the investor specified under subclause (c) who has committed to invest at least fifty percent of the corpus of the scheme of Alternative Investment Fund and is buying or selling the investment, from or to, the Alternative Investment Fund, shall be excluded from the voting process

3. The Alternative Investment Fund may launch a liquidation scheme subject to filing of placement memorandum with the Board

SEBI has also released following circulars in this regard:

S.No.	Date	Particulars	Link
I	<a href="#">Issuance of units of AIFs in dematerialised form</a>	June 21, 2023	<a href="https://www.sebi.gov.in/legal/circulars/jun-2023/issuance-of-units-of-aifs-in-dematerialised-form_72921.html">https://www.sebi.gov.in/legal/circulars/jun-2023/issuance-of-units-of-aifs-in-dematerialised-form_72921.html</a>

<b>ii</b>	<u><a href="#">Modalities for launching Liquidation Scheme and for distributing the investments of Alternative Investment Funds (AIFs) in-specie</a></u>	June 21, 2023	<u><a href="https://www.sebi.gov.in/legal/circulars/jun-2023/modalities-for-launching-liquidation-scheme-and-for-distributing-the-investments-of-alternative-investment-funds-aifs-in-specie-72922.html">https://www.sebi.gov.in/legal/circulars/jun-2023/modalities-for-launching-liquidation-scheme-and-for-distributing-the-investments-of-alternative-investment-funds-aifs-in-specie-72922.html</a></u>
<b>iii</b>	<u><a href="#">Standardised approach to valuation of investment portfolio of Alternative Investment Funds (AIFs)</a></u>	June 21, 2023	<u><a href="https://www.sebi.gov.in/legal/circulars/jun-2023/standardised-approach-to-valuation-of-investment-portfolio-of-alternative-investment-funds-aifs-72924.html">https://www.sebi.gov.in/legal/circulars/jun-2023/standardised-approach-to-valuation-of-investment-portfolio-of-alternative-investment-funds-aifs-72924.html</a></u>

## **6. Master Circular on (i) Scheme of Arrangement by Listed Entities and (ii) Relaxation under Sub- rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957**

### **Date of Master Circular: June 20, 2023**

SEBI released a Master Circular on (i) Scheme of Arrangement by Listed Entities and (ii) Relaxation under Sub- rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957 on June 20, 2023. Main contents of the circular being:

Requirements before the Scheme of arrangement is submitted for sanction by the National Company Law Tribunal (NCLT)

Application for relaxation under Sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957

Format of the Compliance Report to be submitted along with the draft scheme, format for Auditor's Certificate, Format for report on unpaid dues, Format of the Compliance Report to be submitted along with the application for relaxation under Sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957) if listing of Non-Convertible Redeemable Preference Shares (NCRPS) / Non-Convertible Debentures (NCDs) is envisaged through a Scheme of Arrangement etc.

## **7. Master Circular for Issue of Capital and Disclosure Requirements**

**Date of Master Circular: June 21, 2023**

**Link:**

<https://static.nseindia.com//s3fs-public/inline-files/Master%20Circular%20for%20Issue%20of%20Capital%20and%20Disclosure%20Requirements.pdf>

SEBI released a Master Circular for Issue of Capital and Disclosure Requirements.

Main contents of the master circular are:

1. Non-compliance with certain provision of SEBI ICDR Regulations 2018
2. Streamlining the process of Rights Issue
3. Disclosures in offer document
4. Online filling system
5. Compensation to Retail Individual Investors (RIIs) in an IPO
6. Compensation to Retail Individual Investors (RIIs) in an IPO
7. Guidelines on issuance of non-convertible debt instruments along with warrants ('NCDs with Warrants') in terms of Chapter VI – Qualified Institutions Placement of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018

## **8. Filing of Annual Secretarial Compliance Report (ASCR) in XBRL format on NSE Electronic Application Processing System (NEAPS) platform**

**Date of circular: June 14, 2023**

**Effective Date: June 14, 2023**

**Link:**

[https://static.nseindia.com//s3fs-public/inline-files/NSE\\_Circular\\_14062023.pdf](https://static.nseindia.com//s3fs-public/inline-files/NSE_Circular_14062023.pdf)

NSE vide its circular dated June 14, 2023 in continuation to its circular no. NSE/CML/ 2023/21 dated March 16, 2023 and Circular No. NSE/CML/ 2023/30 dated April 10, 2023 issued by the Exchange regarding released the steps for filing of ASCR under Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR) in XBRL mode.

The above facility will be available with effect from June 15, 2023 (effective date). The due date of submission of Secretarial Compliance Report in XBRL format for Financial Year March 31, 2023 is June 30, 2023.

**9. Trading Window closure period under Clause 4 of Schedule B read with Regulation 9 of SEBI (Prohibition of Insider Trading) Regulations, 2015 (“PIT Regulations”) – Framework for restricting trading by Designated Persons (“DPs”) by freezing PAN at security level**

**Date of circular: June 28, 2023**

**Effective Date: Quarter ending September 30, 2023**

**Link:**

<https://www.nseindia.com/companies-listing/circular-for-listed-companies-equity-market>

<https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20230628-23>

NSE and BSE vide their circulars dated June 28, 2023 in continuation to its circular no: NSE/CML/2022/40 dated August 5, 2022 regarding Trading Window closure period under Clause 4 of Schedule B read with Regulation 9 of SEBI (Prohibition of Insider Trading) Regulations, 2015 (“PIT Regulations”) – Framework for restricting trading by Designated Persons (“DPs”) by freezing PAN at security level announced that the said SEBI circular, shall be applicable to declaration of financial results by the listed company in phased manner as per table given below:

