



K S L E G A L
Corporate. Litigation. Advisory.

March, 2021

THE BULLETIN: REGULATORY ANNOUNCEMENTS

*A ready reckoner guide to India's recent
important developments across various
industries*



RBI ANNOUNCEMENTS

- The finance ministry withdrew the decision to slash interest rates on small savings schemes.
- RBI placed the Maratha Sahakari Bank Ltd., Mumbai, under directions from the close of business on August 31, 2016 for a period of six months. The validity of the directions was extended from time-to-time, the last being up to March 31, 2021.
- RBI fixes Centre's WMA limit at Rs 1.2 lakh or for first half of the financial year 2021-22 (April 2021 to September 2021).
- The Govt in consultation with RBI, notified the amounts for the issuance of Treasury Bills for the quarter ending June 2021 and the same is kept flexible depending upon the government's requirements, market conditions and other relevant factors.
- RBI imposed a penalty of Rupees 1 lakh on Citizens Cooperative Bank Ltd., Rajkot (Gujarat) on 26.03.2021 for contravening RBI's directions on 'Loans and advances to directors, relatives and firms/concerns in which they are interested'.
- Data on sectoral deployment of bank credit collected from select 33 scheduled commercial banks, accounting for about 90 per cent of the total non-food credit deployed by all scheduled commercial banks for the month of February 2021, are set out in Statements I and II.
- RBI consulted banks seeking inputs on rupee intervention strategy to check the rupee's rise. Banks suggested intervention in the spot market in conjunction with liquidity draining measures.



- The rupee has turned out to be the best-performing currency among its Asian peers during the January-March quarter with just a 0.06% fall in value against the dollar.



SEBI ANNOUNCEMENTS

- SEBI in its order dated 03.03.2021 suspended the registration of Corporate Strategic Allianz for one year as it failed to meet the "fit and proper person" requirement to act as a merchant banker.
- SEBI notified reduction in unblocking or refund of application money, mandating ASBA for all applicants in public issues and reducing the timelines for refund of investors' money to four days in case of non-receipt of minimum subscription and the issuer failing to obtain listing or trading permission from the stock exchanges.
- SEBI put in place new registration framework on transfer of business by intermediaries requiring transferee to obtain fresh registration from SEBI in the same capacity before the transfer of business if it is not registered with SEBI in the same capacity.
- SEBI issued clarification on the valuation of bonds issued under Basel III framework stating that the maturity of all perpetual bonds shall be treated as 100 years from the date of issuance of the bond for the purpose of valuation.
- SEBI reviewed norms regarding investment in debt instruments with special features. The Asset Management Companies/Valuation Agencies shall ensure that the financial stress of the issuer and the capabilities of issuer to repay the dues/borrowings are reflected in the valuation of the securities from the trigger date onwards.
- SEBI imposed a penalty of Rs 5 lakh each on three entities and four individuals for indulging in manipulative trading activities by trading the scrip of Partani Appliances Ltd (PAL) on the stock exchange to generate bogus long term capital gains.





TRAI ANNOUNCEMENTS

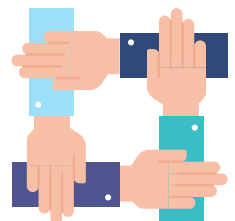
- TRAI through conducted two Consumer Outreach Programs via online mode on 25.03.2021 and 26.03.2021 by Regional Offices, Kolkata and Hyderabad.
- M/s Vodafone Idea Limited vide its letter no. VIL/LT/19-20/627 dated 18.03.2021 reported an inadvertent error in its HLR subscriber data in respect of Uttar Pradesh (West) LSA for the month of January 2021.
- In compliance with the provisions of the Telecom Commercial Communications Customer Preference Regulations, 2018 ("TCCCPR, 2018"), TRAI activated SMS scrubbing by the Telecom Service Providers (TSPs) w.e.f. 08.03.2021. However, since some of the Principal Entities (PE) has failed to meet the requirements of TCCCPR, 2018, TRAI requested TSPs to temporarily suspend the scrubbing of SMSs for seven days to enable the PEs to register the templates of SMSs.
- TRAI had invited tender for Audit and Assessment of Quality of Service vide Tender dated 01.11.2019 with the last date of submission of bids as 16.12.2019. Clause 10 of Section-I of the Tender gives TRAI the right to accept or reject any bid without assigning any reason. Accordingly, due to administrative reasons, TRAI hereby cancels the tendering process. The EMO shall be refunded to bidders.
- As per recent TRAI data, Bharti Airtel has added over 300% more more wireless subscribers than Reliance Jio in January 2021, which amounts to a total of 344.60 million wireless subscribers.





