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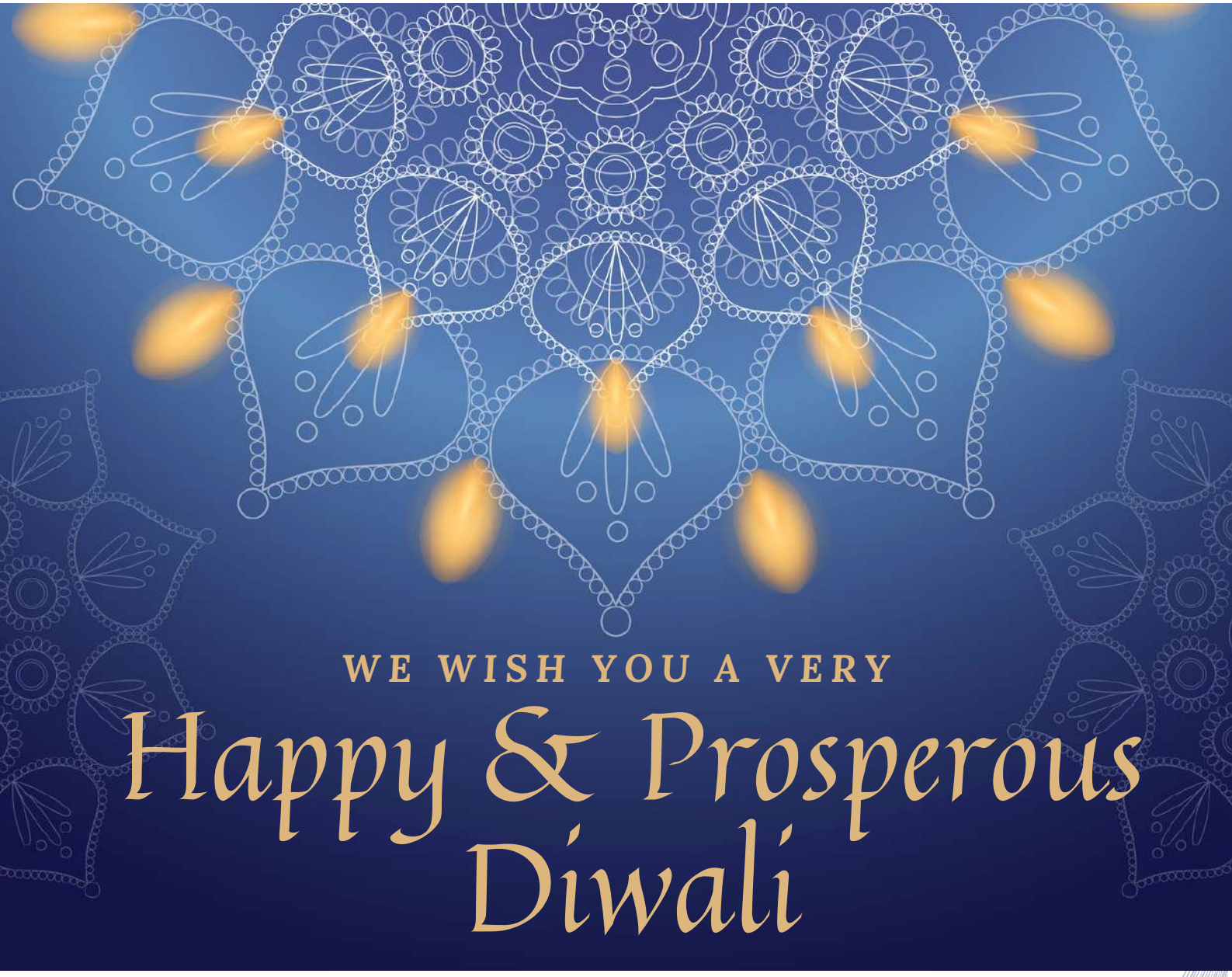

