

# BHANDARI & ASSOCIATES

## Company Secretaries

## REGULATORY UPDATES

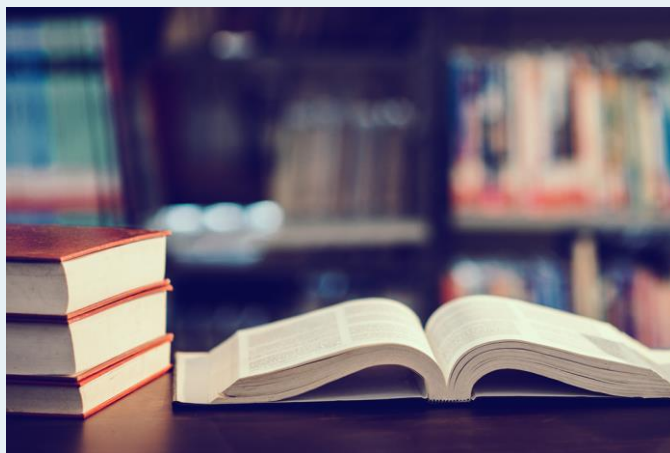
### February, 2023

#### **ABOUT US:**

Bhandari & Associates was formed in the early 80's and is one amongst India's oldest practicing firms.

Our Firm is a full-service corporate law advisory firm. It assists in compliance with the Companies Act, 2013, and a wide array of other corporate laws and regulations for starts-up, medium and large Companies.

Our Regulatory Updates aim to provide an overview of the key Circulars, Notifications and Amendments by regulators/ entities including Ministry of Corporate Affairs (MCA), Securities Exchange Board of India (SEBI), Reserve Bank of India (RBI) and Stock Exchanges (BSE and NSE).



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*“We are what we repeatedly do. Excellence, then is not an act, but a habit.”*

*- Aristotle*

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## Ministry of Corporate Affairs (MCA)

### 1. Extension of Time for filing of 45 company e-Forms and PAS-03 in MCA 21 Version 3.0 without additional fee

*(Notification date: February 07, 2023)*

In continuation to the General Circular 01/2023 dated January 09, 2023, MCA has allowed additional time of 15 days, without levying additional fees, to stakeholders for filing 45 forms which were launched with effect from January 23, 2023. Further, if due-date of filing Form PAS-3 falls between January 20, 2023 to February 06, 2023; then the same can be filed without payment of additional fees for a period of 15 days.

Accessible here: <https://www.mca.gov.in>

### 2. Extension of Time for filing of 45 company e-Forms, PAS-03 and SPICE+ PartA in MCA 21 Version 3.0 without additional fee

*(Notification date: February 21, 2023)*

In continuation to the General Circular 01/2023 dated January 09, 2023 and 03/2023 dated February 07, 2023, MCA has allowed further additional time till March 31, 2023, without levying additional fees, to stakeholders for filing 45 forms which were launched with effect from January 23, 2023, which are due for filing between February 07, 2023 to February 28, 2023. Further, if due date of filing Form PAS-3 falls between January 20, 2023 to February 28, 2023; then the same can be filed without payment of additional fees till March 31, 2023.

The reservation period for names which are reserved under section 4(5) of the Companies Act, 2013 is extended by a further period of 20 days. The re-submission period under Rule 9 of the Companies (Incorporation) Rules, 2014, falling between January 23, 2023 and February 28, 2023 is also extended by 15 days.

Accessible here: <https://www.mca.gov.in>

### 3. Filing of Forms GNL-2, MGT-14, PAS-3, SH-9 and SH-11 due to migration from V2 Version to V3 Version in MCA 21 portal from 22.02.2023 to 31.03.2023

*(Notification date: February 22, 2023)*

Companies intending to file:

- (i) Form GNL-2 (filing of prospectus related documents and private placement);
- (ii) MGT-14 (filing of Resolutions relating to prospectus related documents, private placement);
- (iii) PAS-3 (Allotment of Shares);
- (iv) SH-8 (letter of offer for buyback of own shares or other securities);
- (v) SH-9 (Declaration of Solvency) and
- (vi) SH-11 (Return in respect of buy-back of securities)

from 22.02.2023 to 31.03.2023 on the MCA-21 portal may file such Form in physical mode duly signed by the persons concerned as per requirements of the relevant forms, along with a copy thereof in electronic media, with the concerned Registrar without payment of fee and take acknowledgement (as per Annexure to this Circular) thereof. Such filing will be accompanied by

an undertaking from the company that, the company shall also file the relevant Form in electronic form on MCA-21 portal alongwith fee payable as per Companies (Registration Offices and Fees) Rules, 2014.

