

VINOD KOTHARI & COMPANY

VINOD KOTHARI CONSULTANTS PRIVATE LIMITED

July 2023

CORPORATE and
securities LAWS

FINANCIAL
SERVICES

RESOLUTION AND
INSOLVENCY
LAWS

SAMAGRATA

Collection Of Regulatory Updates

WHAT'S INSIDE?

We are always on our forefront to apprise our clients, associates as well as those seeking knowledge with recent updates on various laws and regulations. We have consolidated various regulatory announcements and amendments by respective regulators, along with our analysis, for the month of July, 2023. This is supported with reference materials and our write-ups on the same.

This issue also covers articles on other contemporary and relevant areas of corporate interest.

We have further added a new section, for all that's recently happening in the real corporate environment and relevant to our readers.

Help us improve!

Feedback/suggestions invited: Feel free to drop a mail to tejasvi@vinodkothari.com

To receive our newsletter and regular updates: [SUBSCRIBE HERE](#)

TABLE OF CONTENTS

- RBI
- SEBI
- BSE & NSE
- MCA
- MOF

Table of Contents

Contents

Reserve Bank of India	4
1. Master Circular – Returns to be submitted by Housing Finance Companies (HFCs)	4
2. Implementation of Section 51A of UAPA, 1967: Updates to UNSC’s 1267/ 1989 ISIL (Da'esh) & Al-Qaida Sanctions List: Amendments in 02 Entries.	6
Securities and Exchange Board of India	6
3. Appointment of Director nominated by the Debenture Trustee on boards of issuers	6
4. Master Circular for Debenture Trustees	7
5. Master Circular on: Issue and listing of Non-convertible Securities, Securitized Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper	8
6. SEBI NCS Regulations (Second Amendment) Regulations, 2023	8
5. Disclosure of material events/information by listed entities under Reg 30 and 30A of Listing Regulations.	10
6. BRSR Core - Framework for assurance and ESG disclosures for value chain	11
7. Trading window closure period under Clause 4 of Schedule B read with Regulation 9 of PIT Regulations Extending framework for restricting trading by Designated Persons (“DPs”) by freezing PAN at security level to all listed companies in a phased manner.	13
BSE & NSE	18
1. Change in Helpline number for XBRL filings	18
2. Guidance on filing Announcements through Stock Exchange under Reg 30	18
Ministry of Corporate Affairs	19
1. Merger of multiple user IDs in V2 portal with new user ID in V3 and deactivation of old user ID in V2 portal	19
Ministry of Finance	19

Reserve Bank of India

1. Master Circular – Returns to be submitted by Housing Finance Companies (HFCs)

July 21, 2023	Immediately	Housing Finance Companies.	Finance	<p>The National Housing Bank had in the month of December 31, 2022, in supersession of the Master Circular No. NHB (ND)/DOS/Sup. Circular No.5/2020-21, dated April 13, 2021, has issued the Master Circular dated December 31, 2023 with the objective of laying down certain key principles for the Housing Finance Companies ('HFCs'), mandated to submit various types of returns as per this Master Circular and thereby consolidate the list of returns to be submitted by HFCs.</p> <p>Now the National Housing Bank vide notification dated July 21, 2023, has updated the Master Circular dated December 31, 2022, so as to include a new section in the Master Circular namely Section II which prescribe the reporting requirements from the perspective of RBI for HFCs.</p> <p>By virtue of this Section II HFCs are now mandated to submit the following new returns</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;"><u>Sr.No.</u></th> <th style="text-align: center;"><u>Type of Return</u></th> <th style="text-align: center;"><u>Relevant Reference in HFC Master Directions</u></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1.</td> <td>Statutory Auditor's Certificate on Amalgamation of Capital</td> <td>Para 20.2.2(g)</td> </tr> <tr> <td style="text-align: center;">2.</td> <td>Statement in lieu of Advertisement</td> <td>Para 35.3 read with Para 35.4</td> </tr> <tr> <td style="text-align: center;">3.</td> <td>Statement on Creation or Modification of Floating Charge on SLR Investments</td> <td>Para 42.2.</td> </tr> </tbody> </table>	<u>Sr.No.</u>	<u>Type of Return</u>	<u>Relevant Reference in HFC Master Directions</u>	1.	Statutory Auditor's Certificate on Amalgamation of Capital	Para 20.2.2(g)	2.	Statement in lieu of Advertisement	Para 35.3 read with Para 35.4	3.	Statement on Creation or Modification of Floating Charge on SLR Investments	Para 42.2.	The Company to take note of the newly mandated returns and ensure filing of the same.
<u>Sr.No.</u>	<u>Type of Return</u>	<u>Relevant Reference in HFC Master Directions</u>															
1.	Statutory Auditor's Certificate on Amalgamation of Capital	Para 20.2.2(g)															
2.	Statement in lieu of Advertisement	Para 35.3 read with Para 35.4															
3.	Statement on Creation or Modification of Floating Charge on SLR Investments	Para 42.2.															

