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NEWSLETTER

REGULATORY

- RBI
- SEBI
- MCA



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RBI
1. Inclusion of Clearing Corporation of India Limited as a Financial Information Provider under Account Aggregator Framework
Circular No: RBI/2023-24/125 DoR.FIN.REC.77/03.10.123/2023-24 Dated: 22 nd February, 2024
<p>Reference: Master Direction - Non-Banking Financial Company - Account Aggregator (Reserve Bank) Directions, 2016.</p> <p>RBI had launched Retail Direct Scheme ('Scheme') on November 12, 2021 to facilitate retail investors to invest in Government Securities. The Scheme enables individuals to open Retail Direct Gilt Accounts with the Bank and access the Government Securities market - both primary and secondary.</p> <p>Vide this notification, RBI has included the Clearing Corporation of India Limited as a Financial Information Provider (FIP), in order to enable aggregation of financial information on Government Securities held by retail investors in their Retail Direct Gilt accounts under the Scheme.</p> <p>Master Direction – Non-Banking Financial Company - Account Aggregator (Reserve Bank) Directions, 2016 is being modified accordingly.</p> <p>Notification</p>

1. Guidelines for returning of draft offer document and its resubmission

Circular No: SEBI/HO/CFD/PoD-1/P/CIR/2024/009

Dated: 6th February, 2024

SEBI has observed that draft offer documents / draft letter of offer filed with the SEBI for public issue / rights issue of securities (hereinafter “draft offer document”) are lacking in compliance with respect to instructions provided under Schedule VI of ICDR Regulations. Such documents require revisions/changes and thus lead to a longer processing time.

Offer documents as filed by the issuers and lead manager(s) should be compliant with Schedule VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“ICDR Regulations”), which specifies information for disclosure in the draft offer document or the draft letter of offer, as applicable.

Vide this Circular, SEBI has decided to issue ‘**Guidelines for returning of draft offer document and its resubmission**’ in order to ensure completeness of the offer document for investors and provide greater clarity & consistency in the disclosures and for timely processing.

Accordingly, the draft offer document shall be scrutinized based on the broad guidelines and such documents failing to meet the prescribed standards will be returned to issuers for resubmission.

Broad guidelines for returning of draft offer document and its resubmission are placed at Annexure A of this Circular.

[Circular](#)

2. Revised Pricing Methodology for Institutional Placements of Privately Placed Infrastructure Investment Trust (InvIT)

Circular No.: SEBI/HO/DDHS/DDHS-PoD/P/CIR/2024/10

Dated: 8th February, 2024**Reference to Existing Circular:**

1. Regulation 14(4) of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 (‘InvIT Regulations’) provides that any subsequent issue of units after initial public offer (IPO) may be by way of institutional placement, in addition to other mechanisms provided in the regulations.
2. Paragraph 7.9 of the SEBI Master Circular for InvITs dated July 06, 2023, provides the pricing guidelines for institutional placement of InvIT, which state that the *institutional placement by InvIT shall be made at a price not less than the average of the weekly high and low of the closing prices of the units of the same class quoted on the stock exchange during the two weeks preceding the relevant date.*

Vide this circular, SEBI has reviewed the guidelines for pricing of institutional placements InvITs in order to promote Ease of Doing Business and has decided that floor price for institutional placement for privately placed InvITs shall be NAV per unit of such InvIT.

Accordingly, the pricing for listed InvITs stand modified as under so that privately placed InvITs can undertake institutional placement based on NAV of the assets of the InvIT:

1. Paragraph 7.9.1 of the SEBI Master Circular for InvITs dated July 06, 2023 is modified as given below:

The institutional placement by public InvIT shall be made at a price not less than the average of the weekly high and low of the closing prices of the units of the same class quoted on the stock exchange during the two weeks preceding the relevant date.

Provided that the public InvIT may offer a discount of not more than five percent on the price so calculated, subject to approval of unitholders through a resolution as specified in para 7.2.1.

2. Insertion of Paragraph 7.9.2 to the SEBI Master Circular for InvITs dated July 06, 2023:

“The institutional placement by privately placed InvIT shall be made at a price not less than the NAV per unit, based on the full valuation of all existing InvIT assets conducted in terms of InvIT Regulations.”

3. Centralization of certifications under Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standard (CRS) at KYC Registration Agencies (KRAs)

Circular No.: SEBI/HO/MIRSD/SECFATF/P/CIR/2024/12

Dated 20th February, 2024

Reference to Existing Circular:

1. SEBI had issued circulars and guidance note regarding the requirements for Reporting Financial Institutions (RFIs) under Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standard (CRS) norms to obtain a self-certification from the client, as part of the account opening documentation to determine tax residence.
2. Rule 114G (11) (a) of the Income Tax Rules, 1962, necessitates regulators to issue necessary instructions and guidelines for RFIs on maintaining information related to FATCA and CRS.

Vide this circular, SEBI has decided that intermediaries acting as RFIs shall be required to upload FATCA and CRS certifications obtained from clients onto the systems of KRAs with effect from July 01, 2024.

The existing certifications obtained from clients prior to July 01, 2024 shall be uploaded by the intermediaries onto the systems of KRAs within a period of 90 days of implementation of this circular. The onus of obtaining and reporting the FATCA and CRS certification and related compliances shall lie with the respective intermediaries.