Accessible here: <https://www.mca.gov.in>

## Securities and Exchange Board of India (SEBI) (Regulations)

### 1. Securities and Exchange Board of India (Issue and Listing of Non-Convertible securities)(Amendment) Regulations, 2023

(Circular date: February 03, 2023)

SEBI vide this notification has amended the clause (q) of sub-regulation (1) of regulation 2 i.e. definition of the 'Green debt security'; sub-regulation (6) and (7) of regulation 15 and clause 1 of Schedule VI of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ("NCS Regulations"). Further, some new regulations/sub-regulations has been inserted in the NCS Regulations which are as follows:

In regulation 18, after sub-regulation (6), the following sub-regulation (6A) has been inserted:

*"(6A) The trust deed shall contain a provision, mandating the issuer to appoint the person nominated by the debenture trustee(s) in terms of clause (e) of sub-regulation (1) of regulation 15 of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as a director on its Board of Directors at the earliest and not later than one month from the date of receipt of nomination from the debenture trustee(s):*

*Provided that an issuer whose debt securities are listed as on the date of publication of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) (Amendment) Regulations, 2023 in the official gazette, shall amend the trust deed to incorporate the above provision on or before September 30, 2023."*

In regulation 23, after sub-regulation (5), the following sub-regulation (6) has been inserted, namely –

*"(6) If an issuer is a company, it shall ensure that its Articles of Association require its Board of Directors to appoint the person nominated by the debenture trustee(s) in terms of clause (e) of sub-regulation (1) of regulation 15 of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 as a director on its Board of Directors:*

*Provided that the issuer whose debt securities are listed as on the date of publication of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) (Amendment) Regulations, 2023 in the official gazette, shall amend its Articles of Association to comply with this provision, on or before September 30, 2023:*

*Provided further that the issuer, which is in default of payment of interest or repayment of principal amount in respect of listed debt securities, shall appoint the person nominated by the debenture trustee(s) as a director on its Board of Directors, within one month from date of receipt of nomination from the debenture trustee or the date of publication of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) (Amendment) Regulations, 2023 in the official gazette, whichever is later."*

After regulation 33, the following regulation has been inserted:

**"Period of subscription**

**33A. (1) A public issue of debt securities or, non-convertible redeemable preference shares shall be kept open for a minimum of three working days and a maximum of ten working days.**

**(2) In case of a revision in the price band or yield, the issuer shall extend the bidding (issue) period disclosed in the offer document for a minimum period of three working days:**

**Provided that the overall bidding (issue) period shall not exceed the maximum number of days, as provided in sub-regulation (1).**

*(3) In case of force majeure, banking strike or similar circumstances, the issuer may, for reasons to be recorded in writing, extend the bidding (issue) period disclosed in the offer document: Provided that the overall bidding (issue) period shall not exceed the maximum number of days, as provided in sub-regulation (1).”*

in regulation 50, after sub-regulation (4), the following sub-regulation has been inserted:  
*“(5) The designated stock exchange shall collect a regulatory fee as specified in Schedule VI to these regulations from an issuer of perpetual debt instruments, perpetual non-cumulative preference shares and similar instruments at the time of their listing.”*

Below link may be referred for a detailed reading of all the amendments.