<b>S.No.</b>	<b>Quarter-end</b>	<b>Trading window closure start date from</b>	<b>No. of listed companies to be considered for PIT Regulations</b>
<b>1</b>	September 30, 2023	October 1, 2023	List of companies shortlisted shall be shared in separate circular by July 21, 2023.
<b>2</b>	December 31, 2023	January 1, 2024	List of additional companies shortlisted shall be shared in separate circular by October 20, 2023.
<b>3</b>	March 31, 2024	April 1, 2024	All listed companies



## **10. Formats of Annual Secretarial Compliance Reports for REIT's and InvIT's**

**Date of Circulars: June 26, 2023**

**Effective Date: Financial Year 2023-24 onwards**

**Link:**

[https://www.sebi.gov.in/legal/circulars/jun-2023/format-for-annual-secretarial-compliance-report-for-reits\\_73077.html](https://www.sebi.gov.in/legal/circulars/jun-2023/format-for-annual-secretarial-compliance-report-for-reits_73077.html)

[https://www.sebi.gov.in/legal/circulars/jun-2023/format-for-annual-secretarial-compliance-report-for-invits\\_73076.html](https://www.sebi.gov.in/legal/circulars/jun-2023/format-for-annual-secretarial-compliance-report-for-invits_73076.html)

SEBI vide its circular dated June 26, 2023 in accordance with Regulation 26D of SEBI (Real Estate Investment Trusts) Regulations, 2014 (“REIT Regulations”) and Regulation 26J of SEBI (Infrastructure Investment Trusts) Regulations, 2014 (“InvIT Regulations”) have released the format of the annual secretarial compliance report to be obtained by the investment manager of the InvIT and manager of the REIT from a practicing company secretary on an annual basis.

The annual secretarial compliance report is required to be submitted to the stock exchanges within sixty days from the end of each financial year with effect from the financial year 2023-24 onwards.

## **11. Format of Compliance Report on Governance for REITs and InvIT's**

**Date of Circulars: June 26, 2023**

**Effective Date: First reporting to be made for the quarter ended June 30, 2023**

**Link:**

[https://www.sebi.gov.in/legal/circulars/jun-2023/format-of-compliance-report-on-governance-for-invits\\_73079.html](https://www.sebi.gov.in/legal/circulars/jun-2023/format-of-compliance-report-on-governance-for-invits_73079.html)

[https://www.sebi.gov.in/legal/circulars/jun-2023/format-of-compliance-report-on-governance-for-reits\\_73078.html](https://www.sebi.gov.in/legal/circulars/jun-2023/format-of-compliance-report-on-governance-for-reits_73078.html)

SEBI vide its circular dated June 26, 2023 in accordance with Regulation 26E of SEBI (Real Estate Investment Trusts) Regulations, 2014 and Regulation 26K of SEBI (Infrastructure Investment Trusts) Regulations, 2014 released the formats of compliance report on governance to be submitted by the investment manager of the InvIT and manager of the REIT within:

- i. Twenty-one days from the end of each quarter;
- ii. Twenty-one days from the end of financial year on an annual basis;
- iii. Three months from the end of financial year on an annual basis.

## **12. Manner of achieving minimum public unitholding – REITs and – InvITs**

**Date of Circulars: June 27, 2023**

**Effective Date: June 27, 2023**

**Link:**

[https://www.sebi.gov.in/legal/circulars/jun-2023/manner-of-achieving-minimum-public-unitholding-invits\\_73149.html](https://www.sebi.gov.in/legal/circulars/jun-2023/manner-of-achieving-minimum-public-unitholding-invits_73149.html)

[https://www.sebi.gov.in/legal/circulars/jun-2023/manner-of-achieving-minimum-public-unitholding-reits\\_73171.html](https://www.sebi.gov.in/legal/circulars/jun-2023/manner-of-achieving-minimum-public-unitholding-reits_73171.html)

SEBI vide its circulars dated June 27, 2023 prescribed the methods for achieving the minimum public unitholding compliance as required under InvIT Regulations and under REIT Regulations respectively.

# **Reserve Bank of India (RBI)**

## 1. Sovereign Gold Bond (SGB) Scheme 2023-24

**Date of Notification: June 15, 2023**

**Effective Date: June 15, 2023**

**Link:**

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12517&Mode=0>

RBI vide its notification dated June 15, 2023 announced the Sovereign Gold Bond Scheme 2023-24. Under the Scheme, there will be a distinct series (starting from series I) which will be indicated on the Bond issued to the investor.

The bonds shall be issued as per the details given below:

<b>S. No.</b>	<b>Tranche</b>	<b>Date of Subscription</b>	<b>Date of Issuance</b>
<b>1.</b>	2023-24 Series I	June 19 – June 23, 2023	June 27, 2023
<b>2.</b>	2023-24 Series II	September 11 – September 15, 2023	September 20, 2023

For details on the terms and conditions of the issuance of the Bonds kindly refer the link below:

<https://rbidocs.rbi.org.in/rdocs/content/pdfs/SGBN14062023.pdf>

## **2. Framework for Compromise Settlements and Technical Write-offs**

**Date of Notification: June 08, 2023**

**Effective Date: June 08, 2023**

**Link:**

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12513&Mode=0>

RBI vide its notification dated June 08, 2023 released the Framework for Compromise Settlements and Technical Write-offs. The framework is applicable to all Commercial Banks (including Small Finance Banks, Local Area Banks and Regional Rural Banks) Primary (Urban) Co-operative Banks/State Co-operative Banks/ Central Co-operative Banks All-India Financial Institutions Non-Banking Financial Companies (including Housing Finance Companies). Key highlights of the framework are:

To have Board-approved policies for undertaking compromise settlements with the borrowers as well as for technical write-offs covering all aspects as mentioned in the notification

Compromise settlements where the time for payment of the agreed settlement amount exceeds three months shall be treated as restructuring as defined in terms of the Prudential framework on Resolution of Stressed Assets dated June 7, 2019.

