

**DECEMBER
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NEWSLETTER

REGULATORY

- RBI
- SEBI
- MCA



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1. Introduction of Legal Entity Identifier for Cross-border Transactions

RBI/2021-22/137 A.P. (DIR Series) Circular No. 20

Dated: 10th December, 2021

Legal Entity Identifier (LEI) has been introduced by the Reserve Bank in a phased manner for participants in the Over the counter (OTC) derivative, non-derivative markets, large corporate borrowers and large value transactions in centralised payment systems. It is a 20-digit number used to uniquely identify parties to financial transactions worldwide to improve the quality and accuracy of financial data systems.

In order to further harness the benefits of LEI, RBI vide this circular has decided that AD Category I banks, with effect from October 1, 2022, shall obtain the LEI number from the resident entities (non-individuals) undertaking capital or current account transactions of Rs. 50 crore and above (per transaction) under FEMA, 1999. Further, AD Category I banks may encourage concerned entities to voluntarily furnish LEI while undertaking transactions even before October 1, 2022.

Once an entity has obtained an LEI number, it must be reported in all transactions of that entity, irrespective of transaction size.

[Notification](#)**2. Prompt Corrective Action (PCA) Framework for Non-Banking Financial Companies (NBFCs)**

RBI/2021-22/139 DoS.CO.PPG.SEC.7/11.01.005/2021-22

Dated: 14th December, 2021*Effective Date: 1st October, 2022*

RBI had introduced a Prompt Corrective Action Framework (PCA) for Scheduled Commercial Banks in 2002 and the same has been reviewed from time to time based on the experience gained and developments in the banking system. The objective of the PCA Framework is to enable Supervisory intervention at appropriate time and require the Supervised Entity to initiate and implement remedial measures in a timely manner, so as to restore its financial health. The PCA Framework is also intended to act as a tool for effective market discipline.

Vide this notification, RBI has decided to put in place a PCA Framework for NBFCs to further strengthen the supervisory tools applicable to NBFCs due to their continuous growth and substantial interconnectedness with other segments of the financial system. The PCA Framework for NBFCs contained in the Annex to this circular is effective from October 1, 2022, based on the financial position of NBFCs on or after March 31, 2022.

[Notification](#)

1. Publishing Investor Charter and disclosure of Investor Complaints by Stock Brokers on their websites

Circular No.: SEBI/HO/MIRSD/DOP/CIR/P/2021/676

Dated: 2nd December 2021*Effective Date: 1st January 2022*

In order to facilitate investor awareness about several activities which an investor deals with, SEBI has prepared an Investor Charter for Stock Brokers. This charter specifies the rights of investors, various activities of stockbrokers with timelines, dos and don'ts for investors and grievance redressal mechanism.

Vide this circular, exchanges have been directed to advise stockbrokers to bring the Investor charter for stockbrokers to the notice of their clients, existing as well as new ones, through disclosing the investor charter on their respective websites, making them available at prominent places in the office, provide a copy of the charter as a part of account opening kit to the clients, through e-mails or letters etc. The new guidelines will come into effect from January 1, 2022.

Additionally, in a bid to bring about transparency in the investor grievance redressal mechanism, SEBI has decided that all stock brokers shall disclose on their respective websites, the data on complaints received against them or against issues dealt by them and redressal thereof latest by 7th of succeeding month, as per the format enclosed at Annexure 'B' to this circular.

[Circular](#)**2. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) (Third Amendment) Regulations, 2021**

No. SEBI/LAD-NRO/GN/2021/60

Dated 6th December, 2021

Vide this notification, SEBI has amended the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

Following is the gist of the amendments:

1. Insertion of the clause (fa) to regulation 2(1) pertaining to definition of Delisting Regulation - Delisting Regulations means the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021.
2. Substitution of Regulation 5A pertaining to Delisting Offer - An acquirer may seek the delisting of the target company by making a delisting offer as per the prescribed conditions which include that the acquirer shall have declared his intention to so delist the target company at the time of making public announcement of an open offer as well as at the time of making the detailed public statement. In case of an indirect acquisition, the declaration of the intent to so delist shall be made initially only in the detailed public statement. The acquirer is required to fulfill the delisting offer obligations as prescribed in the amendment.
3. Amendment in Regulation 7(4) and 7(5) pertaining to offer size - If the open offer has been made by an acquirer under sub-regulation (1) of regulation 3, regulation 4 or regulation 5 and the acquirer has stated upfront his intention to retain the listing of the target company in the public announcement and the detailed public statement issued pursuant to an open offer in accordance with these regulations, the acquirer may alternatively undertake a proportionate reduction of the shares or voting rights to be acquired pursuant to the underlying agreement for acquisition/ subscription of shares or voting rights and the purchase of shares so tendered, upon the completion of the open offer process such that the resulting shareholding of the acquirer in the target company does not exceed the maximum permissible non-public shareholding prescribed under the Securities Contract (Regulation) Rules, 1957.
The acquirer whose shareholding exceeds the maximum permissible non-public shareholding, pursuant to an open offer under these regulations, shall not be eligible to make a voluntary delisting offer under the Delisting Regulations, unless a period of twelve months has elapsed from the date of the completion of the offer period.
4. Amendment in Regulation 8(10) pertaining to offer price.
5. Amendment in Regulation 10(1) pertaining to general exemptions.
6. Amendment in Regulation 15(1) pertaining to contents of the public announcement.
7. Amendment in Regulation 22(1) and 22(2) pertaining to completion of acquisition.

[Regulation](#)

3. Transaction in Corporate Bonds through Request for Quote platform by Portfolio Management Services (PMS)

Circular No.: SEBI/HO/IMD/IMD-I/DOF1/P/CIR/2021/678
Dated 9th December, 2021

Effective Date: 1st April, 2022

In order to enhance transparency pertaining to debt investments by Portfolio Management Services (PMS) in Corporate Bonds (CBs) and to increase liquidity on exchange platform, SEBI, vide this circular, has decided as under:

- i. On a monthly basis, PMS shall undertake at least 10% of their total secondary market trades by value in CBs in that month by placing/seeking quotes through one-to-one (OTO) or one-to-many (OTM) mode on the Request for Quote platform of stock exchanges (RFQ).
- ii. In order to ensure compliance with the abovementioned 10 percent requirement, PMS shall consider the trades executed by value through OTO or OTM mode of RFQ with respect to the total secondary market trades in CBs, during the current month and immediate preceding two months on a rolling basis.
- iii. All transactions in CBs wherein PMS is on both sides of the trade shall be executed through RFQ in OTO mode. However, any transaction entered by PMS in CBs in OTM mode which gets executed with another PMS, shall be counted in OTM mode.
- iv. PMS are permitted to accept the Contract Note from the stock brokers for transactions carried out in OTO and OTM modes of RFQ.

Accordingly, from the month of April 2022, PMS shall ensure that at least 10% (by value) of their secondary market trades in CBs in current month and immediate preceding two months (i.e. April 2022, March 2022 and February 2022) are executed by placing / seeking quotes through OTO or OTM mode of RFQ. Further, for the month of May 2022, the secondary market trades executed in CBs in the months of March 2022, April 2022 and May 2022 shall be considered for the purpose of aforesaid calculation.

[Circular](#)

4. Clarification regarding amendment to SEBI (Portfolio Managers) Regulations, 2020

Circular No.: SEBI/HO/IMD/IMD-I/DOF1/P/CIR/2021/0000000679
Dated 10th December, 2021

SEBI (Portfolio Managers) Regulations, 2021 were amended vide Notification dated November 09, 2021 to facilitate co-investment by investors of Alternative Investment Funds (AIF) through the portfolio management route.

Vide this circular, SEBI has issued clarification (as below) regarding aforesaid amendment:

1. Procedure for undertaking of Co-investment portfolio management services - The Co-investment portfolio management services shall be provided in the manner prescribed in the circular.
2. Periodic reporting by Portfolio Managers - Portfolio Managers are required to submit a monthly report regarding their portfolio management activity, on SEBI Intermediaries Portal within 7 working days of the end of each month, as per the revised format enclosed at Annexure A to the circular, which includes details of Co-investment offered by Portfolio Manager. Quarterly Report to the clients regarding the details of co-investment offered by Portfolio Manager shall be furnished as per revised format enclosed at Annexure B to the circular.
3. Fees and charges - The provisions with respect to fees and charges as specified in circular dated February 13, 2020, shall not be applicable to Co-investment services.
4. Direct on-boarding of clients by Portfolio Managers - The provisions with respect to direct on-boarding of clients by Portfolio Managers as specified in circular dated February 13, 2020, shall not be applicable to Co-investment services.

