

**DECEMBER  
2022**

# NEWSLETTER

## REGULATORY

- RBI
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- MCA



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**RBI**

**1. Master Direction – Foreign Exchange Management (Hedging of Commodity Price Risk and Freight Risk in Overseas Markets) Directions, 2022**

RBI/2022-2023/94 A. P. (DIR Series) Circular No. 20  
Dated: 12<sup>th</sup> December, 2022

Reserve Bank has issued directions to Authorised Persons under Section 11 of the Foreign Exchange Management Act, 1999 (Act 42 of 1999). These Directions lay down the modalities for the AD Cat-I banks for facilitating hedging of commodity price risk and freight risk in overseas markets by their customers / constituents.

[Notification](#)

## SEBI

### 1. Extension of timeline for implementation of Standardized Industry Classification by CRAs

Circular No.: SEBI/HO/DDHS/DDHS-RACPOD2/P/CIR/2022/168  
Dated 1<sup>st</sup> December, 2022

SEBI vide Circular dated April 01, 2022 advised CRAs to implement standardized industry classification by September 30, 2022. The guidelines were subsequently revised vide Circular dated September 30, 2022 and timeline for implementation was extended till November 30, 2022.

Vide this circular, SEBI has decided to extend the date of applicability of the standardized industry classification till December 15, 2022.

[Circular](#)

### 2. Updated Operational Circular for listing obligations and disclosure requirements for Non-convertible Securities, Securitised Debt Instruments and/ or Commercial Paper – Modifications in Chapter IV and Introduction of Chapter XII on Scheme(s) of Arrangement by entities who have listed their NCDs/ NCRPS

Circular No.: SEBI/HO/DDHS/DDHS\_Div1/P/CIR/2022/0000000103  
Dated 1<sup>st</sup> December, 2022

*Effective Date: August 1, 2022*

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), prescribes the continuous disclosure requirements for issuers of listed Non-Convertible Securities, Securitised Debt Instruments and Commercial Paper. Multiple circulars have been issued, over the years, covering the operational and procedural aspects thereof.

This Operational Circular is issued for effective regulation of the corporate bond market and to enable the issuers and other market stakeholders to get access to all the applicable circulars at one place.

This Circular is a compilation of the relevant existing circulars, with consequent changes. The stipulations contained in these circulars have been detailed chapter-wise in this operational circular. Accordingly, the circulars listed at Annex -1 to this circular stand superseded by this Operational Circular.

[Circular](#)

### 3. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Seventh Amendment) Regulations, 2022

No. SEBI/LAD-NRO/GN/2022/109  
Dated 5<sup>th</sup> December, 2022

Vide this notification, SEBI has amended the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Amendment has been made to Regulation 102 pertaining to power to relax strict enforcement of the regulations:**  
After sub-regulation (1), the following new sub-regulation has been inserted, namely, -

*“(1A) The Board may after due consideration of the interest of the investors and the securities market and for the development of the securities market, relax the strict enforcement of any of the requirements of these regulations, if an application is made by the Central Government in relation to its strategic disinvestment in a listed entity.”*

[Regulation](#)

### 4. Clarification - Scheme(s) of Arrangement by entities who have listed their Non-convertible Debt securities (NCDs)/ Non-convertible Redeemable Preference shares (NCRPS) ('debt listed entities')

SEBI had issued a circular dated November 17, 2022 on “Scheme(s) of Arrangement by entities who have listed their Non-convertible Debt securities (NCDs)/ Non-convertible Redeemable Preference shares (NCRPS)”.

Vide this circular, SEBI has clarified that the provisions of the aforementioned circular shall not apply to a Scheme of Arrangement which solely provides for an arrangement between a debt listed entity and its unlisted wholly owned subsidiary. However, such debt listed entity shall file the draft Scheme of Arrangement with Stock Exchange(s) for the purpose of disclosure and the Stock Exchange(s) shall disseminate the scheme documents on their websites.

Further, Chapter XII of the LODR Operational Circular dated July 29, 2022 pertaining to ‘Scheme(s) of Arrangement by entities who have listed their NCDs/ NCRPS’ will accordingly stand modified.

[Circular](#)

## 5. Foreign investment in Alternative Investment Funds (AIFs)

Circular No.: SEBI/HO/AFD-1/PoD/P/CIR/2022/171

Dated 9<sup>th</sup> December, 2022

In terms of Regulation 10(a) of SEBI (Alternative Investment Funds) Regulations, 2012 (‘AIF Regulations’), AIFs may raise funds from any investor whether Indian, foreign or non-resident Indians, by way of issue of units.