In case of partial technical write-offs, the prudential requirements in respect of residual exposure, including provisioning and asset classification, shall be with reference to the original exposure.

There shall be a reporting mechanism to the next higher authority, at least on a quarterly basis, with respect to compromise settlements and technical write offs approved by a particular authority. Compromise settlements and technical write-offs approved by the MD & CEO / Board Level Committee would be reported to the Board.

### **3. Guidelines on Default Loss Guarantee (DLG) in Digital Lending**

**Date of Notification: June 08, 2023**

**Effective Date: June 08, 2023**

**Link:**

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12514&Mode=0>

RBI vide its notification dated June 08, 2023 released Guidelines on Default Loss Guarantee (DLG) in Digital Lending. these guidelines are applicable to DLG arrangements entered in ‘Digital Lending’ operations undertaken by following entities (hereinafter referred to as ‘Regulated Entities’):

- a) All Commercial Banks (including Small Finance Banks),
- b) Primary (Urban) Co-operative Banks, State Co-operative Banks, Central Co-operative Banks; and
- c) Non-Banking Financial Companies (including Housing Finance Companies)

Default Loss Guarantee (DLG) is a contractual arrangement, called by whatever name, between the Regulated Entity (RE) and an entity meeting the criteria laid down at para 3 of these guidelines, under which the latter guarantees to compensate the RE, loss due to default up to a certain percentage of the loan portfolio<sup>2</sup> of the RE, specified upfront. Any other implicit guarantee of similar nature linked to the performance of the loan portfolio of the RE and specified upfront, shall also be covered under the definition of DLG.



These guidelines are applicable to DLG arrangements entered in ‘Digital Lending<sup>1</sup>’ operations undertaken by following entities (hereinafter referred to as ‘Regulated Entities’):

- 1.1.** All Commercial Banks (including Small Finance Banks),
- 1.2.** Primary (Urban) Co-operative Banks, State Co-operative Banks, Central Co-operative Banks; and
- 1.3.** Non-Banking Financial Companies (including Housing Finance Companies)

#### **4. Remittances to International Financial Services Centres (IFSCs) under the Liberalized Remittance Scheme (LRS)**

**Date of Notification: June 22, 2023**

**Effective Date: June 22, 2023**

**Link:**

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12518&Mode=0>

RBI vide its notification dated June 22, 2023 directed that Authorised Persons may facilitate remittances by resident individuals under purpose 'studies abroad' as mentioned in Schedule III of Foreign Exchange Management (Current Account Transactions) Rules, 2000 for payment of fees to foreign universities or foreign institutions in IFSCs for pursuing courses mentioned in the gazette notification *ibid*.

# Central Board of Direct Taxes (CBDT)

## **1. Order under section 119 of the Income-tax Act, 1961 for extension of time limits for submission of certain TDS/TCS Statements — Reg.**

**Date of Circular: June 28, 2023**

**Link:**

<https://incometaxindia.gov.in/news/circular-9-2023.pdf>

In accordance with authority under Section 119 of the Income-tax Act of 1961, the Central Board of Direct Taxes grants an extension for the following compliances:

- (i) The statement of tax deduction for the first quarter of the fiscal year 2023–24, which was due in Form No. 26Q or Form No. 27Q by July 31, 2023 in accordance with Rule 31A of the Income-tax Rules, 1962 ("the Rules"), may now be submitted by September 30, 2023.
- (ii) The tax collection statement for the first quarter of the fiscal year 2023–24, which must be provided in Form No. 27EQ by July 15, 2023 in accordance with Rule 31AA of the Rules, may be provided by September 30, 2023.

# Miscellaneous Laws

## **1. List of Competent Authority of Administrative Ministries for submitting Physical Copies of FDI Proposals**

### **Link:**

<https://fifp.gov.in/Forms/ListofNodalOfficer.pdf>

The Ministry of Commerce and Industry vide its Foreign Investment Facilitation Portal has updated the list of competent authorities for receiving the physical copy of application/approval of foreign investment in the sectors/activities requiring Government approval and the same can be accessed through the above link.

# Article 1

## **Different Treatment of Moratorium under Insolvency and Bankruptcy Code, 2016**

The intention of moratorium during corporate insolvency resolution period is to maintain status quo in the outstanding dues against the corporate debtor so that the resolution plan could be chalked out. The plan could not disturb due to any new dues and the concept of going concern of the corporate debtor should maintain. Bankruptcy Law Reforms Committee proposes that while the IRP is in process, the law enshrines a “calm period” where creditors stay their claims. This gives a better chance for the firm to survive as a going concern.

### **1. Moratorium during corporate insolvency resolution process of the corporate debtor**

(i). Section 14(1) of the Code provides that the Adjudicating Authority shall by order declare moratorium for prohibiting all of the following, namely (a) the institution of suits or continuation of pending suits or proceedings against the corporate debtor; (b) transferring, encumbering, alienating or disposing of by the corporate debtor any of its assets or any legal right or beneficial interest therein; (c) any action to foreclose or enforce any security created by the corporate debtor in respect of its property; (d) the recovery of any property by an owner or lessor where such property is occupied by or in the possession of the corporate debtor. Therefore, the bar is for pending suits as well as no further proceedings can be initiated.