[Circular](#)

5. Circular on Mutual Funds

Circular No.: SEBI/HO/IMD/DF2/CIR/P/2021/683

Vide this Circular, SEBI has provided the following directives with respect to Mutual Funds:

1. Usage of pool accounts by Mutual Funds -

In terms of Clause (5) of the Fifth Schedule of SEBI (Mutual Funds) Regulations, 1996 (hereinafter referred as “MF Regulations”), it is stipulated that: “Trustees and asset management companies shall ensure that the assets and liabilities of each scheme are segregated and ring-fenced from other schemes of the mutual fund; and bank accounts and securities accounts of each scheme are segregated and ring-fenced.”

Vide this circular, SEBI has decided that Mutual Funds may use pool accounts, only for such transactions which are executed at mutual fund level owing to certain operational and regulatory requirements, subject to the conditions prescribed in the circular.

2. Norms for investment in Bills Re Discounting Scheme (BRDS) -

In terms of Paragraph-B(5) of SEBI circular dated October 01, 2019, investments in unrated debt and money market instruments, other than government securities, treasury bills, derivative products such as Interest Rate Swaps (IRS), Interest Rate Futures (IRF), etc. can only be made in instruments like bills re-discounting, usance bills, etc., that are generally not rated and for which separate investment norms are not provided in MF Regulations and various circulars issued thereunder and exposure of mutual fund schemes in such instruments, shall not exceed 5% of the net assets of the schemes.

Vide this circular, SEBI has decided as under:

- a. The single issuer limit and the group exposure limit shall be calculated at the issuing bank level as BRDS are issued with recourse to the issuing bank.
- b. Investment in BRDS by debt schemes of mutual funds shall be considered as exposure to financial services sector for the purpose of sector exposure limits.

3. Risk Management Framework (RMF) for Mutual Funds -

“Risk Management Framework (RMF) for Mutual Funds” was to be effective from January 01, 2022. Vide this circular, SEBI has decided to extend the date of implementation of the circular to April 01, 2022. Till such time, the existing circular no. MFD/CIR/15/19133/2002, dated September 30, 2002 on “Risk Management System” shall remain operational.

4. Guiding Principles for bringing uniformity in Benchmarks of Mutual Fund Schemes -

SEBI, vide circular dated October 27, 2021, had specified a two-tiered structure for benchmarking of certain categories of schemes. The circular, inter-alia, specified that AMFI shall publish the first tier benchmarks for open ended debt schemes as per the Potential Risk Class and the same shall be implemented by the AMCs with effect from January 1, 2022. Vide this circular, SEBI has decided to extend the date of implementation of the above to April 1, 2022

[Circular](#)

6. Publishing Investor Charter and Disclosure of complaints by AIFs

Circular No.: SEBI/HO/IMD/IMD-I/DOF9/P/CIR/2021/682

Dated 10th December, 2021

Effective Date: 1st January 2022

SEBI has prepared an Investor Charter with a view to provide relevant information to investors about the various activities pertaining to AIFs.

This Investor Charter is a brief document containing details of services provided to investors, details of grievance redressal mechanism, responsibilities of the investors etc., at one single place, in lucid language for ease of reference.

Vide this Circular, SEBI has advised AIFs to take necessary steps to bring the Investor Charter, as per 'Annexure –X', to the notice of their investors in the following manner:

- a) In case of new schemes, disclose Investor Charter in the Private Placement Memorandum(PPM);
- b) In case of existing schemes, as a one-time measure, disclose Investor Charter to the investors on their registered e-mail.

Further, data on investor complaints received against AIFs and each of their schemes and redressal status thereof shall be disclosed by all AIFs as per format at 'Annexure Y', in the following manner:

- a) For new schemes, as a separate chapter in the PPM;
- b) For existing schemes, by way of updating the PPM within one month of end of each financial year in terms of SEBI Circular No. SEBI/HO/IMD/IMD-I/DOF6/CIR/2021/549 dated April 7, 2021.

[Circular](#)

7. Circular on Investor Charter and disclosure of Investor Complaints by Mutual funds on their websites and AMFI website

Circular No.: SEBI/HO/IMD-II/IMD-II_DOF10/P/CIR/2021/00677
Dated 10th December, 2021

Effective Date: 1st January, 2022

SEBI vide Circular No. Cir/IMD/DF/2/2010 dated May 13, 2010 had advised AMCs to disclose details of investor complaints on annual basis in a prescribed format within 2 months of the close of the financial year.

In partial modification to the aforesaid circular, SEBI has decided that all the Mutual Funds shall disclose the details of investor complaints on their respective websites as well as on AMFI website on a monthly basis, as per the format enclosed at Annexure -'A' to this circular. The information shall be made available within 7th of succeeding month.