Accessible here: <https://www.sebi.gov.in>

## 2. Securities and Exchange Board of India (Buy-Back of Securities) (Amendment) Regulations, 2023

*(Circular date: February 07, 2023)*

SEBI vide this notification has amended the Securities and Exchange Board of India (Buy-back of Securities) Regulations 2018 (“Buy-back Regulations”). The amendment shall come into force on the thirtieth day from the date of their publication in the Official Gazette. The key amendments are as follows:

Some key highlights of the amended regulations are:

The definition of ‘frequently traded shares’ and ‘secretarial auditor’ has been inserted and definition of ‘odd lots’ has been omitted in the Buy-back Regulations.

The maximum limit of Buyback under regulation 4 has been amended. Now, limits under Buyback regulations will be based on company’s standalone or consolidated financial statements, whichever sets out a lower amount.

Method of buyback through odd lot is withdrawn. All consequent provisions relating to that are also withdrawn by SEBI.

Also, the new limits has been prescribed in clause (c) regulation 4, for buyback from open market through stock exchanges. It shall be less than:

- (a) 15% of the paid up capital and free reserves of the company till March 31, 2023;
- (b) 10% of the paid up capital and free reserves of the company till March 31, 2024; and
- (c) 5% of the paid up capital and free reserves of the company till March 31, 2025.

The SEBI has also clarified that buy-back from the open market through the stock exchange shall not be allowed with effect from April 1, 2025.

Prior consent of lenders is required in case of a breach of any covenant before buyback offer under regulation 5. Earlier, the company was not authorized for any buy-back unless the buy-back is authorized by the company’s articles and a special resolution has been passed at a general meeting.

Now, through the present amendment, the SEBI has also made it mandatory to obtain the prior consent of its lenders in case of a breach of any covenant with such lender. Now, all three conditions are required to be complied.

The SEBI via the present amendment has allowed the listed entities to increase the maximum buy-back price and decrease the number of securities proposed to be bought back till one working day prior to the record date such that there is no change in the aggregate size of buyback. Also, now all the filings to the Board shall be made only in electronic mode after being digitally signed by the company secretary or the person authorized by the board of the company.

Further, SEBI also directed to place copy of the public announcement on the respective websites of the stock exchange, merchant banker and the company under regulation 7.

SEBI vide this amendment has omitted the word 'draft' in regulation 8(i). The company now within 2 working days of the public announcement shall file with the Board, a letter of offer through a merchant banker.

SEBI vide this amendment has also notified changes in constituents of the Escrow account.

Further, an amendment has also been notified in regulation 17(i), now the buy-back offer shall open not later than four working days from the record date and shall close:-

- within six months, if the buy-back offer is opened on or before March 31, 2023;
- within 66 working days, if the buy-back offer is opened on or after April 1, 2023 and till March 31, 2024; and
- within 22 working days, if the buy-back offer is opened on or after April 1, 2024 and till March 31, 2025

SEBI exceeds the minimum earmarked amount for buyback via open market route under regulation 15 of the Buy-back Regulations. Earlier, the company was required to ensure that at least 50 % of the amount earmarked for buy-back is utilized for buying-back shares or other specified securities. Now, such a limit of 50 % has been enhanced to 75 %. Also, the company shall ensure that at a minimum of 40 % of the amount earmarked for the buy-back is utilized within the initial half of the specified duration.

New regulations 22A, 22B, 22C, 22D and 22E have been inserted wrt disclosures, filing requirements and timelines for buy-back through the book-building process. Some of the key highlights of this process are:

- Company shall appoint a merchant banker and make a public announcement within 2 working days from the date of the Board's approval or shareholders' approval.
- The book building process shall commence within seven working days from the date of the public announcement.
- The public announcement shall contain the detailed methodology pertaining to intimation required to be made prior to the opening of the buy-back offer.
- The company shall disclose the maximum buy-back price, being the upper end of the price range, and the book value of the shares or other specified securities.
- The company shall publish the offer opening announcement on the date of commencement of the buy-back.
- The buy-back price shall depend upon the price discovered through the bids received from the shareholders within the price range.
- The payment of consideration shall be completed within a period of 5 working days from the date of closure of the buy-back offer.
- Retail investors will have the option to bid at the buy-back price.
- The buy-back offer shall be kept open for a minimum of two trading days.