Official Newsletter

CLASIS LAW

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LEGAL UPDATE

NON-CONSTITUTION OF COMMITTEE OF CREDITORS NOT A BAR FOR WITHDRAWAL OF APPLICATION FOR CORPORATE INSOLVENCY RESOLUTION PROCESS

Introduction

In its most recent judgment*(1)* in ***Ashok G. Rajani vs Beacon Trusteeship Limited & Ors.(2)***, the Supreme Court has clarified that there is no embargo on withdrawal of an application for corporate insolvency resolution process ("CIRP") under section 12A of the Insolvency and Bankruptcy Code, 2016 **("Code")** before the constitution of the Committee of Creditors **("CoC")**.

Facts

M/s Seya Industries Limited **("Corporate Debtor")**, along with its erstwhile Director, Mr. Ashok G. Rajani (the Appellant), entered into a Debenture Trust Deed with the Respondent (M/s Beacon Trusteeship Limited) herein for the purpose of raising capital for expanding its chemical manufacturing business. By virtue of the said Debenture Trust Deed, the Respondent committed to invest INR 100 Crores in the upcoming Greenfield Mega Projects of the Corporate Debtor in the form of INR 20 Crore towards Compulsorily Convertible Preference Shares and INR 80 Crores by way of Non-Convertible Debentures. Accordingly, the Respondent initially released a sum of INR 72 Crores towards the subscription of the first tranche of debentures. As the aforesaid amount was to be used for capacity expansion, therefore it was not available as cashflow.

In addition, the service of interest for the first tranche of debentures was to be met out of the second tranche of INR 8 Crores to be invested by the Respondent. However, the Respondent defaulted on investing the remaining amount and the Corporate Debtor failed to pay the interest amount. Therefore, disputes arose between the parties. Thereafter, the Corporate Debtor initiated Arbitration proceedings against the Respondent who also issued a notice in return to the Corporate Debtor regarding non-payment of the interest amount. During the pendency of the Arbitration proceedings, the Respondent also filed an application under Section 7 of the Code before the National Company Law Tribunal, Mumbai Bench **("NCLT/Adjudicating Authority")** for initiating the CIRP against the Corporate Debtor. The NCLT heard the parties and reserved its order. Subsequently, the parties moved a joint application requesting to defer the order as they were in the process of arriving at a settlement. Several adjournments were granted, however, the NCLT subsequently rejected the request for further deferment of orders and admitted the Respondent's application for initiating CIRP against the Corporate Debtor. Aggrieved by the order of the NCLT, the Appellant preferred an appeal before the National Company Law Appellate Tribunal **("NCLAT")**. In the meanwhile, as the parties arrived at a settlement, the NCLAT gave the parties the liberty to withdraw the previously admitted Section 7 application.

Accordingly, the parties filed an application under Section 12A of the Code **("settlement application")** with the Adjudicating Authority. While the Section 12A application was pending, the NCLAT passed the impugned order dated August 18, 2021, whereby while it stayed the formation of the CoC, it declined to exercise its power under Rule 11 of the NCLAT Rules to take on record the settlement and dispose of the matter. Further, by the impugned order the NCLAT also permitted the Interim Resolution Professional **("IRP")** to continue to proceed with the Corporate Insolvency Resolution Professional **("CIRP")** against the Appellant's Company. Aggrieved, the Appellant filed an appeal under Section 62 of the Code before the Supreme Court of India.