			4.	Report on Change in Shareholding	Para 45.2
			5.	Statement on Change of Directors	Para 52.4
			6.	Form A on Appointment of SCA/SA	Para 54
			7.	Reports on Ratings of Financial Products	Para 90
			8.	Reports on Detection and Impounding of Counterfeit Notes	Para 108.2
			9.	Report on Appropriation of Statutory Reserve Fund	Para 113.3
			10.	Report of Dividend Declared	Para 18A.6
			11.	Fraud Monitoring Returns	Para 3.1.9
			12.	Report on Replacement of Loans Transferred	Para 3.1A.1 read with
			13.	Report on Replacement of Loans Transferred	Para 3.1.A.2
			14.	Report on Issuance of Hybrid Debt Capital Instruments	Para 16 Annex II

2. Implementation of Section 51A of UAPA, 1967: Updates to UNSC's 1267/ 1989 ISIL (Da'esh) & Al-Qaida Sanctions List: Amendments in 02 Entries.

<p>July 24, 2023</p>	<p>With immediate effect</p>	<p>All Regulated entities under the KYC Directions.</p>	<p>In terms of Section 51A of the Unlawful Activities (Prevention) (UAPA) Act, 1967, Regulated Entities need to ensure that they do not have any account in the name of individuals/entities appearing in the lists of individuals and entities, suspected of having terrorist links, which are approved by and periodically circulated by the United Nations Security Council (UNSC).</p> <p>Ministry of External Affairs (MEA), Government of India has informed about the UNSC press release dated July 21, 2023 wherein the Security council committee has provided a list of individuals and entities subject to the assets freeze, travel ban and arms embargo. Updated lists of individuals and entities linked to ISIL (Da'esh), Al-Qaida and Taliban are available at:</p> <ol style="list-style-type: none"> 1. https://www.un.org/securitycouncil/sanctions/1267/aq_sanctions_list 2. https://www.un.org/securitycouncil/sanctions/1988/materials 	<p>The Company being a Regulated Entity will be required to comply with the circular with immediate effect</p>
--------------------------------------	------------------------------	---	--	--

Securities and Exchange Board of India

3. Appointment of Director nominated by the Debenture Trustee on boards of issuers

<p>July 4, 2023</p>	<p>Immediately</p>	<ul style="list-style-type: none"> • Issuers who have listed and/ or propose to list debt securities and • All Debenture Trustees registered with SEBI 	<p>Regulation 23(6) of the NCS Regulations read with Reg 15(1)(e) of the DT Regulation obligates company incorporated under the Companies Act, 2013 to include in their Articles the requirement to appoint a director nominated by the debenture trustee on its Board. However, this obligation does not extend to issuers who are not companies or whom are regulated by other regulators or statutes.</p> <p>SEBI, <i>vide</i> the present circular, has mandated the following issuers to submit an undertaking to their DTs that in case the issuer triggers any of the events as stated in Reg 15(1)(e), it shall designate an NED/ ID or trustee/member of the governing authority as a nominee director on its board, in consultation with the DT:</p>	<p>No actionable, if the Company does not fall under the above stated category of issuers.</p>
-------------------------------------	--------------------	--	--	--