(ii). Supply of essential goods or services to the corporate debtor

Section 14(2) provides that the supply of essential goods or services to the corporate debtor as may be specified shall not be terminated or suspended or interrupted during moratorium period.



The supply of essential goods or service to the corporate debtor shall not be terminated or suspended or interrupted during moratorium period as to the moratorium is only for transactions creating dues against the corporate debtor. The intention of the provision is that the business of the corporate debtor should continue as to corporate insolvency resolution process is based on the going concern of the corporate debtor. In the matter of Gujarat Urja Vikas Nigam Limited vs. Mr. Amit Gupta & Ors.[Civil Appeal No.9241 of 2019, Supreme Court of India Date of Decision 8 March, 2021. The Supreme Court affirmed the order of the Adjudicating Authority and Appellate Authority of staying the termination of Power Purchase Agreement only on account of CIRP being initiated against the Corporate Debtor. Since allowing to terminate the PPA would certainly result in the corporate death of the Corporate Debtor due to the PPA being its sole contrite. Thus, the going concern concept of the corporate debtor would affect. As well adjudicating the contractual agreement comes under the jurisdiction of the Adjudicating and Appellate Authority. Reliance is placed in the Supreme Court case of Committee of Creditors of Essar Steel India Limited vs. Satish Kumar Gupta. In Tata Consultancy Services Limited vs. Vishal Ghisulal Jain [Company Appeal (AT)(Insolvency) No.237 of 2020]. Terminating a Facilities Agreement on account of Corporate Debtor's failure to remedy contractual breaches in respect of certain services is prohibited. In the matter of Tata Consultancy Service Limited Vs. Vishal Ghisulal Jain, Resolution Professional, SK Wheels Private Limited, Civil Appeal No.3045 of 2020, Supreme Court of India Date of Judgement: November 23, 2021. NCLT and NCLAT held whether the termination is good or bad in law, is a matter of inquiry, which requires examination of the fact and circumstances.

In this scenario, it is of the prima facie view that termination of the contract even without serving a notice to the corporate debtor is not correct. Thereby stayed the termination notice. Reversing, the Hon'ble Supreme Court held that even if, the contractual dispute arises in relation to the insolvency, a party can be restrained from terminating the contract only if it is central to the success of the CIRP. Crucially, the termination of the contract should result in the corporate death of the Corporate Debtor. Reliance is placed in the case of Gujarat Urja Vikas v. Amit Gupta & Ors. (2021) 7 SCC 209. In the matter of Rajasthan State Road Development & Construction Corporation Ltd vs. Vasundhra Gupta, Company Appeal (AT)(Ins.) No.131 of 2021, NCLAT Principal Bench, New Delhi Date of Judgement:6<sup>th</sup> December, 2021. Even if the contractual dispute arises in relation to the Insolvency, a party can be restrained from terminating the contract only if it's central to the success of the CIRP. Crucially, the termination of contract should result in the corporate death of the Corporate Debtor. In the matter of Damodar Valley Corporation vs. Karthik Alloys Limited, Company Appeal (AT)(Insolvency) No.13 of 2021, NCLAT Principal Bench, New Delhi Date of Judgement:14.03.2020. Adjudicating Authority may issue direction to electricity department for reconnection of the electric supply to the corporate debtor during the moratorium period and also allowing waiver of security deposit to maintain the going concern concept of the corporate debtor. The electricity dues in the CIRP period shall be paid by the corporate debtor whereas settlement and payment of pre-CIRP dues shall be done qual the finally approval resolution, or in liquidation, as the case may be.

The exemption of moratorium is under section 14(3) of the Insolvency and Bankruptcy Code, 2016.

## **2. Moratorium during the liquidation proceedings of the corporate debtor**

During the liquidation proceedings, no suit or other legal proceedings by or against the corporate debtor. The object of this section is to safeguard the assets of the company in liquidation, avoid multiple litigation at different forums, avoid embarrassment amongst creditors and distribution of sale proceeds of assets amongst entitled persons as per the provisions. In Elecon Engineering Company Limited Vs. Energo Engineering Projects Limited & Ors., CS(COMMA) 151/2017 & Ors., Delhi High Court Date of order: 13<sup>th</sup> September, 2022. Bar/moratorium under Section 33(5), 63 and 231 of the IBC would not apply to pending suit. Therefore, no suit or other legal proceedings shall be initiated without the previous approval of the Adjudicating Authority in case of moratorium under liquidation proceedings as against moratorium in case of corporate insolvency resolution process neither pending legal proceedings no new legal proceedings shall be initiated.

## **3. Interim-moratorium in respect of one of the individual (Section 96)**

The moratorium mentioned in section 101 would cover such persons, as such moratorium is in relation to the debt and not the debtor. In Axis Trustee Services Limited vs. Brij Bhushan Singal & Anr, CS(COMMA) 8/2021 & I.A. 10333/2021, High Court of Delhi at New Delhi Date of order: 4 November, 2022. The object of the Code is not to allow personal guarantors to corporate debtor to escape from an independent and co-extensive liability to pay off the entire outstanding debt, which is why Section 14 is not applied to them.