Further, in order to facilitate awareness of investors about various activities which an investor deals with, SEBI has prepared an Investor Charter for Mutual Funds, inter-alia, detailing the services provided to Investors, rights of Investors, various activities of Mutual Funds with timelines, DOs and DON'Ts for Investors and Grievance Redressal Mechanism which is placed at Annexure 'B'.

In this regard, Mutual Funds are advised to bring the Investor Charter for Mutual Funds to the notice of their unit holders (existing as well as new unit holders) through disclosing the Investor Charter on their websites, making them available at prominent places in the office, etc. Mutual Funds are also advised to display link/option to lodge complaint with them directly on their websites and mobile apps.

[Circular](#)

8. Publishing of Investor Charter and disclosure of Investor Complaints by Portfolio Managers on their websites

Circular No.: SEBI/HO/IMD/IMD-II_DOF7/P/CIR/2021/681
Dated 10th December, 2021

Effective Date: 1st January 2022

SEBI has prepared an Investor Charter with a view to enhancing awareness of investors about the various activities which an investor deals with while availing the services provided by portfolio managers.

This Investor Charter is a brief document containing different services provided by the portfolio managers to the investors along with estimated timelines, like account opening, agreement with the portfolio manager, periodic statements to the investors, investor grievance redressal mechanism, responsibilities of investors etc. at one single place for ease of reference.

In order to enhance transparency in the Investor Grievance Redressal Mechanism, SEBI, vide this circular, has decided

that all Portfolio Managers shall disclose on a monthly basis on their websites, the data pertaining to all complaints including SCORES complaints received by them in the format mentioned in Annexure-B. The information shall be made available by 7th of the succeeding month.

Further, the Portfolio Managers are advised to display link/option on their websites and mobile apps so as to enable their clients to lodge complaint with them directly.

[Circular](#)

9. Clarifications with respect to Circular dated November 03, 2021, on 'Common and simplified norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC details and Nomination'

Circular No.: SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687
Dated 14th December, 2021

SEBI, vide Circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021, had laid down the common and simplified norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC details and Nomination.

Vide this Circular, SEBI has provided clarification on certain provisions and on the applicability of the aforementioned circular. The said clarifications are given in Annexure to this circular.

All other provisions mentioned in the aforesaid circular shall remain unchanged.

[Circular](#)

10. Publishing Investor Charter and Disclosure of Investor Complaints by Merchant Bankers on their Websites for private placement of units by InvITs proposed to be listed

Circular No.: SEBI/HO/DDHS/DDHS_Div3/P/CIR/2021/690
Dated 16th December, 2021

Effective Date: 1st April 2022

SEBI has prepared an Investor Charter with a view to provide investors relevant information about the primary market issuances by InvITs.

Vide this Circular, SEBI has advised all registered Merchant Bankers to disclose on their websites, the Investor Charter for private placement of units by InvITs proposed to be listed, as provided at Annexure –A to this circular.

Further, SEBI has decided that all the registered Merchant Bankers shall disclose on their respective websites, the data on complaints received against them or against issues dealt by them and redressal thereof, latest by 7th of succeeding month, as per the format enclosed at Annexure –B to this circular.

[Circular](#)

11. Publishing of Investor Charter and Disclosure of Complaints by Custodians and DDPs on their websites

Circular No.: SEBI/HO/FPIC/P/CIR/2021/691
Dated 17th December, 2021

Effective Date: 1st January, 2022

SEBI has developed Investor Charters for Custodians and DDPs which inter-alia deals with services provided to investors with timelines and general guidance for Investors.

Vide this Circular, SEBI has advised that all the registered Custodians and DDPs shall take necessary steps to bring the Investor Charter, as provided in "Annexure-A" to this circular, to the notice of their clients and ensure that the Investor Charter is prominently displayed on their respective website for ease of accessibility of investors.

Further, SEBI has decided that all Custodians and DDPs shall disclose on their respective websites, the monthly data on complaints received and redressal thereof, latest by 7th of succeeding month, as per the format provided in “Annexure-B” to this circular.

[Circular](#)

12. Portfolio Management Services for Accredited Investors

Circular No.: SEBI/HO/IMD/IMD-I/DOF1/P/CIR/2021/693

Dated 21st December, 2021

SEBI (Portfolio Managers) Regulations, 2020 (“PMS Regulations”) notified on August 03, 2021 read with the Circular dated August 26, 2021 inter-alia introduced the concept/framework of “accredited investor” and “large value accredited investor” in PMS Regulations. SEBI vide this circular has clarified that “accredited investor” shall have the same meaning as assigned to it under clause (ab) of sub-regulation (1) of regulation 2 of the SEBI (Alternative Investment Funds) Regulations, 2012.