			<ul style="list-style-type: none"> • Issuers incorporated under different statutes or under the purview of other regulators unable to execute such amendments in the AOA as certain stringent statutes govern the composition of their boards. • Issuers are governed by certain statutes which require prior approval of the President of India for appointment of any director • Certain issuers are unable to appoint Nominee Directors as their principal document / charter does not provide for the same; or the absence of a statutory mandate fetters them from amending their principal document. 	
4. Master Circular for Debenture Trustees				
July 6, 2023	Immediately	<ul style="list-style-type: none"> • All Registered Debenture Trustees, Trustees Association of India (TAI) • All Registered Credit Rating Agencies, • Issuers who have listed and/or propose to list Debt Securities and Municipal Debt Securities. • Recognized Stock Exchanges and • Recognized Depositories 	<p>This Master 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 circular.</p> <p>Accordingly, the circulars listed in Part-A of Annex-1 stand supersede by this Master Circular.</p> <p>Further, the applicability of provisions of the circulars listed in Part-B of Annex-1, to the extent they pertain to Debenture Trustees, has been rescinded</p>	No Immediate Actionable. Company to take note of the Master Circular issued

5. Master Circular on:

Issue and listing of Non-convertible Securities, Securitized Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper

<p>July 8, 2023</p>	<p>--</p>	<ul style="list-style-type: none"> • Issuers who have listed and/or propose to list Non-convertible Securities, • Securitized Debt Instruments • Security Receipts, • Municipal Debt Securities or • Commercial Papers 	<p>SEBI has notified this Master Circular, consolidating all the relevant circulars issued under the NCS Regulations as applicable to the listed entities, which have listed NCS or Commercial Paper.</p> <p>The Master Circular covers all the chapters of Operational Circular dated August 10, 2021 (updated as on April 13, 2022) along with all the circulars issued by SEBI in relation to the NCS regulations till the date of this Master Circular.</p> <p>Apart from the above, Master Circular introduced the following:</p> <p>a) For the purpose of Listing of Commercial Paper, the issuer has to submit the application to the stock exchanges along with the disclosures as specified in the Part I and Part II of the Master Circular</p> <p>b) Disclosure regarding the availability of subscription to the QIBs only in case the issuer in existence for less than 3 years has been withdrawn.</p> <p>Kindly refer to Annex – 1 for all the relevant circulars covered in the Master Circular, which will stand rescinded</p>	<p>No actionable for the Company since the said Master Circular is a compilation of all existing circulars on the subject.</p>
-------------------------------------	-----------	---	---	--

6. SEBI NCS Regulations (Second Amendment) Regulations, 2023

<p>July 3, 2023</p>	<p>July 3, 2023</p>	<p>Entities having NCS issuances.</p>	<p>Highlights of the amendment along with the actionable are as follows:</p> <ol style="list-style-type: none"> 1) Insertion of the definition of ‘Senior Management’: Covers officers and personnel who are members of its core management team, members of the management one level below the CEO or MD or WTD or Manager (including CEO and Manager, in case they are not part of the BOD), functional heads and Secretary and CFO, and excludes Board of Directors. 2) Introduction of General Information Document (GID) and Key Information Document (KID): 	<p>Highlights of the amendment can be accessed here.</p>
-------------------------------------	---------------------	---------------------------------------	---	--

			<p>(i) Applicability: Comply or explain basis till March 31, 2024 and mandatory thereafter</p> <p>(ii) Filing of GID:</p> <ol style="list-style-type: none"> a. Issuers to file GID with the stock exchanges at the time of first issuance. b. In case of issue of NCS under prior shelf placement memorandum or under shelf prospectus in public issue, issuer is not required to file GID for second or subsequent offers, if KID is filed. c. Resultant Company has to file GID post implementation of scheme of arrangement. <p>(iii) Disclosures for issuance of Non-Convertible Securities (NCS) by private placement: GID is required to make disclosures as specified in Schedule I of NCS regulations, Companies Act, 2013 and as additionally as specified by SEBI. GID may also disclose the size of the issue.</p> <p>(iv) Validity of GID: One year from the date of opening of the first offer of NCS made under that GID.</p> <p>(v) Filing of KID: For each second or subsequent offer of NCS or CPs, during validity of GID, file KID with stock exchanges.</p> <p>(vi) Common Disclosure for issuances of NCS through private placement and public issue – Schedule I: Schedule I and Schedule II has been combined in the newly substituted Schedule I which is applicable on issuances of NCS through private placement as well as public issue, with following additional disclosures which will now be required to be given by issuers:</p> <ul style="list-style-type: none"> • Reference to pg. no. of audit report in which RPT were disclosed for last 3 years • Broad lending and borrowing policy of issuer including key terms of loans • Disclosure on aggregation basis for immovable properties in case of related parties • Expenses incurred on issuance of NCS along with breakup of each item including fees paid towards intermediaries, regulators, marketing, printing & distribution, etc. <p>(vii) Disclosures in the KID:</p> <ul style="list-style-type: none"> • Details of the offer of NCS; 	
--	--	--	--	--

