

# **LOVI MEHROTRA & ASSOCIATES**

CHARTERED ACCOUNTANTS

## **MONTHLY UPDATE MAY 2017**

(Circulars/ Notifications released during the month of May 2017)

[RBI](#)

[SEBI](#)

[MCA](#)

**30<sup>th</sup> May, 2017**

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## I. RBI

S.NO.	CIRCULAR/ NOTIFICATION NO.	PARTICULARS	SHORT SUMMARY
1.	RBI/2016-17/300 Dated: 08.05.2017	Additional Settlement batches in the NEFT system at half-hour intervals	RBI has introduced 11 additional half hourly settlement batches during the day for enhancing the efficiency of NEFT system. The additional batches will be introduced from July 10, 2017 (Monday).  <a href="#">Notification</a>
2.	RBI/2016-17/305 Dated: 18.05.2017	Partial Credit Enhancement (PCE) to Corporate Bonds	RBI has prescribed the rating requirement of corporate bonds in order to be eligible for PCE from banks. Such corporate bonds shall be rated by atleast two external credit rating agencies and the reports shall disclose standalone credit rating and enhanced credit rating.  <a href="#">Notification</a>
3.	RBI/2016-17/311 Dated: 25.05.2017	Regulatory requirements for issue of Pre-paid Payment Instruments by Cooperative Banks	RBI has allowed all licensed co-operative banks having their own ATM network to issue semi-closed Prepaid Payment Instruments (PPIs) subject to compliance and other guidelines prescribed by Department of Payment and Settlement Systems (DPSS). Co-operative banks are also permitted to issue Open System PPIs provided such banks comply with the additional regulatory requirements prescribed by RBI.  <a href="#">Notification</a>

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## **II. SEBI**

S.NO.	CIRCULAR/ NOTIFICATION NO.	PARTICULARS	SHORT SUMMARY
1.	SEBI/HO/MIRSD/ MIRSD1/CIR/P/2 017/38 Dated: 02.05.2017	Online Registration Mechanism for Securities Market Intermediaries	<p>SEBI Intermediary Portal has been operationalized for intermediaries to submit all the registration applications online. The Portal is operationalized for following intermediaries;</p> <ul style="list-style-type: none"> <li>i. Stock Brokers</li> <li>ii. Sub-Brokers</li> <li>iii. Merchant Bankers</li> <li>iv. Underwriters</li> <li>v. RTA</li> <li>vi. Debenture Trustees</li> <li>vii. Bankers to an issue</li> <li>viii. CRA</li> <li>ix. Depository Participants (DPs)-operational from 31<sup>st</sup> May, 2017</li> </ul> <p><a href="#">Circular</a></p>
2.	SEBI/HO/IMD/DF 2/CIR/P/2017/39 Dated: 08.05.2017	Instant Access Facility (IAF) and Use of e-wallet for investment in Mutual Funds	<p>Mutual Funds (MFs) or Asset Management Companies (AMCs) may offer IAF to investors for redemption proceeds in their bank account subject to conditions as specified by SEBI.</p> <p>SEBI has provided the facility of e-wallet (Prepaid Payment Instruments (PPIs) through which investors can make investments in MFs/AMCs.</p> <p><a href="#">Circular</a></p>
3.	SEBI/HO/MRD/D RMNP/CIR/P/201 7/43 May Dated: 17.05.2017	Position limits for cross- currency futures and options contracts.	<p>SEBI has prescribed the position limits of cross-currency futures and options contracts (not involving Indian Rupee) for eligible market participants in International Financial Services Centres (IFSC).</p> <p>Currency derivatives were earlier specified by SEBI as permissible securities in which dealing may be permitted by Stock Exchanges in IFSC (SEBI (IFSC) Guidelines 2015)</p>

			<a href="#">Circular</a>
4.	SEBI/HO/MRD/ DSA/CIR/P/2017 / 45 Dated: 23.05.2017	Amendment in Securities and Exchange Board of India (International Financial Services Centres) Guidelines, 2015	SEBI has decided to amend Clauses 9(4) and 22(3) of the SEBI (IFSC) Guidelines 2015 which specify the securities in which portfolio managers and alternative investment fund or mutual fund respectively, operating in IFSC are permitted to invest in.  <a href="#">Circular</a>
5.	CIR/IMD/DF/50/ 2017 Dated: 26.05.2017	Listing of Non-Convertible Redeemable Preference Shares (NCRPS) / Non-Convertible Debentures (NCDs) through a Scheme of Arrangement.	SEBI has prescribed additional requirements for listed entities issuing NCRPS/NCDs where such NCRPS/NCDs are issued in lieu of specified securities, vide a scheme of arrangement and which are proposed to be listed on recognized Stock Exchanges under a scheme of arrangement.  <a href="#">Circular</a>
6.	CIR/IMD/DF/51/ 2017 Dated: 30.05.2017	Disclosure Requirements for Issuance and Listing of Green Debt Securities.	SEBI has issued disclosure requirements for public issue and listing of <b>Green Debt Securities</b> and listing of privately placed Green Debt Securities in addition to requirements prescribed by SEBI (Issue and Listing of Debt Securities) Regulations, 2008 ("SEBI ILDS Regulations")  <a href="#">Circular</a>

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### III.MCA

S.NO	CIRCULAR/ NOTIFICATION NO.	PARTICULARS	SHORT SUMMARY
1.	G.S.R. 454(E) Dated: 11.05.2017	Companies (Acceptance of Deposits) Amendment Rules, 2017.	MCA has amended Rule 2 and Rule 5 of Companies (Acceptance of Deposits) Rules, 2014. Companies may accept deposits without deposit insurance contract till the 31st March, 2018 or till the availability of deposit insurance product, whichever is earlier. <a href="#">Notification</a>
2.	Circular No. 04/2017 Dated: 16.05.2017	Clarifications regarding applicability of Section 16(1) (a) of Companies Act, 2013 with reference to cases under corresponding provisions of Companies Act, 1956.	MCA has clarified that applications rejected u/s 22 of Companies Act, 1956 on ground of being time barred by Regional Directors cannot be applied afresh u/s 16(1)(a) of Companies Act, 2013 . <a href="#">Circular</a>
3.	Notice. Dated: 26.05.2017	Draft Companies (Registered Valuers and Valuation) Rules, 2017	MCA has issued notice inviting suggestions/ comments on the <b>Draft Companies (Registered Valuers and Valuation) Rules, 2017</b> . Last date of sending suggestions/comments is 27.06.2017. <a href="#">Notice</a> <a href="#">Draft Companies (Registered Valuers and Valuation) Rules, 2017</a>

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#### **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.