A new Schedule i.e. Schedule-VI has been inserted in the Buy-back Regulations.

Below link may be referred for a detailed reading of all the amendments.

Accessible here: <https://www.sebi.gov.in>



## Securities and Exchange Board of India (SEBI) (Circulars)

### 1. Manner of achieving minimum public shareholding

*(Circular date: February 03, 2023)*

SEBI, vide circular No. SEBI/HO/CFD/CMD/CIR/P/43/2018 dated February 22, 2018, had permitted different methods that may be used by listed entities to achieve compliance with the minimum public shareholding (MPS) requirements mandated under Rule 19(2)(b) and 19A of the Securities Contracts (Regulation) Rules, 1957 (“SCRR”) read with regulation 38 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR Regulations”).

SEBI has reviewed the existing methods and vide this circular have introduced two additional methods to facilitate listed entities to achieve compliance with the minimum public shareholding (MPS) requirements and mandated under Rule 19(2)(b) and 19A SCRR read with regulation 38 of LODR Regulations. Accordingly, a listed entity shall adopt any of the methods provided in this circular.

The Stock Exchange(s) shall monitor the methods adopted by listed entities to increase their public holding and comply with MPS requirements in terms of this circular. Non-compliance, if any, observed by the Stock Exchange(s) with respect to the method(s) and / or conditions prescribed in this circular, shall be reported to SEBI on a quarterly basis.

Accessible here: <https://www.sebi.gov.in>

### 2. Dos and don'ts relating to green debt securities to avoid occurrences of greenwashing

*(Circular date: February 03, 2023)*

Regulation 2(1)(q) of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (‘NCS Regulations’), defines “green debt security” and Chapter IX of the Operational Circular for issue and listing of Non-Convertible Securities (NCS), Securitized Debt Instruments (SDI), Security Receipts (SR), Municipal Debt Securities and Commercial Paper (CP) dated August 10, 2021 as amended from time to time (‘Operational Circular’), inter-alia provides the initial and continuous disclosure requirements for entities issuing/ proposing to issue green debt securities.

The extant framework of green debt security was reviewed recently and consequential changes were brought in the NCS Regulations. Therefore, to address the concerns of market participants regarding ‘greenwashing’, While there are no universally accepted taxonomies on greenwashing, the generally accepted definition of ‘greenwashing’ is, ‘making false, misleading, unsubstantiated, or otherwise incomplete claims about the sustainability of a product, service, or business operation’. SEBI vide this circular has provided dos and don'ts relating to green debt securities to avoid its occurrences. Accordingly, an issuer of green debt securities shall ensure the following to avoid occurrence of greenwashing:

- i. While raising funds for transition towards a greener pathway, it shall continuously monitor to check whether the path undertaken towards more sustainable form of

operations is resulting in reduction of the adverse environmental impact and contributing towards sustainable economy, as envisaged in the offer document.

- ii. It shall not utilize funds raised through green bonds for purposes that would not fall under the definition of 'green debt security' under the NCS Regulations.
- iii. In case any such instances mentioned in (ii) above come to light regarding the green debt securities already issued, it shall disclose the same to the investors and, if required, by majority of debenture holders, undertake early redemption of such debt securities.
- iv. It shall not use misleading labels, hide trade-offs or cherry pick data from research to highlight green practices while obscuring others that are unfavourable in this behalf.
- v. It shall maintain highest standards associated with issue of green debt security while adhering to the rating assigned to it.
- vi. It shall quantify the negative externalities associated with utilization of the funds raised through green debt security.
- vii. It shall not make untrue claims giving false impression of certification by a third-party entity.

The provisions of this circular shall come into force with immediate effect. The provisions of this circular shall be appended as new Chapter IX-A of the Operational Circular.

Accessible here: <https://www.sebi.gov.in>

### 3. Revised Disclosure Requirements for Issuance and Listing of Green Debt Securities

*(Circular date: February 06, 2023)*

SEBI with a view to align the extant framework for green debt securities with the updated Green Bond Principles (GBP) recognised by IOSCO, had undertaken a review of the regulatory framework for green debt securities including Chapter IX – Green Debt Securities of the Operational Circular for issue and listing of Non-Convertible Securities (NCS), Securitised Debt Instruments (SDI), Security Receipts (SR), Municipal Debt Securities and Commercial Paper (CP) dated August 10, 2021 ('NCS Operational Circular'), as amended from time to time.