Vide this circular, the following is specified in this regard:

1. At the time of on-boarding investors, the manager of an AIF shall ensure the following:

- a) Foreign investor of the AIF is a resident of the country whose securities market regulator is a signatory to the International Organization of Securities Commission’s Multilateral Memorandum of Understanding (Appendix A Signatory) or a signatory to the bilateral Memorandum of Understanding with SEBI.

AIFs may accept commitment from an investor being Government or Government related investor, who does not meet the aforesaid condition, if the investor is a resident in the country as may be approved by the Government of India.

- b) The investor, or its underlying investors contributing twenty-five percent or more in the corpus of the investor or identified on the basis of control, is not the person(s) mentioned in the Sanctions List notified from time to time by the United Nations Security Council and is not a resident in the country identified in the public statement of Financial Action Task Force as–
  - (i) a jurisdiction having a strategic Anti-Money Laundering or Combating the Financing of Terrorism deficiencies to which counter measures apply; or
  - (ii) a jurisdiction that has not made sufficient progress in addressing the deficiencies or has not committed to an action plan developed with the Financial Action Task Force to address the deficiencies.

2. In case an investor who has been on-boarded to scheme of an AIF, subsequently does not meet the conditions specified at clause 1 above, the manager of the AIF shall not drawdown any further capital contribution from such investor for making investment, until the investor again meets the said conditions. The same shall also apply to investors already on-boarded to existing schemes of AIFs, who do not meet conditions specified at clause 1 above.

[Circular](#)

## 6. Securities and Exchange Board of India (Procedure for Board Meetings) (Amendment) Regulations, 2022

No. SEBI/LAD-NRO/GN/2022/110

Dated 9<sup>th</sup> December, 2022

Vide this notification, SEBI has amended the Securities and Exchange Board of India (Procedure for Board Meetings) Regulations, 2001.

Following is the gist of the amendment:

1. in regulation 4 pertaining to **place and time of meetings**, the following Proviso has been inserted –

*“Provided that a Member who intends to participate in a meeting through video conferencing or any other audio visual means, shall communicate the same, sufficiently in advance to the Chairperson or the Secretary of the Board and in such case, the procedure as specified in Schedule I to the SEBI (Procedure for Board Meetings) Regulations, 2001 shall be followed”*

2. after regulation 15, following Schedule has been inserted and the existing Schedule is numbered as Schedule II:

**“Schedule I – Procedure for allowing Members to participate in Board meetings through video conferencing or other audio visual means:**

- I. A Member may participate in the meeting through video conferencing or other audio-visual means, pursuant to communicating his intention sufficiently in advance to the Chairperson or Secretary to the Board to that effect so that suitable arrangements can be made. In the absence of any intimation, it shall be assumed that the Member will be attending the meeting in person.
- II. On receipt of intimation from the Member, the Board shall make necessary arrangements of video conferencing or other audio visual means to enable such Member to attend the meeting through video conferencing or other audio visual means.
- III. A Member participating in a meeting through video conferencing or other audio visual means shall be counted for the purpose of quorum. A Member attending meeting through video conferencing or any other audio visual means, shall be vested with same rights and obligations as applicable in case of attending meeting in person.
- IV. Attendance of the Members participated through video conferencing or other audio visual means shall be recorded in the attendance register as “Participated through video conferencing” and the attendance register shall be deemed to have been signed by such Members.
- V. Minutes of the meeting shall disclose the particulars of the Members who attended the meeting through video conferencing or any other audio visual means.
- VI. Members participating through video conferencing or any other audio visual means shall participate through the video conferencing link for the meeting provided by the Board and may ensure that due care is taken.

#### [Regulation](#)

### **7. Master Circular for Foreign Portfolio Investors, Designated Depository Participants and Eligible Foreign Investors**

SEBI/HO/AFD-2/CIR/P/2022/175  
Dated 19<sup>th</sup> December, 2022

SEBI, vide circular dated November 05, 2019 had issued the Operational Guidelines (hereinafter referred to as OG) for FPIs, DDPs and Eligible Foreign Investors under the SEBI (Foreign Portfolio Investors), Regulations 2019. Subsequently, further guidelines pertaining to FPIs, DDPs and EFIs were issued by SEBI through various circulars.

The provisions of the aforesaid circulars are incorporated in this Master Circular which supersedes the earlier OG issued vide circular dated November 05, 2019. The circulars mentioned in Annexure A of the Master Circular shall stand rescinded with the issuance of this Master Circular.

With respect to the directions or other guidance issued by SEBI, as specifically applicable to FPIs, shall continue to remain in force in addition to the provisions of any other law for the time being in force.