However, insofar as firms and individuals are concerned, guarantees are given in respect of individual debts by persons who have unlimited liability to pay them. The moratorium mentioned in section 101 would cover such persons, as such moratorium is in relation to the debt and not the debtor. Further, Interim-moratorium under Section 96 in respect of one of the guarantor would not *ipso facto* apply against a co-guarantor. *In Vijay Kumar Ghai Vs. Pritpal Singh Babbar, CRM-M-22685-2021(O&M), In the High Court of Punjab & Haryana at Chandigarh, Date of Decision: July 4, 2022.* “All the debts” and “any legal action or proceedings pending in respect of any debt” to mean that it would cover all such debts including any debt not pertaining to a corporate debtor for whom the accused in such a complaint under Section 138 stood as a personal guarantor to, even in his capacity as a Director of such Corporate Debtor. *In the same case*, the Magistrate passed order that simply because the petitioner had filed an application under Section 94 of the Insolvency and Bankruptcy Code, 2016 that would not mean that the proceedings under Section 138 would get automatically stayed even in terms of Section 96 of the Code. Therefore, petition under section 482 Cr.P.C. was filed. The Hon’ble High Court held that till a decision is taken by the Adjudicating Authority in terms of Section 100 and 101 of the Code, the proceedings before the learned trial court under Section 138 of the Act, would remain stayed.

In case of further query, clarification, you may direct contact to the Author.

Various books of the author have published, i.e.

(1) [SERIOUS FRAUD UNDER THE COMPANIES ACT & THE LLP ACT](#) -

[https://www.amazon.in/Serious-fraud-under-companiesact/dp/9358113553/ref=sr\\_1\\_1?keywords=SERIOUS+FRAUD+UNDER+THE+COMPANIES+ACT+%26+THE+LLP+ACT&sr=8-1](https://www.amazon.in/Serious-fraud-under-companiesact/dp/9358113553/ref=sr_1_1?keywords=SERIOUS+FRAUD+UNDER+THE+COMPANIES+ACT+%26+THE+LLP+ACT&sr=8-1)

(2) [LAW ON INSOLVENCY AND BANKRUPTCY](#) -

[https://www.amazon.in/dp/9356596808?ref=myi\\_title\\_dp](https://www.amazon.in/dp/9356596808?ref=myi_title_dp)

(3) [ADJUDICATION OF COMPANIES ACT, MATTERS UNDER NCLT \(Third Edition-2023\)](#)

[https://www.amazon.in/dp/9353619084/ref=cm\\_sw\\_em\\_r\\_mt\\_dp\\_KXX67601KJSBGXWESMFM](https://www.amazon.in/dp/9353619084/ref=cm_sw_em_r_mt_dp_KXX67601KJSBGXWESMFM)

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# Article 2

## **SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) (SECOND AMENDMENT) REGULATIONS, 2023**

The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 have been released by SEBI. The regulations governing listing responsibilities and disclosure needs for listed entities will alter as a result of these adjustments. The notification came on June 14, 2023 and the brief outlook of the amended prior and post amendment is as below:

<b>S.No.</b>	<b>Regulation No.</b>	<b>Regulation Name</b>	<b>Prior to the amendment</b>	<b>Post Amendment</b>	<b>Action Point</b>	<b>Effective Date</b>
1	27(2)(ba)	Other corporate governance requirements	Newly inserted	Details of cyber security incidents or breaches or loss of data or documents to be disclosed in the quarterly compliance report on corporate governance report of the Company	The listed entity should include this additional disclosure in the compliance report on corporate governance report to be filed for the quarter ended June 30, 2023	July 13, 2023

2	30	Disclosure of events or information	The listed entity shall consider the following criteria for determination of materiality of events/information: (a)the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or (b)the omission of an event or information is likely to result in significant market reaction if the said omission came to light at a later date;	The listed entity shall consider the following criteria for determination of materiality of events/information: (a)the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or (b)the omission of an event or information is likely to result in significant market reaction if the said omission came to light at a later date;	As the criteria for determination of materiality has been amended, it will accordingly impact the policy on Determination of Materiality.	July 13, 2023
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			<p>(c) In case where the criteria specified in sub-clauses (a) and (b) are not applicable, an event/information may be treated as being material if in the opinion of the board of directors of listed entity, the event / information is considered material.</p>	<p>(c) the omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:</p> <p>(1) two percent of turnover, as per the last audited consolidated financial statements of the listed entity;</p> <p>(2) two percent of net worth, as per the last audited consolidated financial statements of the listed entity, except in case the arithmetic value of the net worth is negative;</p>	<p>Any continuing event or information which becomes material pursuant to the notification of these amendment regulations is required to be disclosed by such entity within thirty days from the date of coming into effect of the SEBI(LODR)(Second Amendment) Regulations, 2023 i.e. by August 11, 2023</p>	
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(3) five percent of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the listed entity.

In case where the criteria specified in sub-clauses (a), (b) and (c) is not applicable, an event or information may be treated as being material if in the opinion of the board of directors of the listed entity, the event or information is considered material:

3	30	Disclosure of events or information	Newly Inserted	<p>The policy for determination of materiality shall not dilute any requirement specified under the provisions of these regulations and such policy for determination of materiality shall assist the relevant employees of the listed entity in identifying any potential material event or information and reporting the same to the authorized Key Managerial Personnel, for determining the materiality of the said event or information and for making the necessary disclosures to the stock exchange(s).</p>		
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4	30(6)	Disclosure of events or information	<p>The listed entity shall first disclose to stock exchange(s) of all events, as specified in Part A of Schedule III, or information as soon as reasonably possible and not later than twenty four hours from the occurrence of event or information.</p> <p>Provided that in case the disclosure is made after twenty four hours of occurrence of the event or information, the listed entity shall, along with such disclosures provide explanation for delay:</p>	<p>The listed entity shall first disclose to the stock exchange(s) all events or information which are material in terms of the provisions of this regulation as soon as reasonably possible and in any case not later than the following:</p> <p>(i) thirty minutes from the closure of the meeting of the board of directors in which the decision pertaining to the event or information has been taken;</p> <p>(ii) twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the listed entity;</p> <p>(iii) twenty four hours from the occurrence of the event or information, in case the event or information is not emanating from within the listed entity:.</p>	<p>As the timelines for disclosure under regulation 30(6) have been revised, required disclosures to be made accordingly.</p>	<p>July 13, 2023</p>
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			<p>Provided further that disclosure with respect to events specified in sub-para 4 of Para A of Part A of Schedule III shall be made within the timelines specified therein.</p>	<p>Provided that disclosure with respect to events for which timelines have been specified in Part A of Schedule III shall be made within such timelines: Provided further that in case the disclosure is made after the timelines specified under this regulation, the listed entity shall, along with such disclosure provide the explanation for the delay.</p>		
5	30(13)	Disclosure of events or information	Newly inserted	<p>In case an event or information is required to be disclosed by the listed entity in terms of the provisions of this regulation, pursuant to the receipt of a communication from any regulatory, statutory, enforcement or judicial authority, the listed entity shall disclose such communication, along with the event or information, unless disclosure of such communication is prohibited by such authority.</p>	Action required, if applicable	July 13, 2023

6	30A	Disclosure requirements for certain types of agreements binding listed entities: 30A.	Newly inserted	<p>All agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the listed entity or of its holding, subsidiary or associate company, among themselves or with the listed entity or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to:</p> <p>Impact the management or control of the listed entity or Impose any restriction or create any liability upon the listed entity,</p> <p>shall be disclosed to the Stock Exchanges, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the listed entity is a party to such agreements.</p>	<p>a. All shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel and employees of a listed entity or of its holding, subsidiary and associate company, who are parties to such agreements shall inform the listed entity about the agreement to which such a listed entity is not a party, within two working days of entering into such agreements or signing an agreement to enter into such agreements.</p>	July 13, 2023
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Such agreements entered into by a listed entity in the normal course of business shall not be required to be disclosed unless they, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the listed entity or they are required to be disclosed in terms of any other provisions of these regulations.

For the agreements that subsist as on the date of notification of clause 5A to para A of part A of schedule III, the parties to the agreements shall inform the listed entity, about the agreement to which such a listed entity is not a party and the listed entity shall in turn disclose all such subsisting agreements to the Stock Exchanges and on its website within the timelines as specified by the Board.

b. For the agreements that subsist as on July 13, 2023, the parties to the agreements shall inform the listed entity, about the agreement to which such a listed entity is not a party and the listed entity shall in turn disclose all such subsisting agreements to the Stock Exchanges and on its website within the timelines as specified by the Board.

				<p>The listed entity shall disclose the number of agreements that subsist as on the date of notification of clause 5A to para A of part A of schedule III, their salient features, including the link to the webpage where the complete details of such agreements are available, in the Annual Report for the financial year 2022-23 or for the financial year 2023-24.</p>	<p>c. Disclosure regarding such agreements to be made in the in the Annual Report for the financial year 2022-23 or for the financial year 2023-24.</p>	
7	31A	Special rights to shareholders	Newly inserted	<p>Any special right granted to the shareholders of a listed entity shall be subject to the approval by the shareholders in a general meeting by way of a special resolution once in every five years starting from the date of grant of such special right</p>	Action required as per the applicability	July 13, 2023



8	46(2)(o)	Website	The listed entity shall disseminate the following information under a separate section on its website Schedule of analysts or institutional investors meet and presentations made by the listed entity to analysts or institutional investors.	The listed entity shall disseminate the following information under a separate section on its website Schedule of analysts or institutional investors meet at least two working days in advance (excluding the date of the intimation and the date of the meet) and presentations made by the listed entity to analysts or institutional investors	Required disclosure to be made on the website.	July 13, 2023
9	Schedule V	SCHEDULE V: ANNUAL REPORT	NEWLY INSERTED	The following disclosures shall be made in the section on the corporate governance of the annual report ..... Senior management Particulars of senior management including the changes therein since the close of the previous financial year. Agreements mentioned at point no. 6 above	Required disclosures to be made in the annual report for the year 2022-23	July 13, 2023