Further, the intermediary shall confirm the reasonableness of such certification based on the information obtained in respect of account opening, including any documentation obtained in accordance with Prevention of Money Laundering (Maintenance of Records) Rules, 2005 and shall update the self-certification, as and when, there is a change reported by the client.

The KRAs shall develop coordinated systems and mechanism, aligning with SEBI's guidelines and standards, to facilitate the centralization of FATCA and CRS certifications.

MCA

1. Establishment of Central Processing Centre (CPC)

S.O. 446(E)

Dated 2nd February, 2024

Applicability: 6th February, 2024

Vide this notification, MCA has announced the establishment of a Central Processing Centre (CPC) in Manesar, District Gurgaon (Haryana) having territorial jurisdiction all over India for streamline and expedite the processing and disposal of e-forms filed under the Companies Act, 2013.

Further, the jurisdictional Registrar, other than Registrar of the Central Processing Centre, within whose jurisdiction the registered office of the company is situated shall continue to have jurisdiction over the companies whose E-forms are processed by the Registrar of the Central Processing Centre in respect of all other provisions of the Companies Act, 2013 and the rules made thereunder.

[Notification](#)

2. Relaxation of Additional fees and extension of last date of filing of Form No. LLP BEN-2 and LLP Form No. 4D under the Limited Liability Partnership Act, 2008

General Circular No. 01/2024

Dated 7th February, 2024

Reference to Existing Circular:

1. MCA, vide G.S.R. No. 832(E) dated 09.11.2023, had notified LLP (Significant Beneficial Owners) Rules, 2003 and prescribed e-Form LLP BEN-2 to file Return with ROC in respect of declaration under section 90 of Companies Act, 2013.
2. MCA, vide G.S.R. No. 803(E) dated 27.10.2023, had notified LLP (Third Amendment) Rules, 2023 and prescribed LLP Form no. 4D to file Return with ROC in respect of declaration of beneficial interest in contribution received by the LLP.

In view of the transition of MCA-21 from V2 to V3, MCA vide this circular has informed that the reporting LLPs may file form LLP BEN-2 and LLP Form no. 4D up to 15th May, 2024 without payment of additional fees. The forms shall be made available in MCA- V3 for filing purpose w.e.f. 15.04.2024.

[Circular](#)

3. The Companies (Registration Office and Fees) Amendment Rules, 2024

G.S.R. 107(E)

Dated 14th February, 2024

Applicability: 16th February, 2024

Vide this circular, MCA has amended the Companies (Registration Offices and Fees) Rules, 2014 to insert a new Rule 10A pertaining to **Central Processing Center** as summarized below:

1. Registrar of Central Processing Center (ROCPC) shall examine every application or e-Form or document required or authorised to be filed or delivered, for approval, registration or taking on record by the Registrar.
2. ROCPC shall take a decision on the application, E-forms or documents within thirty days from the date of its filing excluding the cases in which an approval of the Central Government or the Regional Director or any other competent authority is required.
3. ROCPC shall exercise jurisdiction all over India in respect of the examination of following application, E-Forms or documents:

S. No.	Particulars	Provisions of the Companies Act, 2013	E-Form No.
(i)	Filing of Resolutions and agreements to the Registrar	Section 117	MGT-14
(ii)	Notice to Registrar of any alteration of share capital	Section 64	SH-7
(iii)	Application for approval of Central Government for change of name	Section 13	INC-24
(iv)	One Person Company- Application for Conversion	Section 18	INC-6
(v)	Conversion of public company into private company or private company into public company	Sections 14 and 18	INC-27
(vi)	Intimation to Registrar of revocation/surrender of license issued	Section 8	INC-20
(vii)	Return of deposits	Sections 73 and 76	DPT-3
(viii)	Application to ROC for obtaining the status of dormant company	Sections 455(1)	MSC-1
(ix)	Application for seeking status of active company	Section 455(5)	MSC-4
(x)	Letter of Offer	Section 68	SH-8
(xi)	Declaration of Solvency	Section 68(6)	SH-9
(xii)	Return in respect of buy-back of Securities	Section 68(10)	SH-11

[Notification](#)

4. Deployment and usage of Change Request Form (CRF) on MCA-21

General Circular No. 02/2024

Dated 19th February, 2024

Vide this circular, MCA notified that Change Request Form (CRF) has been made available on V3 portal for the convenience of users of MCA-21 services. This web-based Form is to be used only under **exceptional** circumstances, for making a request to ROCs for the purposes which cannot be catered through any existing form or services or functionality available either at Front Office level (users of MCA-21 services) or Back Office level (ROCs).

This form is not a **substitute** of any existing forms, reporting, application, any approval related and registration related queries, and for such purposes, the Form shall not be entertained and will be rejected.

Further, this Form primarily is to be used for purposes like Master Data correction and to comply with certain directions of Courts/Tribunals, which ordinarily cannot be complied with through existing functionality of forms or services on MCA-21 system.

Accordingly, this Form should be processed by ROCs within 03 days of its filing, after which it should be forwarded to Joint Director (e-governance cell), who shall process and decide the matter within a maximum time of 07 days.

[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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