Accordingly, SEBI vide this circular has amended and replaced the Chapter IX of the NCS Operational Circular with the following:

- ❖ Initial disclosure requirements for issue and listing of green debt securities
- ❖ Continuous disclosure requirements for listed green debt securities
- ❖ Responsibilities of the issuer

The provisions of this circular shall come into force for all issues of green debt securities launched on or after April 1, 2023.

Accessible here: <https://www.sebi.gov.in>

### 4. Enhanced obligations and responsibilities on Qualified Stock Brokers (QSBs)

*(Circular date: February 06, 2023)*

SEBI, vide Gazette Notification dated January 17, 2023, had amended the SEBI (Stock Broker) Regulations, 1992 for designating certain stock brokers, having regard to their size and scale of operations, likely impact on investors and securities market, as well as governance and service

standards, as Qualified Stock Brokers (QSBs), on the basis of certain parameters and appropriate weightages thereon.

The stock broker designated as a QSB shall be required to meet enhanced obligations and discharge responsibilities to ensure appropriate governance structure, appropriate risk management policy and processes, scalable infrastructure and appropriate technical capacity, framework for orderly winding down, robust cyber security framework, and investor services including online compliant redressal mechanism.

SEBI vide this circular has provided the parameters which shall be considered for designating a stock broker as QSB, enhanced obligations and responsibilities which shall be cast on such QSBs and guidelines on enhanced monitoring of QSBs which shall be carried out by Market Infrastructure Institutions (MIIs).

This circular may be accessed through below mentioned link for more details.

Accessible here: <https://www.sebi.gov.in>

**5. Clarification w.r.t. issuance and listing of perpetual debt instruments, perpetual non-cumulative preference shares and similar instruments under Chapter V of the SEBI (Issue and Listing of Non-convertible Securities) Regulations, 2021**

*(Circular date: February 08, 2023)*

SEBI vide this circular provides clarification w.r.t. issuance and listing of perpetual debt instruments, perpetual non-cumulative preference shares and similar instruments under chapter V of the SEBI (Issue and Listing of Non-convertible Securities) Regulations, 2021 ('NCS Regulations'). Chapter V of NCS regulations prescribes the condition for the issuance and listing of perpetual debt instruments, perpetual non-cumulative preference shares and similar instruments.

It is clarified that only securities which have characteristics as stated below, shall necessarily be required to comply with the provisions for issuance and listing as specified under Chapter V of the NCS Regulations and circulars issued thereunder:

- a. The issuer is permitted by RBI to issue such instruments,
- b. The instruments form part of non-equity regulatory capital,
- c. The instruments are perpetual debt instruments, perpetual non-cumulative preference shares or instruments of similar nature and
- d. The instruments contain a discretion with the issuer/ RBI for events including but not restricted to all or any of the below events:
  - conversion into equity;
  - write off of interest/ principal;
  - skipping/ delaying payment of interest/principal;
  - making an early recall;
  - changing any terms of issue of the instrument

This circular shall come into force with immediate effect.

Accessible here: <https://www.sebi.gov.in>

## 6. Clarification in respect of the compliance by the first-time issuers of debt securities under SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 with Regulation 23(6)

*(Circular date: February 09, 2023)*

Regulation 23(6) read along with Regulation 2(1)(r) of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (“NCS Regulations”) requires the Articles of Association (“AoA”) of an issuer that is a company to include provisions with respect to the requirement for the board of directors to appoint such person nominated by the debenture trustee in terms of clause(e) of sub-regulation(1) of regulation 15 of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993. The regulation also provides a time period upto September 30, 2023 for existing debt listed issuers to amend their AoA.

SEBI vide this circular provides clarification in respect of time frame for the compliance by the first-time issuers of debt securities under Regulation 23(6) read along with Regulation 2(1)(r) of (“NCS Regulations”).