			<ul style="list-style-type: none"> Financial Information as specified in the GID (if information provided in GID is older than 6 months); Material changes (in information given in GID) and developments (if not disclosed in GID). For subsequent offer under shelf prospectus (if no GID was filed), disclosure as per Schedule I <p>3) Large Corporates (LCs): LCs to comply with conditions as may be specified by the SEBI</p> <p>4) Audited Financial Statements: Audited Financial Statements disclosed will not be more than 6 months old from the date of filing draft placement memorandum (PM)/issue opening date. However, issuer may disclose unaudited Financial Statements with limited review report subject to disclosures, if they are an issuer or subsidiary of a Company who is listed and comply with Listing Regulations.</p> <p>5) Commercial Paper: Issuer, who has filed GID and intends to issue CP and seek listing, during the validity of such GID, has to file KID as specified. Issuer who has filed shelf prospectus for public issue and intends to issue CP and seek listing during validity of such shelf prospectus is not required to file GID if KID has been filed.</p>	
--	--	--	--	--

7. Disclosure of material events/information by listed entities under Reg 30 and 30A of Listing Regulations.

July 13, 2023	July 15, 2023	<ul style="list-style-type: none"> All Listed Entities All the Recognized Stock Exchanges 	<p>SEBI vide circular dated September 9, 2015, specified the details that need to be provided while disclosing events given under Part A of Schedule III to the Listing Regulations. The aforesaid circular was incorporated in Chapter V of Master Circular dated July 11, 2023 issued by SEBI.</p> <p>Pursuant to the recent amendment dated June 14, 2023, SEBI has issued the present circular, which has four annexures (as given below) with respect to disclosure requirements under reg. 30 and 30A. The said Master Circular shall stand modified to the extent of Annexure I and Annexure III.</p>	<p>The Company to ensure that</p> <p>a. The continuing events and the agreements specified under reg. 30A are disclosed before August 14, 2023.</p> <p>b. Amend the exiting Materiality Policy to</p>
-------------------------------	---------------	---	--	---

			<ol style="list-style-type: none"> 1. ANNEXURE I: Specifies the details that need to be provided while disclosing events given in Part A of Schedule III (Annexure 18 to the Master Circular). 2. ANNEXURE II: Specifies the timeline for disclosing events given in Part A of Schedule III as amended by way of the aforesaid amendment. The Annexure further provides the timeline introduced for disclosure of agreements under regulation 30A which is as follows:- <ol style="list-style-type: none"> a. In case of future agreements - The parties to the agreement shall inform the listed entity within 2 working days of entering into the agreement of which the listed entity is not a party. b. In case of subsisting agreements: <ul style="list-style-type: none"> • Timeline for the parties to inform the listed entity: July 31, 2023. • Timeline for the listed entity to disclose it to stock exchange(s) and on its website: August 14, 2023 • Disclosure of continuing events: As specified in Reg 30(4), any continuing event which becomes material pursuant to the amendment shall be disclosed to the stock exchange on or before August 14, 2023 (i.e one month from the effective date of this circular i.e. July 14, 2023.) 3. ANNEXURE III: Provides guidance on when an event/information can be said to have occurred (Annexure 19 to the Master Circular). 4. ANNEXURE IV: Provides guidance on the criteria for determination of materiality of events or information. Annexure IV further clarifies that while determining such materiality threshold, the average of the absolute profit or loss is required to be calculated disregarding the sign (positive or negative) of such value. An illustration of the same has been provided in the said circular. 	<p>align with the amendments.</p> <p>c. Adhere to the compliances required under the Regulation and the circular.</p> <p>Our articles and videos on the amendments can be accessed here.</p>
8. BRSR Core - Framework for assurance and ESG disclosures for value chain				
July 12, 2023	--	All listed entities All Recognized Stock Exchanges	<ol style="list-style-type: none"> 1. SEBI Circular dated May 10, 2021 prescribes the requirement for BRSR, which was subsequently incorporated in the Master Circular dated July 11, 2023. 2. The present circular introduces the following: <ul style="list-style-type: none"> • BRSR Core and disclosures for assurance by listed entities • Disclosures and assurance for the value chain of listed entities under BRSR Core. 	The Company to take note of the updated BRSR Format, the BRSR Core and the ESG disclosures relating to the value chain