<p><b>10</b></p>	<p>Schedule III</p>	<p>PART A: DISCLOSURES OF EVENTS OR INFORMATION: SPECIFIED SECURITIES</p>	<p>Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/merger/emergence/restructuring), or sale or disposal of any unit(s), division(s) or subsidiary of the listed entity or any other restructuring.</p> <p>Explanation.- For the purpose of this sub-paragraph, the word 'acquisition' shall mean,-</p> <p>(i) acquiring control, whether directly or indirectly;</p>	<p>Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation, merger, demerger or restructuring), sale or disposal of any unit(s), division(s), whole or substantially the whole of the undertaking(s) or subsidiary of the listed entity, sale of stake in associate company of the listed entity or any other restructuring.</p> <p>Explanation (1) - For the purpose of this sub-paragraph, the word 'acquisition' shall mean-</p> <p>(i) acquiring control, whether directly or indirectly; or</p> <p>(ii) acquiring or agreement to acquire shares or voting rights in a company, whether existing or to be incorporated, whether directly or indirectly, such that - (a) the listed entity holds shares or voting rights aggregating to five per cent or more of the shares or voting rights in the said company; or</p>	<p>Applicable disclosures to be made by August 11, 2023</p>	<p>July 13, 2023</p>
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<p>(ii) acquiring or agreeing to acquire shares or voting rights in, a company, whether directly or indirectly, such that-</p> <p>(a) the listed entity holds shares or voting rights aggregating to five per cent or more of the shares or voting rights in the said company, or;</p> <p>(b) there has been a change in holding from the last disclosure made under sub-clause (a) of clause (ii) of the Explanation to this sub-para and such change exceeds two per cent of the total shareholding or voting rights in the said company.</p>	<p>holding from the last disclosure made under subclause (a) of clause (ii) of the Explanation to this sub-paragraph and such change exceeds two per cent of the total shareholding or voting rights in the said company; or</p> <p>(c) the cost of acquisition or the price at which the shares are acquired exceeds the threshold specified in sub-clause (c) of clause (i) of sub-regulation (4) of regulation 30.</p> <p>For the purpose of this sub-paragraph, “sale or disposal of subsidiary” and “sale of stake in associate company” shall include-</p> <p>(i) an agreement to sell or sale of shares or voting rights in a company such that the company ceases to be a wholly owned subsidiary, a subsidiary or an associate company of the listed entity; or</p>
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(ii) an agreement to sell or sale of shares or voting rights in a subsidiary or associate company such that the amount of the sale exceeds the threshold specified in subclause (c) of clause (i) of sub-regulation (4) of regulation 30.  
 Explanation (3)- For the purpose of this sub-paragraph, “undertaking” and “substantially the whole of the undertaking” shall have the same meaning as given under section 180 of the Companies Act, 2013.”

<b>11</b>	Schedule III	PART A: DISCLOSURES OF EVENTS OR INFORMATION: SPECIFIED SECURITIES	Revision in Rating(s).	in New Rating(s) or Revision in Rating(s).	Applicable disclosures to be made by August 11, 2023	July 13, 2023
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12	Sched ule III	PART A: DISCLOSURE S OF EVENTS OR INFORMATION : SPECIFIED SECURITIES	-	Insertion of para 5 A – Please refer point no. 6 above	Applicable disclosures to be made by August 11, 2023	July 13, 2023
13	Sched ule III	PART A: DISCLOSURE S OF EVENTS OR INFORMATION : SPECIFIED SECURITIES	Fraud/defaults by promoter or key managerial personnel or by listed entity or arrest of key managerial personnel or promoter.	Fraud or defaults by a listed entity, its promoter, director, key managerial personnel, senior management or subsidiary or arrest of key managerial personnel, senior management, promoter or director of the listed entity, whether occurred within India or abroad: For the purpose of this subparagraph: (i) 'Fraud' shall include fraud as defined under Regulation 2(1)(c) of Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003.	Applicable disclosures to be made by August 11, 2023	July 13, 2023

				<p>(ii) 'Default' shall mean non-payment of the interest or principal amount in full on the date when the debt has become due and payable.</p> <p>Explanation 1- In case of revolving facilities like cash credit, an entity would be considered to be in 'default' if the outstanding balance remains continuously in excess of the sanctioned limit or drawing power, whichever is lower, for more than thirty days.</p>		
Schedule III	PART A: DISCLOSURES OF EVENTS OR INFORMATION : SPECIFIED SECURITIES	Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer.	Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), senior management, Auditor and Compliance Officer.	Applicable disclosures to be made by August 11, 2023	July 13, 2023	

14	Sched ule III	PART A: DISCLOSURES OF EVENTS OR INFORMATION : SPECIFIED SECURITIES	Amendments to memorandum and articles of association of listed entity, in brief. (a) Schedule of analysts or institutional investors meet and presentations made by the listed entity to analysts or institutional investors. Explanation: For the purpose of this clause 'meet' shall mean group meetings or group conference calls conducted physically or through digital means.	Amendments to memorandum and articles of association of listed entity, in brief. (a) Schedule of analysts or institutional investors meet at least two working days in advance (excluding the date of the intimation and the date of the meet) and presentations made by the listed entity to analysts or institutional investors. Explanation: For the purpose of this clause 'meet' shall mean group meetings or group conference calls conducted physically or through digital means.	Applicable disclosures to be made by August 11, 2023	July 13, 2023
15	Sched ule III	PART A: DISCLOSURES OF EVENTS OR INFORMATION : SPECIFIED SECURITIES	Newly Inserted	“(7C) In case of resignation of key managerial personnel, senior management, Compliance Officer or director other than an independent director; the letter of resignation along with detailed reasons for the resignation as given by the key managerial personnel, senior	Applicable disclosures to be made by August 11, 2023	July 13, 2023

				<p>management, Compliance Officer or director shall be disclosed to the stock exchanges by the listed entities within seven days from the date that such resignation comes into effect.</p> <p>(7D) In case the Managing Director or Chief Executive Officer of the listed entity was indisposed or unavailable to fulfil the requirements of the role in a regular manner for more than forty five days in any rolling period of ninety days, the same along with the reasons for such indisposition or unavailability, shall be disclosed to the stock exchange(s).</p>		
16	Schedule III	PART A: DISCLOSURES OF EVENTS OR INFORMATION : SPECIFIED SECURITIES	Newly Inserted	<p>Announcement or communication through social media intermediaries or mainstream media by directors, promoters, key managerial personnel or senior management of a listed entity, in relation to any event or information which is material for the listed entity in terms of regulation 30 of these regulations and is not already made available in the public domain by the listed entity.</p> <p>Explanation – “social media intermediaries” shall have the same meaning as defined under the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021.</p>	Applicable disclosures to be made by August 11, 2023	July 13, 2023



Action(s) initiated or orders passed by any regulatory, statutory, enforcement authority or judicial body against the listed entity or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the listed entity, in respect of the following:

- a) search or seizure; or
- b) re-opening of accounts under section 130 of the Companies Act, 2013; or
- c) investigation under the provisions of Chapter XIV of the Companies Act, 2013; along with the following details pertaining to the actions(s) initiated, taken or orders passed:
  - i. name of the authority;
  - ii. nature and details of the action(s) taken, initiated or order(s) passed;
  - iii. date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority;
  - iv. details of the violation(s)/contravention(s) committed or alleged to be committed;
  - v. impact on financial, operation or other activities of the listed entity,
  - vi. quantifiable in monetary terms to the extent possible.