#### [Master Circular](#)

### **8. Clarification to SEBI circular dated August 04, 2022 on enhanced guidelines for debenture trustees and listed issuer companies on security creation and initial due diligence**

Circular No.: SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2022/176  
Dated 19<sup>th</sup> December, 2022

SEBI had issued a circular dated August 04, 2022 on “Enhanced guidelines for debenture trustees and listed issuer companies on security creation and initial due diligence”.

Representations were received from Depositories and market participants seeking clarifications with respect to the aforementioned circular, on whether a new ISIN is to be allocated pursuant to:

- i. a change in underlying security;
- ii. creation of additional security; or
- iii. creation of security in case of unsecured debt securities.

Vide this circular, SEBI has clarified that none of the above cases would constitute a change in the structure of the non-convertible debt securities, provided there are no other changes to the terms/ nature of issue of the non-convertible debt securities like maturity date, coupon rate, face value, redemption schedule, nature of the non-convertible debt securities (secured/unsecured) etc. Accordingly, Depository shall not assign a new ISIN in such cases. However, where there is a change in the underlying security, the debenture trustee shall ensure compliance with the provisions of SEBI (Debenture Trustees) Regulations, 1993.

[Circular](#)



**MCA****1. Transition of 56 Company Forms from MCA21 V2 to V3 Portal in two lots**

Important Update  
Dated 26<sup>th</sup> December, 2022

Ministry of Corporate Affairs is launching the second set of Company Forms covering 56 forms in two different lots on MCA21 V3 portal.

10 out of 56 forms will be launched on 09th January 2023 at 12:00 AM and the remaining 46 forms on 23rd January 2023 as listed below:

1. Following forms will be rolled-out on 09th January 2023:

| S. No. | Form No.       | Form Name                                                                                                                                                                                                                                                               |
|--------|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1      | SPICE+ PART A  | Application for reservation of name for new company incorporation                                                                                                                                                                                                       |
| 2      | RUN            | Application for change of name of existing company                                                                                                                                                                                                                      |
| 3      | SPICE+ PART B  | Integrated Company Incorporation Application                                                                                                                                                                                                                            |
| 4      | AGILE PRO S    | Application for Goods and services tax Identification number, employees state Insurance corporation registration plus Employees provident fund organisation registration, Profession tax Registration, Opening of bank account and Shops and Establishment Registration |
| 5      | e-AOA [INC-34] | Articles of Association                                                                                                                                                                                                                                                 |
| 6      | e-MOA [INC-13] | Memorandum of Association                                                                                                                                                                                                                                               |
| 7      | e-AOA [INC-31] | Articles of Association                                                                                                                                                                                                                                                 |
| 8      | e-MOA [INC-33] | Memorandum of Association                                                                                                                                                                                                                                               |
| 9      | INC-9          | Declaration by Subscribers and First Directors                                                                                                                                                                                                                          |
| 10     | URC-1          | Application by a company for registration under section 366                                                                                                                                                                                                             |

2. Following forms will be rolled-out on 23rd January 2023:

| S. No. | Form No. | Form Name                                                                                                                                                                                    |
|--------|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1      | DIR-12   | Particulars of appointment of directors and the key managerial personnel and the changes among them                                                                                          |
| 2      | DIR-11   | Notice of resignation of a director to the Registrar                                                                                                                                         |
| 3      | DIR-3    | Application for allotment of Director Identification Number                                                                                                                                  |
| 4      | DIR-3C   | Intimation of Director Identification Number by the company to the Registrar DIN services                                                                                                    |
| 5      | DIR-5    | Application for surrender of Director Identification Number                                                                                                                                  |
| 6      | DIR-6    | Intimation of change in particulars of Director to be given to the Central Government                                                                                                        |
| 7      | INC-12   | Application for grant of License to an existing company under section 8                                                                                                                      |
| 8      | INC-18   | Application to Regional Director for conversion of section 8 company into any other kind of company                                                                                          |
| 9      | INC-20   | Intimation to Registrar of revocation of license issued under section 8                                                                                                                      |
| 10     | INC-20A  | Declaration for commencement of business                                                                                                                                                     |
| 11     | INC-22   | Notice of situation or change of situation of registered office                                                                                                                              |
| 12     | INC-23   | Application to the Regional Director for approval to shift the Registered Office from one State to another state or from jurisdiction of one Registrar to another Registrar within the State |
| 13     | INC-24   | Application for approval of Central Government for change of name                                                                                                                            |
| 14     | INC-27   | Conversion of public company into private company or private company into public company or Conversion of Unlimited Liability Company into Limited Liability Company                         |
| 15     | INC-28   | Notice of Order of the Court or any other competent authority                                                                                                                                |
| 16     | INC-4    | One Person Company - Change in Member/ Nominee                                                                                                                                               |
| 17     | INC-6    | One Person Company - Conversion form                                                                                                                                                         |
| 18     | MGT-14   | Filing of Resolutions and agreements to the Registrar under section 117                                                                                                                      |
| 19     | MR-1     | Return of appointment of managing director or whole time director or manager                                                                                                                 |
| 20     | MR-2     | Form of application to the Central Government for approval of appointment or                                                                                                                 |