3. BRSR Core consists of Key Performance Indicators (KPIs) metrics under 9 ESG attributes, and certain new KPIs have been introduced for assurance
4. The format of BRSR Core for reasonable assurance, in supersession of the BRSR format as under Annexure 16 of the aforementioned Master Circular is placed at [Annexure I](#) and the revised format after incorporation of the new KPIs is annexed in [Annexure II](#).
5. **ESG Disclosures for value chain:** Disclosure with regard to the value chain shall include main partners involved in the company's upstream and downstream activities (separately or in an aggregated manner), representing 75% of its purchases or sales and shall be in accordance with the BRSR Core guidelines forming a part of the annual report of the company.
6. Company to report the KPIs specified in the BRSR Core for their value chain, focusing on the aspects directly related to their business with each partner, clearly specifying the scope of reporting or any assumptions.
7. The Board of the listed entity must choose an assurance provider with appropriate expertise and ensure there are no conflicts of interest, such as the provider offering non-audit or non-assurance services to the listed entity or its group entities.
8. The applicability of the BRSR, BRSR Core, Value chain assurance disclosure is as follows:-

Sr.No.	Type of Requirement	Applicability
1.	Disclosures as per the updated BRSR format in Annual report	From FY23-24, top 1000 listed entities
2.	Mandatory disclosure of reasonable assurance of the BRSR Core	From FY23-24, top 150 listed entities and glide path up to top 1000 listed entities by FY 27
3.	ESG disclosures for the value chain (comply or explain basis)	Top 250 listed entities- from FY 24-25
4.	Limited Assurance of the ESG disclosures for the value chain (comply or explain basis)	From FY 25-26

as introduced and ensure filing of the same as per the applicability as provide in the table herein above.

Our video on the amendment can be accessed [here](#)

9. Trading window closure period under Clause 4 of Schedule B read with Regulation 9 of PIT Regulations

Extending framework for restricting trading by Designated Persons (“DPs”) by freezing PAN at security level to all listed companies in a phased manner.

<p><u>July 19, 2023</u></p>	<p>As per the glide path prescribed in the table given below</p>	<p>SEBI, vide circular dated August 05, 2022 had issued a framework for restricting trading by DPs by freezing PAN at security level. The framework was initially applicable only to those listed companies that were part of benchmark indices i.e. NIFTY 50 and SENSEX.</p> <p>Considering the satisfactory implementation of the framework for the abovementioned listed companies, the above framework has now been extended to all listed companies. To ensure smooth implementation of the framework, the glide path is being prescribed as under:</p> <p>The procedure for implementation of the system is enclosed at Annexure – A of the circular and the flowchart for the same is enclosed at Annexure-B.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Sr. No.</th> <th style="text-align: center;">Companies to be covered</th> <th style="text-align: center;">PAN freeze start date</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1.</td> <td>Listed companies that are part of the benchmark indices i.e. NIFTY 50 and SENSEX</td> <td>Already applicable as on date</td> </tr> <tr> <td style="text-align: center;">2.</td> <td>Top 1000 companies in terms of BSE Market Capitalization as of June 30, 2023 (excluding companies’ part of benchmark indices)</td> <td>October 1, 2023</td> </tr> <tr> <td style="text-align: center;">3.</td> <td>Next 1000 companies in terms of BSE Market Capitalization as of June 30, 2023</td> <td>January 1, 2024</td> </tr> <tr> <td style="text-align: center;">4.</td> <td>Remaining companies listed on BSE, NSE and MSEI</td> <td>April 1, 2024</td> </tr> <tr> <td style="text-align: center;">5.</td> <td>Companies getting listed on Stock Exchanges post issuance of this circular</td> <td>1st day of the second quarter from the quarter in which the company gets listed.</td> </tr> </tbody> </table>	Sr. No.	Companies to be covered	PAN freeze start date	1.	Listed companies that are part of the benchmark indices i.e. NIFTY 50 and SENSEX	Already applicable as on date	2.	Top 1000 companies in terms of BSE Market Capitalization as of June 30, 2023 (excluding companies’ part of benchmark indices)	October 1, 2023	3.	Next 1000 companies in terms of BSE Market Capitalization as of June 30, 2023	January 1, 2024	4.	Remaining companies listed on BSE, NSE and MSEI	April 1, 2024	5.	Companies getting listed on Stock Exchanges post issuance of this circular	1 st day of the second quarter from the quarter in which the company gets listed.	<p>Being a part of top 1000 companies in terms of BSE market capitalization as of June 30, 2023 will be required to comply with the circular by October 01, 2023.</p> <p>Our article on the said topic can be accessed here.</p> <p>Our resource center on PIT Regulations can be viewed here</p>
Sr. No.	Companies to be covered	PAN freeze start date																			
1.	Listed companies that are part of the benchmark indices i.e. NIFTY 50 and SENSEX	Already applicable as on date																			
2.	Top 1000 companies in terms of BSE Market Capitalization as of June 30, 2023 (excluding companies’ part of benchmark indices)	October 1, 2023																			
3.	Next 1000 companies in terms of BSE Market Capitalization as of June 30, 2023	January 1, 2024																			
4.	Remaining companies listed on BSE, NSE and MSEI	April 1, 2024																			
5.	Companies getting listed on Stock Exchanges post issuance of this circular	1 st day of the second quarter from the quarter in which the company gets listed.																			