In view of the above, the Stock Exchanges are advised to take an undertaking from such first-time issuers that they will ensure that their AoA are amended within a period of six months from the date of the listing of the debt securities. This undertaking may be obtained at the time of granting the in-principle approval. The issuer shall, within such time, comply and report compliance to Stock Exchanges, which shall periodically monitor/ remind such issuers on doing the needful.

The circular shall come into force with immediate effect.

Accessible here: <https://www.sebi.gov.in>

## 7. Introduction of Issue Summary Document (ISD) and dissemination of issue advertisements

*(Circular date: February 15, 2023)*

SEBI vide this circular has introduced the Issue Summary Document (ISD) and dissemination of issue advertisements for ensuring availability of relevant information/data points at the Stock Exchanges and Depositories in a structured manner.

After consultation, it has been decided to introduce the ISD for the following, in XBRL (Extensible Business Reporting Language) format:

- i. public issue of specified securities (initial public offer / further public offer);
- ii. further issues {preferential issue, qualified institutions placement (QIP), rights issue, issue of American Depository Receipts (ADR), Global Depository Receipts (GDR) and Foreign Currency Convertible Bonds (FCCBs)};
- iii. buy-back of equity shares (through tender offer or from the open market);
- iv. open offer under SEBI SAST Regulations;
- v. voluntary delisting of equity shares where exit opportunity is required under SEBI Delisting Regulations.

ISD shall be filed in two stages:

- i. In the first stage, ISD will be filed containing pre-issue / offer fields.
- ii. In the second stage, ISD will be filed containing post-issue / offer fields after allotment/offer is completed / as applicable for respective ISD.

The formats for ISD are placed as Table I to Table X in Annexure A of this circular. The prescribed formats also provide timeline for submission of the details and also casts responsibility on the entity responsible for the submission.

This circular may be accessed through below mentioned link for further details.

Accessible here: <https://www.sebi.gov.in>

## 8. Maintenance of a website by stock brokers and depository participants

*(Circular date: February 15, 2023)*

SEBI vide this circular has mandated stock brokers (SBs) and depository participants (DPs) to maintain a designated website.

Such website shall mandatorily display the following information, in addition to all such information, which have been mandated by SEBI/stock exchanges/depositories from time to time:

- i. Basic details of the SB/DP such as registration number, registered address of Head Office and branches, if any.
- ii. Names and contact details such as email ids etc. of all key managerial personnel (KMPs) including compliance officer.
- iii. Step-by-step procedures for opening an account, filing a complaint on a designated email id, and finding out the status of the complaint, etc.
- iv. Details of Authorized Persons.

The provisions of this circular shall come into effect from August 16, 2023.

The URL to the website of a SB/ DP shall be reported to the stock exchanges/ depositories within a week of this circular coming into effect. Any modification in the URL shall be reported to stock exchanges/depositories within 3 days of such changes.

The stock exchanges and depositories are directed to communicate to SEBI, the status of the implementation of the provisions of this circular in their monthly development report and monitor compliance of this circular and submit a compliance report to SEBI in this regard by August 31, 2023.

Accessible here: <https://www.sebi.gov.in>

## 9. Master Circular for Substantial Acquisition of Shares and Takeovers

*(Circular date: February 16, 2023)*

SEBI vide this circular has provided Master Circular for Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, in order to enable the stakeholders to have access to the provisions of the applicable circulars at one place.

The detailed Master Circular may be accessed through below mentioned link.

Accessible here: <https://www.sebi.gov.in>

## 10. Advisory for SEBI Regulated Entities (REs) regarding Cybersecurity best practices (Circular date: February 22, 2023)

The Financial Computer Security Incident Response Team (CSIRT-Fin) has provided important recommendations to SEBI in the form of an advisory for SEBI Regulated Entities (REs) regarding Cyber security best practices. This Advisory is provided in the Annexure-A of this circular.