|    |        |                                                                                                                                                                                                    |
|----|--------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|    |        | reappointment and remuneration or increase in remuneration or waiver for excess or over payment to managing director or whole time director or manager and commission or remuneration to directors |
| 21 | NDH-4  | Form for filing application for declaration as Nidhi Company or updation of status by Nidhis.                                                                                                      |
| 22 | PAS-3  | Return of Allotment                                                                                                                                                                                |
| 23 | SH-7   | Notice to Registrar of any alteration of share capital                                                                                                                                             |
| 24 | SH-11  | Return in respect of buy-back of securities                                                                                                                                                        |
| 25 | SH-8   | Letter of Offer                                                                                                                                                                                    |
| 26 | SH-9   | Declaration of Solvency                                                                                                                                                                            |
| 27 | NDH-1  | Return of Statutory Compliances                                                                                                                                                                    |
| 28 | NDH-2  | Application for extension of time                                                                                                                                                                  |
| 29 | NDH-3  | Return of Nidhi Company for the half year ended                                                                                                                                                    |
| 30 | GNL-3  | Particulars of person(s) charged for the purpose of subclause (iii) or (iv) of clause 60 of section 2                                                                                              |
| 31 | PAS-6  | Reconciliation of Share Capital Audit Report (Half yearly)                                                                                                                                         |
| 32 | MGT-3  | Notice of situation or change of situation or discontinuation of situation, of place where foreign register shall be kept                                                                          |
| 33 | PAS-2  | Information Memorandum                                                                                                                                                                             |
| 34 | DIR-9  | Report by the company to Registrar for disqualification of Directors                                                                                                                               |
| 35 | DIR-10 | Application for removal of Disqualification of Directors                                                                                                                                           |
| 36 | AOC-5  | Notice of address at which books of account are maintained                                                                                                                                         |
| 37 | FC-1   | Information to be filed by foreign company                                                                                                                                                         |
| 38 | FC-2   | Return of alteration in the documents filed for registration by foreign company                                                                                                                    |
| 39 | FC-3   | Annual accounts along with the list of all principal places of business in India established by foreign company                                                                                    |
| 40 | FC-4   | Annual Return of a Foreign company                                                                                                                                                                 |
| 41 | GNL-2  | Form for submission of documents with the Registrar                                                                                                                                                |
| 42 | GNL-4  | Addendum to form                                                                                                                                                                                   |
| 43 | MSC-1  | Application to ROC for obtaining the status of dormant company                                                                                                                                     |
| 44 | MSC-3  | Return of dormant companies                                                                                                                                                                        |
| 45 | MSC-4  | Application for seeking status of active company                                                                                                                                                   |
| 46 | RD-1   | Form for filing application to Regional Director                                                                                                                                                   |

To facilitate implementation of these forms in V3 MCA21 portal, stakeholders are advised to note the following:

- (1) Company e-Filings on V2 portal will be disabled from 07th January 2023 12:00 AM to 08th January 2023 11:59 pm for 10 forms which are planned for roll-out on 09th January 2023.
- (2) Company e-Filings on V2 portal will be disabled from 07th January 2023 12:00 AM to 22nd January 2023 11:59 pm for 46 forms which are planned for roll-out on 23rd January 2023.
- (3) All stakeholders are advised to ensure that there are no SRNs in pending payment and Resubmission status.
- (4) Offline payments for the above 56 forms in V2 using Pay later option would be stopped from 28th December 2022 12:00 AM. Therefore, payments for these forms in V2 can only be made through online mode (Credit/Debit Card and Net Banking).
- (5) In view of the upcoming launch of 56 Company forms, V3 portal will not be available from 07th January 2023 12:00 AM to 08th Jan 2023 11:59 pm due to 10 company forms roll-out and from 21st January 2023 to 22nd January 2023 for 46 company forms roll-out.
- (6) V2 Portal for company filing will remain available for all the forms excluding above mentioned 56 forms.

[Notification](#)



**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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