10. New category of Mutual Fund schemes for Environmental, Social and Governance (“ESG”) Investing and related disclosures by Mutual Funds.

<p>July 20, 2023</p>	<p>Immediate Effect</p>	<p>Applicable to Mutual Funds, Asset Management Company</p>	<p>Under the present regulatory scheme the mutual funds, are permitted to launch only one scheme with ESG investing under the thematic category for Equity schemes. It has been decided to permit launch of multiple ESG schemes with different strategies by Mutual Funds.</p> <p>The following measures have been introduced vide the present circular in order to implement the launch of multiple ESG Scheme</p> <ol style="list-style-type: none"> 1. A separate sub-category for ESG investments under the thematic category of Equity schemes has been introduced by modifying SEBI Circular dated May 19, 2023. Any scheme under the ESG category shall be launched with one of the following strategies (details of strategies are attached in Annexure A) 2. Minimum 80% of the total AUM of ESG schemes shall be invested in equity & equity related instruments of that particular strategy of the scheme. The remaining portion of the investment shall not be in contrast to the strategy of the scheme. 3. Distinct asset allocation and the investment strategy with respect to the ESG Scheme launched shall be followed. 4. It has been provided that the ESG Scheme of the Mutual Fund shall invest at least 65% of the AUM in companies which are reporting on comprehensive BRSR and providing assurance on the BRSR Core disclosures. Balance AUM of the scheme can be invested in companies having BRSR Disclosures. - Effective w.e.f October 1, 2024. 5. ESG schemes not in compliance with the aforesaid investment criteria as provided in point 4 as on October 01, 2024, shall ensure compliance with the requirement by September 30, 2025, during the said period of one year, ESG schemes shall not undertake any fresh investments in companies without assurance on BRSR Core. 6. The name of the concerned scheme shall clearly disclose the name of ESG strategy. 7. Mutual Funds shall be required to disclose in their monthly portfolio statements of ESG schemes: applicable immediately <ol style="list-style-type: none"> a. Security wise BRSR Core scores{as provided by SEBI registered ESG Rating Provider (ERPs)}, along with the BRSR scores. 	
--------------------------------------	-------------------------	---	--	--