REAL ESTATE ANNOUNCEMENTS

- MahaRERA adjudicating officer Madhav Kulkarni in his order also directed the developer to pay the complainant Rs 1 lakh towards mental agony and Rs. 20,000 as costs of complaint.
- Maharashtra government to reinstate 5% stamp duty on property registrations. Earlier, the State Government had slashed the stamp duty charges to 2% between August and December last year to boost the real estate market, which was facing a slowdown due to COVID-19 and the subsequent lock-down.
- Consortium of nine builders, which established Sports City Development Private Limited, submits sports city plan for developing amenities in the Sports City to Noida authority after being unable to execute tripartite sub-lease deeds of their group housing projects in Sector 79.
- Telangana State Real Estate Regulatory Authority issued a circular stating that the developers illegally selling undivided share (UDS) of land in realty projects will attract severe punishment which may go up to 10% of the total project cost.
- Registration of property transactions in Mumbai, the country's biggest and costliest realty market, continued to grow at a rapid pace for the seventh successive month in March driven by record-low home loan rates, discounts and reduction in stamp duty charges.
- In March, the country's financial capital recorded 365% year-on-year jump in property registrations at 17,681 deals, showed data from the office of the Inspector General of Registration Maharashtra. Stamp duty collection also rose 174% from a year ago to Rs 837 crore in March.





CCI ANNOUNCEMENTS

- CCI has approved of 51% of the equity share capital of North Eastern Electricity Supply Company of Odisha by The Tata Power Company Limited from Grid Corporation of Odisha Limited ("GRIDCO") on 18.03.2021. This combination is pursuant to the competitive bidding process initiated by the Odisha Electricity Regulatory Commission ("OERC") under Section 20 of the Electricity Act, 2003.
- CCI issued an order dated 18.03.2021 against three suppliers for rigging bids, in contravention of the provisions of Section 3(1) read with Section 3(3)(d) of the Competition Act, 2002, in respect of a tender floated by Pune Zilla Parishad for procurement of Picofall-cum-Sewing Machine
- CCI has approved proposed merger of NAM Estates and Embassy One Commercial Property Developments (EOCPDPL) into Indiabulls Real Estate.
- The proposed combination will be carried out through a series of inter-connected steps viz.: (i)certain identified assets, securities and / or investments of certain entities of the Embassy group will be transferred to Embassy Group entity(ies); (ii)certain third party investors will swap their shareholding in these identified assets, securities and / or investments of certain entities of the Embassy group, for shareholding in NAM Estates and EOCPDPL; (iii)the restructured NAM Estates and EOCPDPL will merge with and into IBREL. and IBREL will issue shares to all existing shareholders of NAM Estates and EOCPDPL.
- CCI vide an order dated 24.03.2021 has ordered a detailed probe into WhatsApp's new privacy policy that allows it to share some user data with parent Facebook and other companies in the group.