(Action(s) taken or orders passed by any regulatory, statutory, enforcement authority or judicial body against the listed entity or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the listed entity, in respect of the following:

- a) suspension;
- b) imposition of fine
- c) imposition of fine or penalty;
- d) settlement of proceedings;
- e) debarment;
- f) disqualification;
- g) closure of operations;
- h) sanctions imposed;
- i) warning or caution; or
- j) any other similar action(s) by whatever name called; along with the following details pertaining to the actions(s) initiated, taken or orders passed:
  - I. name of the authority;
  - II. nature and details of the action(s) taken, initiated or order(s) passed;
  - III. date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority;

				<p>iv. details of the violation(s)/contravention(s) committed or alleged to be committed;</p> <p>v. impact on financial, operation or other activities of the listed entity, quantifiable in monetary terms to the extent possible.</p> <p>Voluntary revision of financial statements or the report of the board of directors of the listed entity under section 131 of the Companies Act, 2013.</p>		
17	Para B	<p>Events which shall be disclosed upon application of the guidelines for materiality referred sub-regulation (4) of regulation (30)</p>	<p>Change in the general character or nature of business brought about by arrangements for strategic, technical, manufacturing, or marketing tie-up, adoption of new lines of business or closure of operations of any unit/division (entirety or piecemeal).</p>	<p>Any of the following events pertaining to the listed entity:</p> <p>(a) arrangements for strategic, technical, manufacturing, or marketing tie-up; or</p> <p>(b) adoption of new line(s) of business; or</p> <p>(c) closure of operation of any unit, division or subsidiary (in entirety or in piecemeal)</p>	<p>Disclosure to be made as per the applicability by August 11, 2023</p>	<p>July 13, 2023</p>

18		Agreements (viz. loan agreement(s) (as a borrower) or any other agreement(s) which are binding and not in normal course of business) and revision(s) or amendment(s) or termination(s) thereof	Agreements (viz. loan agreement(s) (as a borrower) or any other agreement(s) which are binding and not in normal course of business) and revision(s) or amendment(s) or termination(s) thereof		
19		Litigation(s) / dispute(s) / regulatory action(s) with impact.	Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the listed entity		
20		Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listed entity.	Frauds or defaults by employees of the listed entity which has or may have an impact on the listed entity		
21		Giving of guarantees or indemnity or becoming a surety for any third party.	Giving of guarantees or indemnity or becoming a surety by whatever named called for any third party.		
22		Newly inserted	Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority		

**Author:**

**Team Whitespan**

# Case Laws

## **CASE LAWS**

1. In **Hasmukhlal Madhavlal Patel and Anr. vs Ambika Food Products Pvt Ltd. and Ors.**, The Supreme Court has upheld the largely disproportionate allotment of rights share in favor of one group of shareholders of a private limited company, substantially increasing its shareholding percentage in the company over another group of shareholders. The Court observed that the increase in the appellant- H.M. Patel Group's shareholding from 30.80% to 63.58% of the paid-up share capital of the private company, was the result of the other shareholder group's refusal to apply for the additional shares, despite being given the opportunity. Thus, the allotment of fresh shares could not be characterized as oppressive.
2. In **Coal India Ltd v Competition Commission of India**, Supreme Court held that Coal India Ltd. would come under the purview of the Competition Act, 2002 despite being a Public Sector Undertaking.

# Compliance Checklist

## COMPLIANCE CALENDAR FOR JULY 2023

Sun	Mon	Tue	Wed	Thu	Fri	Sat
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					



## Tax Related Compliance

TDS Payment for June 2023

TCS Payment for June 2023

Due date for deposit of TDS under section 192, 194A, 194D or 194.

Quarterly Return of TDS for the 1st quarter 2023-24

Quarterly Return of TCS for the 1st quarter 2023-24

GSTR 1 Monthly return of outward supplier for June 2023

GSTR 1 Quarterly return of outward supplies for April to June

GSTR 3B for June 2023 (Monthly)

Due date to file Income Tax Return Online for AY 2023-24

## FEMA Related Compliance

Reporting of actual transactions of External Commercial Borrowings (ECB) through AD Bank under FEMA

## Economic, Industrial & Labour Law Related Compliance

Provident Fund (PF) & ESI Returns Payment for June -2023

## Ministry of Corporate Affairs

\*Form DPT 3 for FY 2022-23 applicable for the Companies registered under Companies Act, 2013.

AOC-4 for companies with FY closing on December 31, 2022

## Securities and Exchange Board of India

Statement of Grievance Redressal Mechanism

Corporate Governance Report


Shareholding Pattern

Reconciliation of share capital audit report

\* Extension for Filing of DPT-3 till July 31, 2023 without payment of any additional fees (Refer Notification No. 3 MCA)

## Reserve Bank of India

Annual return to RBI (FLA)



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