			<p>b. Name of the ERPs providing ESG score for the ESG schemes, alongwith the ESG scores. In case there is a change in ERP, the reason for such change shall also be disclosed in the next monthly portfolio statements of ESG schemes.</p> <p>8. SEBI Master Circular dated May 19, 2023, requires mutual funds to compulsorily vote on all the resolutions by their investee companies and their respective AMC's are also be required to disclose on the website on a quarterly basis the rationale supporting their voting decision. SEBI by way of this circular requires the AMCs to categorically disclose whether the resolution has or has not been supported due to any ESG reasons.</p> <p>9. It further provides that the disclosure of the voting rationale can be made at the mutual fund level, however in case a separate approach is followed in respect of ESG and non-ESG Schemes, then it shall be disclosed separately. (Enhanced disclosures shall be applicable from AGM's from April 01,2024)</p> <p>10. Requirements to be included in a 'Fund Manager Commentary' along with other disclosures as required in terms of SEBI letter dated February 08, 2022, have been provided by way of this circular.</p> <p>11. The AMC shall be required to obtain independent reasonable assurance from an assurance provider having reasonable expertise regarding the regarding their ESG scheme's portfolio being in compliance with the strategy and objective of the scheme as disclosed under the Scheme Information Documents.- Applicable on comply or explain basis upto December 2023, Thereafter its shall be mandatory.</p> <p>12. Based on the ESG Audit conducted on an internal basis, the Board of the AMC shall be required to certify the compliance of ESG schemes with the regulatory requirements including disclosures, in annual report of the scheme.- Applicable from immediate effect.</p>	
11. Resources for Trustees of Mutual Funds				
<u>July 26, 2023</u>	Immediately	Trustees of Mutual Fund.	The Master Circular on Mutual Funds provides for the trustees of the mutual funds to have standing arrangement with independent firms for special purpose audit or to seek legal advice. The requirement shall be on a continuous basis and Trustees in the Half Yearly Trustee Reports submitted to SEBI shall provide a confirmation in respect of the same.	The Trustee of the Company shall provide the confirmation in respect of the arrangement on a

				continuous basis from the upcoming quarter.
12. Investment by Mutual Fund Schemes and AMC's in units of Corporate Debt Market Development Fund				
July 27, 2023	Immediately	Asset Management companies	<p>Chapter III-C has been inserted in SEBI AIF Regulations, 2012 and regulation 43A has been inserted in SEBI MF Regulations, 1996 to facilitate constitution of Corporate Debt Market Development Fund (“CDMDF” or “the fund”), as a backstop facility for purchase of investment grade corporate debt securities. CDMDF shall be launched as a close-ended scheme with an initial tenure of 15 years from the date of its initial closing.</p> <p>SEBI vide the present circular provides the following:-</p> <p>Contribution by Mutual Funds:</p> <ol style="list-style-type: none"> <u>Specified Debt-Oriented Mutual Fund Schemes:</u> These include open-ended debt-oriented mutual fund schemes, excluding overnight funds and gilt funds, as well as conservative hybrid funds. <u>Initial Contribution:</u> The specified debt-oriented schemes will invest 0.25% (25 basis points) of their assets under management (AUM) in CDMDF units. This contribution, including appreciation, will be locked in until the fund is wound up. In the case of winding up of contributing MFs, inter-scheme transfers within the same MF or across MFs may be undertaken. <u>Increasing Contributions:</u> As the AUM of the specified schemes grows, their contribution to the CDMDF will increase. Contributions will be reviewed every six months. <u>Redemption:</u> In case the AUM of the specified schemes reduces, there will be no redemption from the CDMDF. <u>Contribution</u> from New Mutual Funds/Schemes: The same contribution rules apply to specified schemes from new mutual funds or existing mutual funds launching new schemes. <p>AMC Contribution:</p>	<p>The Company to ensure the compliance of the circular by ensuring the half yearly contributions starting from December 2023.</p> <p>Further the Company to also ensure the payment of the initial contribution as calculated and intimated by AMFI within a period of 10 days from the request made by CDMDF.</p>

			<p>6. <u>AMCs</u> of mutual funds are required to make a one-time contribution of 2% of the AUM of their specified debt-oriented schemes. The initial contribution will be based on the AUM as of December 31, 2022, in these schemes.</p> <p>7. <u>Penalty for Delayed Contribution</u>: Any delay in contribution will attract a penalty of 15% per annum on the respective AMC for the delayed period, with the interest credited to the CDMDF.</p> <p>Purchasing Corporate Debt Securities:</p> <p>8. <u>Eligible Securities</u>: CDMDF will buy securities from the secondary market with a remaining maturity period of not more than five years and holding an investment grade credit rating.</p> <p>9. <u>Payment to Sellers</u>: Sellers will receive 90% of the payment in cash and 10% in the form of CDMDF units.</p> <p>Access to Sell Facility:</p> <p>10. <u>Proportionate Access</u>: Mutual funds can sell corporate debt securities from their contributing schemes' portfolios to the CDMDF. The access to this sell facility will be proportionate to the mutual fund's contribution to the CDMDF.</p> <p>Information Disclosure:</p> <p>11. <u>Scheme Information Document</u>: AMCs will incorporate information about contributing to the CDMDF in their Scheme Information Document by issuing an addendum before initiating the contribution.</p>	
13. Mandating Legal Entity Identifier (LEI) for all non – individual Foreign Portfolio Investors (FPIs)				
July 27, 2023	Immediately	Foreign Portfolio Investors and Designated Depository Participant.	<p>The LEI code is a unique global 20-character code to identify legally distinct entities that engage in financial transactions. Non-individual borrowers having aggregate exposure of above Rs. 25 crore are mandated to obtain LEI code.</p> <p>Presently, FPIs are required to provide their LEI details in the Common Application Form (“CAF”), used for registration, KYC and account opening of FPIs on a voluntary basis. SEBI by way of the present circular has mandated the non-individual FPIs to provide their LEI code at that time of account opening.</p>	The company is required to provide its LEI details to the designated depository participant.