CORPORATE ANNOUNCEMENTS

- Under the new Companies (CSR) Amendment Rules, 2021, CSR-1 is required to be filed pursuant to Section 135 of the Companies Act, 2013 and Rule 4 (1) and (2) of Companies (CSR) Rules, 2014. Companies can undertake CSR activities either itself or through entities defined under Rule 4 sub rule (1).
- The CSR Amendment Rules, 2021 also mandates that the companies/entities register themselves with the central government for undertaking any CSR activity by filing the e-form CSR-1 with the Registrar.
- The Ministry of Corporate Affairs vide a notification dated 24.03.2021 amended the Schedule III to the Companies Act, 2013, increasing stringency in compliances and adding numerous additional disclosures in Financial Statement, Directors Report and Audit Report.
- The MCA and CBIC have signed a MoU for data exchange, relating to the details of import-export transactions and consolidated financial statements of companies registered in the country.
- Under the new Companies (Specification of definitions details) Second Amendment Rules, 2021 certain classes of companies shall not be considered as listed companies viz.: (i) Public companies which have not listed their equity shares on a recognized stock exchange but have listed their non-convertible debt securities and/or non-convertible redeemable preference shares issued on private placement basis; (ii) Private companies which have listed their non-convertible debt securities on private placement basis on a recognized stock exchange; (iii) Public companies which have not listed their equity shares on a recognized stock exchange but whose equity shares are listed on a stock exchange in a jurisdiction as specified in sub-section (3) of section 23 of the Act.

INSURANCE ANNOUNCEMENTS

- IRDAI announced the launch of the following three standard products by all general insurers carrying on the business of Fire and Allied perils insurance business, with effect from 1st April, 2021: (i) Bharat Griha Raksha (meant for Residential Buildings and Home Contents); (ii) Bharat Sookshma Udyam Suraksha (meant for enterprises where the total value at risk at any one location is upto Rs. 5 Crore); (iii) Bharat Laghu Udyam Suraksha (meant for enterprises where the total value at risk at any one location is more than Rs. 5 Crore and upto Rs. 50 Crore).
- IRDAI permitted all general and health insurance companies to offer short term Covid specific health insurance policies vide circular 31.03.2021.
- IRDAI introduced two Standard Covid specific health insurance products “Corona Kavach Policy” vide circular dated 26.09.2020 and “Corona Rakshak Policy” vide circular dated 26.06.2020. These two products were also permitted to be offered till 31.03.2021 taking the prevailing Covid situation into consideration, it is decided to allow all insurers to offer and renew short term Covid specific health policies including “Corona Kavach Policy” and “Corona Rakshak Policy” up to 30.9.2021.
- IRDAI vide its letter dated 03.03.2021 has given instructions to all insurance companies to provide immunization facility against Covid-19 to their policy holders.
- IRDAI has issued instruction to all insurance companies to facilitate vaccination against COVID-19 for their policyholders through a communication dated 03.03.2021.





For further information and legal updates, please visit:

www.kslegal.co.in

ABOUT

Established in 2013, KS legal and Associates is a dynamic full service law firm that was established in Mumbai. Overtime, the firm organically expanded in other metropolitan cities like Pune, Delhi, Bangalore and Chennai.

With cumulative partner's experience of over 20 years, the firm has represented 100+ clients from banks and financial institutions, large corporates and high impact startups.

The firm has an enviable corporate advisory and litigation practice which continues to be a powerhouse of high value, complex corporate and M&A matters. the firm offers comprehensive service portfolio to lenders, borrowers and other intermediaries on issues such as debt recovery, financing and leasing of assets, debt restructuring, insolvency and bankruptcy matters, amongst others.

Our Areas of Practice include Mergers & Acquisitions, General Corporate, Insurance, Banking & Finance, Debt Recovery , Real Estate & Infrastructure, Litigation & Arbitration, Dispute Resolution, Labour & Employment, Intellectual Property Rights, Media & Entertainment, and Retail & Financing.

Disclaimer:

The reader of this document acknowledges that he of his own accord wishes to know more about KS Legal & Associates ("KSL") and has requested KSL to provide this document for his own information and use. The reader further acknowledges that there has been no solicitation, invitation or inducement of any sort whatsoever from KSL or any of its members to create an Attorney-Client relationship through this document.

© KS Legal & Associates 2020

S-7, 2nd Floor, Pinnacle Business Park, Andheri (East), Mumbai – 400 093.

info@kslegal.co.in | +91-8169409649

Mumbai | Pune | Delhi | Bangalore | Chennai