Further, Para 3(iv) of the SEBI Circular No. SEBI/HO/IMD/DF1/CIR/P/2020/26 dated February 13, 2020 (“Circular”), inter-alia, specifies the quantum and manner of exit load applicable to the client. SEBI has decided that in case of large value accredited investors, the quantum and manner of exit load applicable to the client of the Portfolio Manager shall be governed through bilaterally negotiated contractual terms and the provisions of above para of the Circular shall not be applicable. The other provisions of the Circular shall remain unchanged.

[Circular](#)

13. Investment Advisory Services for Accredited Investors

Circular No.: SEBI/HO/IMD/IMD-I/DOF1/P/CIR/2021/694

Dated 21st December, 2021

SEBI (Investment Advisers) Regulations, 2013 (“IA Regulations”) notified on August 03, 2021 read with the Circular dated August 26, 2021 inter-alia introduced the concept/framework of “accredited investor” and “large value accredited investor” in PMS Regulations. Para 2(iii) of the SEBI Circular No. SEBI/HO/IMD/DF1/CIR/P/2020/182 dated September 23, 2020 (“Circular”) inter alia specifies the modes and limits of fees that can be charged by an Investment Adviser (IA) from a client.

Vide this circular, SEBI has decided that in case of accredited investors, the limits and modes of fees payable to the IA shall be governed through bilaterally negotiated contractual terms and the provisions of para 2(iii) of the Circular shall not be applicable. The other provisions of the Circular shall remain unchanged.

[Circular](#)

14. Extension of facility for conducting annual meeting and other meetings of unit holders of REITs and InvITs through Video Conferencing (VC) or through Other Audio-Visual means (OAVM)

Circular No.: SEBI/HO/DDHS/DDHS_Div2/P/CIR/2021/697

Dated 22nd December, 2021

SEBI vide circular no. SEBI/HO/DDHS/DDHS/CIR/P/2021/21 dated February 26, 2021 had permitted REITs/InvITs to conduct annual meetings of unit holders through VC/OAVM till December 31, 2021 and other meetings of unit holders through VC/OAVM till June 30, 2021.

MCA, vide circular dated December 08, 2021 has extended the facility of holding AGMs and EGMs through VC/OAVM till June 30, 2022.

Accordingly, SEBI, vide this Circular, has decided to extend the facility to conduct annual meetings of unit holders in terms of Regulation 22(3) of SEBI (REIT) Regulations, 2014 and Regulation 22(3)(a) of SEBI (InvIT) Regulations, 2014 and meetings other than annual meeting, through VC or OAVM till June 30, 2022.

[Circular](#)

15. Non-compliance with provisions related to continuous disclosures

Circular No.: SEBI/HO/DDHS_Div2/P/CIR/2021/699

Dated 29th December, 2021*Effective Date: February 1, 2022*

SEBI vide circular no. SEBI/HO/DDHS/DDHS/CIR/P/2020/231 dated November 13, 2020 had prescribed a uniform structure for levying fines and taking action for non-compliance with continuous disclosure requirements specified under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), by the issuers of listed Non-Convertible Securities and/ or Commercial Papers.

Pursuant to the recent amendments to SEBI LODR Regulations, SEBI has decided to issue the present circular in supersession of the aforesaid circular bearing number SEBI/HO/DDHS/DDHS /CIR/P/2020/231 dated November 13, 2020.

Accordingly, in the interests of investors and the securities market, the Stock Exchanges shall levy fine and take action in case of non-compliances with continuous disclosure requirements by the issuers of listed Non-Convertible Securities and/ or Commercial Paper as specified in Annexure I and Annexure II of this circular respectively.

In case a non-compliant entity is listed on more than one recognized stock exchange, the concerned recognized stock exchange(s) shall take uniform action under this circular in consultation with each other.

Further, the circular dated November 13, 2020 would be applicable till the time current circular comes into force.

[Circular](#)**16. Extension of timeline for modified reporting requirements for AIFs**

Circular No.: SEBI/HO/IMD/IMD-I/DOF6/CIR/2021/700

Dated 30th December, 2021

SEBI vide Circular No. SEBI/HO/IMD/IMD-I/DOF6/CIR/2021/549 dated April 07, 2021, had specified the revised reporting requirements for AIFs. It was also specified in para 5 of the Circular that the modified reporting requirements shall be applicable for quarter ending December 31, 2021 onwards.