This advisory should be read in conjunction with the applicable SEBI circulars (including but not limited to Cybersecurity and Cyber Resilience framework, Annual System Audit framework, etc.) and subsequent updates issued by SEBI from time to time.

The compliance of the advisory shall be provided by the REs along with their cybersecurity audit report (conducted as per the applicable SEBI Cybersecurity and Cyber Resilience framework). The compliance shall be submitted as per the existing reporting mechanism and frequency of the respective cybersecurity audit.

The advisory annexed with this circular shall be effective with immediate effect.

Accessible here: <https://www.sebi.gov.in>

## 11. Consultation Paper

During the month, SEBI has issued consultation papers for public comments out of which following are key consultant papers released by SEBI:

- ❖ Review of Corporate Governance norms for a High Value Debt Listed Entity dated February 08, 2023.
- ❖ Proposal for introduction of the concept of General Information Document (GID) and Key Information Document (KID), mandatory listing of debt securities of listed issuers and other reforms under the NCS Regulations dated February 09, 2023.
- ❖ ESG Disclosures, Ratings and Investing dated February 20, 2023.
- ❖ Streamlining Disclosures by Listed Entities and Strengthening Compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 dated February 20, 2023.
- ❖ STRENGTHENING CORPORATE GOVERNANCE AT LISTED ENTITIES BY EMPOWERING SHAREHOLDERS – AMENDMENTS TO THE SEBI (LODR) REGULATIONS, 2015 dated February 21, 2023.
- ❖ Certain Amendments to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, with the objective of increasing transparency and streamlining certain processes dated February 22, 2023.

Accessible here: <https://www.sebi.gov.in>



## Stock Exchange(s)

### 1. Release of new module for filing of information required under Regulation 46 and 62 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on BSE Listing Center (Circular date: February 09, 2023)

Regulation 46 and 62 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires the listed entities to maintain a functional website containing basic information about the Company. In this regard, Exchange has developed a new module in BSE Listing Centre wherein all the listed entities are required to provide the URLs of the information required under Regulation 46 & 62 of Listing Regulations on the below mentioned path:

- Equity listed Companies
  - Submission of information / disclosure: Listing Center > Listing Compliance > Corporate Announcement> compliances> Reg.46 website Link
- Debt/CP listed Companies
  - Submission of information / disclosure: Listing Center > Listing Compliance > Corporate Announcement> compliances> Reg. 62 website Link

All listed entities are directed to take note of the above and ensure filing of the information required Regulation 46 & 62 of Listing Regulations by February 20, 2023.

Accessible here: <https://www.bseindia.com>

### 2. FAQ's on filing of announcements in XBRL format on NSE Electronic Application Processing System (NEAPS) platform (Circular date: : February 07, 2023)

NSE has released FAQs for filing of announcements in XBRL format on NSE Electronic Application Processing System (NEAPS) which can be accessed through the below link.

In case of any queries, reach out to the Announcements team at [takeover@nse.co.in](mailto:takeover@nse.co.in) or on the contact details given on NEAPS platform.

Accessible here: <https://static.nseindia.com>

### 3. Resolution of Company complaints through NEAPS (Circular date: February 17, 2023)

NSE has provided a mechanism to resolve complaints pertaining to Listing Obligations and Disclosure Requirement (LODR) received from Investors against the 'Listed Companies'.

With a view to provide easy access of complaints registered against the 'Listed Companies' vide the common platform, the Exchange has now introduced a new functionality on the NSE Electronic Application Processing System (NEAPS) platform, wherein the listed companies can now view all complaints registered against them.

The major advantages of this functionality are as under:

1. All complaints received against the 'Listed Companies' would reflect under their respective NEAPS login.
2. Companies can provide their responses online, through the portal.
3. Response (including Annexures) can be attached as pdf.
4. Option to download and export reports is made available on NEAPS.

User manual has been provided for better guidance which can be accessed through the below link.

