Swift India
CORPORATE SERVICES LLP

Swift e-Bulletin
Edition 38th 21-22
Week – December 27th to December 31st

<u>Quote for the week:</u>

A big business starts small

\- *Richard Branson*

Introduction

We welcome you to our weekly newsletter!

The 'Swift e-Bulletin' - weekly newsletter, covers all regulatory updates and critical judgements passed during the week. We hope that you liked our previous editions and found it to be of great value in its content. We want this newsletter to be valuable for you so, please share your feedback and suggestions to help us improve.

Further, various regulatory authorities have been proactive in bringing significant regulatory changes in recent challenging times. This week's newsletter covers various Circulars/notifications issued by certain regulatory authorities such as the Securities and Exchange Board of India ("SEBI") and International Financial Service Center Authority ("IFSCA"), and critical judgements and orders passed by the National Company Law Tribunal **("NCLT")**, High Court and Supreme Court.

The Regulatory authorities provided various updates/relaxations, some of which being:

- ***SEBI issue circular on non- compliance with provisions related to continuous disclosure.***
- ***MCA extends relaxation on levy of additional fee of annual filings for financial year 2020-21.***

We have prepared a comprehensive summary for quick reference of the aforesaid updates and Judgements / orders issued during the week of December 27, 2021 to December 31, 2021.

Thank you,
Swift team

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REGULATORY UPDATES

MCA UPDATES

1. **MCA extends relaxation on levy of additional fee of annual filings for financial year 2020-21 vide General Circular dated December 29, 2021**

   MCA in continuation General Circular no. 17/2021 dated 29.10.2021, has further decided that no additional fee shall be levied upto 15.02.2022 for the filing of e-Forms AOC 4, AOC 4 (CFS), AOC 4 XBRL, AOC 4 Non – XBRL and upto 28.02.2022 for filing of e-Forms MGT 7/MGT 7A in respect of the financial year ended 31.03.2021 respectively.

   To read the Circular in detail, please click here.

SEBI UPDATES

1. **SEBI issues Circular on non- compliance with provisions related to continuous disclosure vide Circular dated December 29, 2021.**

   - In the interests of investors and the securities market, the Stock Exchanges shall levy fine and take action in case of non-compliances with continuous disclosure requirements by the issuers of listed Non-Convertible Securities and/ or Commercial Paper as specified in the annexure provided therein.

   - In case a non-compliant entity is listed on more than one recognized stock exchange, the concerned recognized stock exchange(s) shall take uniform action under this Circular in consultation with each other.

   - The recognized stock exchanges shall take necessary steps to implement this circular and shall disclose on their website the action(s) taken against the entities for non-compliance(s); including the details of the respective requirement, amount of fine levied/ action taken etc.

   To read the Circular in detail, please click here

IFSCA UPDATES

1. **IFSCA issues Circular dated December 31, 2021 on Non – Applicability or Withdrawal of some circulars / directions previously issued / adopted by the Authority.**

As a consequence, the provisions of the Circulars / directions – listed in the Circular, in Annex I from those issued by the Reserve Bank of India (RBI) and adopted by IFSCA vide its Circular dated December 04, 2020 shall cease to be applicable to the IBUs from the date of coming into effect of the directions in the Handbook i.e., January 1, 2022 and those listed in the Circular in Annex II continue to be applicable to IBUs till further notice. Further, the provisions of the circular / guidelines in Annex III shall be deemed to be withdrawn with effect from January 1, 2022.

To read the Circular in detail, please click here.

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JUDGEMENTS/ ORDERS

SEBI

1. **SEBI imposed penalty on Noticee on default for no making disclosure under PIT Regulations**

Securities and Exchange Board of India ('SEBI') received a letter from Titan Company Limited ('Company/Titan/TCL') wherein the company intimated SEBI about contravention of SEBI (Prohibition of Insider Trading) Regulations, 2015 ('PIT Regulations') and Company's Code of Conduct for Prevention of Insider Trading by some of its designated persons/employees. Thereafter, SEBI conducted an investigation in the scrip of Titan and observed several non-compliances of PIT Regulations by employees and designated persons of TCL including Mr. Rajesh Chamy ('Noticee/by name').

The Adjudicating Officer (**"AO"**) issued Show Cause Notice (**"SCN"**) to the Noticee as to why an inquiry should not be held against it and why penalty, if any, should not be imposed for the alleged violation. During the investigation period it was observed that the total trade value of the securities traded by Notice in the scrip of Titan and the trade value of securities exceeded limits under PIT regulations and Notice failed to make disclosure. The Noticee provided responses to SCN and also opportunity for personal hearing was provided.

Basis the facts of the case, AO noted that the Notice has crossed threshold under PIT regulations and was required to make relevant disclosure to Company. Further there was no proof available that disclosure was made. In this regard AO concluded that Noticee is in default and necessary penalty was imposed.

To read the Order in detail, please click here

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Call us toll free to explore a topic or let us answer your questions

About Swift

Swift India Corporate Services LLP ("Swift") (Formerly known as SwiftIndiaInc Corporate Services Private Limited) established in the year 2005, is an associate entity of Nishith Desai Associates — Legal & Tax Counseling Worldwide (legal and tax consulting firm).

We are a team of professionals with rich corporate, legal and secretarial backgrounds. We are a premier corporate compliance firm that caters to the needs and demands of our global clients. Swift aims to provide quick and pragmatic corporate solutions alongside high-quality compliances.

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