In partial modification to para 5 of the aforesaid Circular, SEBI, vide this circular, has extended the applicability of modified reporting requirements for quarter ending September 30, 2022 onwards.

[Circular](#)

MCA

1. Clarification of holding Annual General Meeting (AGM) through Video Conference (VC) or Other Audio Visual Means (OAVM)

General Circular No. 19/2021
Dated: 8th December 2021

Vide this circular, MCA has allowed the Companies whose AGMs are due in the year 2021, to conduct their AGMs **on or before 30th June, 2022** in accordance with the requirements laid down in para 3 and para 4 of the General Circular No. 20/2020 dated 05.05.2020.

Para 3 of the aforesaid circular bifurcates the requirements to be fulfilled as under:

- A. For companies which are required to provide the facility of e-voting under the Act, or any other company which has opted for such facility.
- B. For companies which are not required to provide the facility of e-'voting under the Act.

Para 4 specifies fulfilment of other compliances associated with the provisions relating to general meetings.

It has further been clarified that this circular shall not be construed as conferring any extension of time for holding AGMs by the companies under the Companies Act, 2013. The companies which have not adhered to the timelines shall be liable to legal action under the appropriate provisions of the Act.

[Circular](#)

2. Clarification on passing of Ordinary and Special Resolutions by the companies under the Companies Act, 2013 read with rules made thereunder on account of COVID-19 – Extension of timeline

General Circular No. 20/2021
Dated: 8th December 2021

In continuation to the General Circular Nos. 14/2020 dated 08.04.2020, 17/2020 dated 13.04.2020, 22/2020 dated 15.06.2020, 33/2020 dated 28.09.2020, 39/2020 dated 31.12.2020 and 10/2021 dated 23.06.2021, MCA has now vide this circular allowed companies to conduct their EGMs through Video Conference (VC) or Other Audio Visual Means (OAVM) or transact items through postal ballot in accordance with framework provided in the aforesaid circulars up to 30th June, 2022.

All other requirements provided in the said circulars shall remain unchanged.

[Circular](#)

3. Clarification of holding Annual General Meeting (AGM) through Video Conference (VC) or Other Audio Visual Means (OAVM)

General Circular No. 21/2021
Dated: 14th December 2021

Vide this circular, MCA has allowed the Companies which are proposing to organize AGMs in 2022 for the financial Year ended / ending any time before / on 31.03.2022 through VC or OAVM as per respective due dates by **30th June, 2022** in accordance with the requirements laid down in para 3 and para 4 of the General Circular No. 20/2020 dated 05.05.2020.

Para 3 of the aforesaid circular bifurcates the requirements to be fulfilled as under:

- A. For companies which are required to provide the facility of e-voting under the Act, or any other company which has opted for such facility.
- B. For companies which are not required to provide the facility of e-'voting under the Act.

Para 4 specifies fulfilment of other compliances associated with the provisions relating to general meetings.

It has further been clarified that this circular shall not be construed as conferring any extension of time for holding AGMs by the companies under the Companies Act, 2013. The companies which have not adhered to the timelines shall be liable to legal action under the appropriate provisions of the Act.

[Circular](#)

4. Relaxation on levy of additional fees in filing of e-forms AOC-4, AOC-4 (CFS), AOC-4 XBRL, AOC-4 Non-XBRL and MGT-7/MGT-7A for the financial year ended on 31.03.2021 under the Companies Act, 2013

General Circular No. 22/2021

Dated: 29th December 2021

MCA vide General Circular No. 18/2021 dated 29th October 2021, had provided relaxation in filing of E-forms AOC-4, AOC-4 (CFS), AOC-4 XBRL, AOC-4 Non-XBRL and MGT-7 / MGT-7A in respect of FY 2020-21 without payment of additional fees upto 31st December, 2021.

Vide this circular, MCA has provided further relaxation in filing of E-forms in respect of FY ended on 31.03.2021 without payment of additional fees as under:

- a. AOC-4, AOC-4 (CFS), AOC-4 XBRL, AOC-4 Non-XBRL upto **15.02.2022** and;
- b. E-forms MGT-7 / MGT-7A upto **28.02.2022**

[Circular](#)

Disclaimer:

This is not a complete listing of all circulars/notifications issued during the month.
Instead it is only a listing of some of the circulars/notifications that we considered important.



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