Accessible here: <https://static.nseindia.com>

4. Filing of Related Party Transactions (RPT) and Business Responsibility & Sustainability Report (BRSR) to be made available on the NEAPS (NSE Electronic Application Processing System) platform

*(Circular date: February 24, 2023)*

Filings of Related Party Transactions (RPT) and Business Responsibility & Sustainability Report (BRSR) are made available on the NEAPS platform with effect from February 25, 2023:

- Related Party Transactions - XBRL submission:  
Filing path: - NEAPS > Common XBRL Upload > Related Party Transactions
- Business Responsibility & Sustainability Report - XBRL submission:  
Filing path: - NEAPS > Common XBRL Upload > Business Responsibility & Sustainability Report

Contact details of the Exchange Officers for the respective subjects are available on the NEAPS portal and the companies can get in touch with the respective officers for the issues and queries pertaining to filings on the NEAPS platform.

Accessible here: <https://static.nseindia.com>



## Reserve Bank of India (RBI)

### 1. Implementation of Indian Accounting Standards (Ind AS)

*(Circular date: February 20, 2023)*

RBI vide this circular has provided manner of recognition of unrealised income and implementation of Indian Accounting Standards (Ind AS) on the Asset Reconstruction Companies (ARCs). To address the prudential concerns arising from continued recognition of unrealised income, it has been decided that ARCs preparing their financial statements as per Ind AS, shall reduce the following amounts from their net owned funds while calculating the Capital Adequacy Ratio and the amount available for payment of dividend:

- a. Management fee recognised during the planning period that remains unrealised beyond 180 days from the date of expiry of the planning period.
- b. Management fee recognised after the expiry of the planning period that remains unrealised beyond 180 days of such recognition.
- c. Any unrealised management fees, notwithstanding the period for which it has remained unrealised, where the net asset value of the Security Receipts has fallen below 50 per cent of the face value.

The amount reduced from net owned funds and amount available for payment of dividend shall be net of any specific expected credit loss allowances held on unrealised management fee referred to in sub-paragraphs (a), (b) and (c) and the tax implications thereon, if any.

The Audit Committee of the Board (ACB) shall review the extent of unrealised management fee and satisfy itself on the recoverability of the same while finalising the financial statements. It shall be ensured that the management fee is computed strictly in accordance with extant regulations.

ARCs shall disclose information on the ageing of the unrealised management fee recognised in their books in the format specified in this circular as part of the Notes to Accounts in the annual financial statements.

This circular is applicable to all ARCs preparing their financial statements as per Ind AS.

Accessible here: <https://rbidocs.rbi.org.in>

### 2. Reserve Bank of India (Financial Statements - Presentation and Disclosures) Directions, 2021 – Disclosures for State Co-operative Banks and Central Cooperative Banks

*(Circular date: : February 20, 2023)*

RBI vide this circular has provided the applicability of the Reserve Bank of India (Financial Statements-Presentation and Disclosures) Directions, 2021 ('Master Directions'). Currently, the Master Directions are applicable to Commercial Banks and Primary Urban Co-operative Banks (UCBs). They harmonize the regulatory instructions on presentation and disclosure in financial statements across the banking sector.

RBI in consultation with the National Bank for Agriculture and Rural Development (NABARD), has decided to make these Master Directions also applicable to State Cooperative Banks and Central Cooperative Banks.

The Master Directions shall apply to State and Central Cooperative Banks mutatis mutandis, unless explicitly specified otherwise, from the financial year ending March 31, 2023. Certain disclosure requirements specified in Annex III-A shall be applicable, to RCBs, from the financial year ending March 31, 2024.

Accessible here: <https://rbidocs.rbi.org.in>

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## Disclaimer

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The contents of this publication comprise information in summary form and is therefore intended for general guidance only. It is not intended to be exhaustive or a substitute for professional advice. No one should act on such information without appropriate professional advice.

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We are happy to receive feedback/queries @[bhandariandassociates@gmail.com](mailto:bhandariandassociates@gmail.com)

### ***Bhandari & Associates***

*Company Secretaries*

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#### **Mumbai Office:**

901, Kamla Executive Park,

Off. Andheri-Kurla Road,

Andheri (East)

Mumbai – 400059

Tel: 022-42215300

[www.bhandariandassociates.com](http://www.bhandariandassociates.com)

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