			<p>Accordingly, all fresh registrations shall be carried out only upon obtaining the LEI code. Presently, all existing FPIs (including those applying for renewal) that have not already provided their LEIs to their DDPs shall do so within 180 days from the date of issuance of this circular, failing which their account shall be blocked for further purchases until LEI is provided to their DDPs.</p> <p>Further, FPIs are required to ensure that their LEI is active at all times. Accounts of FPIs whose LEI code has expired / lapsed shall be blocked for further purchases in the securities market until the time the LEI code is renewed by such FPIs.</p>	
BSE & NSE				
1. Change in Helpline number for XBRL filings				
BSE July 6, 2023	July 6, 2023	All Listed Companies	<p>For any issues related to XBRL submission, The Exchange has issued the changed helpline number as given below:-</p> <p>Helpline Number 9316749660 OR</p> <p>E-mail: bse.xbrl@bseindia.com</p> <p>Company to e-mail along with the screen shot of error and excel utility file.</p>	No Actionable. Company to take note of the changed helpline number.
2. Guidance on filing Announcements through Stock Exchange under Reg 30				
BSE And NSE July 14, 2023	July 14, 2023	Listed Companies	<p>BSE has issued this circular to provide guidance on filing of disclosure of events/information under Regulation 30 of Listing Regulations, in the following manner:</p> <p>i. For events emanating from a decision taken in a board meeting, listed entity shall:</p> <ul style="list-style-type: none"> • file the disclosure in the PDF form “General Announcement/ General Updates” > (in BSE portal) or ‘Other’ as type fields in existing drop down (in NEAPS portal) and mention subject as “Outcome of Board Meeting”, in case prior intimation is not required for the said board meeting • mention the start & end time of the meeting • modify the announcement text accordingly specifying the subject of event 	The Company to take note of the circular issued and ensure compliance with the same in respect of disclosures under Reg. 30.

			<p>ii. Mandatorily mention the date & time of occurrence of the event/information in all the PDF disclosures filed under Reg 30.</p> <p>Ensure that the PDF disclosure filed specifies the reason of delay, in case of delayed submission.</p>	
Ministry of Corporate Affairs				
1. Merger of multiple user IDs in V2 portal with new user ID in V3 and deactivation of old user ID in V2 portal				
July 12, 2023	July 12, 2023	Professionals registered under ICAI, ICSI, ICMAI	The members of ICAI, ICSI, ICMAI may approach the respective institutes with their login credentials and the institutes shall make recommendations for merging multiple existing user IDs with the ID created in V3 portal or for deactivation of the old user IDs in V2, to enable desirous members to create a new ID in V3 portal	No immediate actionable. Company to take note of the circular.
Ministry of Finance				
1. GSTN Included under PMLA 2002 for Information Sharing				
July 6, 2023	Immediately		<p>Ministry of Finance has issued a notification stating that the Goods & Services Tax Network (GSTN) will be included under the PMLA Act. As a result, the GSTN is required to share information with the Enforcement Directorate (ED) and the Financial Intelligence Unit (FIU) under the PMLA Act. These changes have been made under Section 66 of the PMLA, which deals with the disclosure of information, with a view to enable strict action against individuals involved in tax evasion and manipulation of documents.</p> <p>Additionally, crimes related to the Goods and Services Tax (GST), such as fake input tax credit (ITC) and fake invoices will now be included within the purview of the PMLA.</p>	No Actionable. Company to take note of the notification issued.