Observation by Supreme Court

While adjudicating on the present dispute, the Supreme Court noted that Section 12A of the Code enables the Adjudicating Authority to allow the withdrawal of an application admitted under section 7, 9 or 10 of the Code, on an application made by the Applicant with the approval of 90% voting shares of the CoC in such manner as may be specified. The Court further noted that the question of approval of the CoC by the requisite percentage of votes only arises after the CoC has been constituted and therefore, there appears to be no bar for withdrawal by the applicant of an application admitted under section 7 of the Code. The Supreme Court also took into consideration the statement of objects and reasons of the Code and Rule 11 of the National Company Law Tribunal Rules, 2016 ("NCLT Rules") which grants the Adjudicating Authority inherent powers to make necessary orders for meeting the ends of justice or to prevent the abuse of the process of the Tribunal. The Court thus opined that a reading of the statement of objects and reasons read with the statutory Rule 11 of NCLT Rules enables the NCLT to pass orders for meeting the ends of justice including permitting an application for CIRP to be withdrawn and to enable a corporate body to carry on business with ease, free of any impediment. The Court also clarified that settlement cannot be stifled before the constitution of the CoC in anticipation of claims against the Corporate Debtor from third persons. The withdrawal of an application for CIRP by the applicant would not prevent any other financial creditor from taking recourse to a proceeding under the Code. The urgency to abide by the timelines for completion of the resolution process is not a reason to stifle the settlement.

Conclusion

Considering that the NCLAT had stayed the constitution of CoC and the impugned order was an interim one, the Apex Court held that no interference was needed from its end. Thus, while disposing of the appeal, the Court directed the Adjudicating Authority to take up the settlement application and decide the same in the light of the aforementioned observations.

(1) Dated September 22, 2022
(2) Civil Appeal No. 4911 of 2021

NOC from Trademark Office is a mandatory requirement for Copyright Registration of artistic works

A Single Judge Bench of the Delhi High Court in the matter of *Mohd Ershad Sole Proprietor EK Agencies v. Registrar of Copyrights & Ors (C.O. (COMM.IPD-CR) 17/2021)* has held that, if any person uses or intends to use an artistic work that is capable of being used in respect of any goods or services, then it is mandatory for the applicant to obtain a no objection certificate (NOC) from the Trademark's Registrar as stipulated by the proviso to Section 45 (1) of the Copyright Act, 1957 **("Act")**. In the present case, the Petitioner is engaged in the business of trading, packing, marketing and selling tea leaves since 1998, and since 2015 has been selling tea leaves using certain artistic works along with the trade mark 'HIGHGRON'. One of Petitioner's product is 'HIGHGRON KESRI CHAI', which is sold in a distinctive yellow, green and red coloured packaging. The Petitioner stated that his distinctive artistic work 'HIGHGRON', which is a label, was registered with the Registrar of Copyrights vide registration no.124161/2018, on 27th February, 2018. The Petitioner had prior to obtaining its copyright registration also obtained the requisite NOC under Section 45(1) of the Act, which reads as under:

Section 45: Entries in register of Copyrights

(1) The author or publisher of, or the owner of or other person interested in the copyright in, any work may make an application in the prescribed form accompanied by the prescribed fee to the Registrar of Copyrights for entering particulars of the work in the Register of Copyrights: 1[Provided that in respect of an artistic work which is used or is capable of being used in relation to any goods, the application shall include a statement to that effect and shall be accompanied by a certificate from the Registrar of Trade Marks referred to in section 3 of the Trade Marks Act, 1999 (47 of 1999 to the effect that no trade mark identical with or deceptively similar to such artistic work has been registered under that Act in the name of, or that no application has been made under that Act for such registration by, any person other than the applicant.]

The present petition was filed by the Petitioner against the approval of the copyright registration of Respondent No. 3 (Mr. Shazad Ali) for his label 'ASLI KESRI CHAI' by Respondent No.1 (Registrar of Copyrights) vide registration no. A-131509 / 2019. The said competing labels of both the parties are as under:

Petitioner's registered work	Respondent's artistic work
	

It was the Petitioner's case that although Respondent No. 3 had adopted for a different name to sell its tea leaves, it had however adopted a label almost identical to that of the Petitioner and that the registration to the Respondent No. 3's label was granted on 21st October 2019, i.e., subsequent to the Petitioner's registration. The Petitioner further stated that after it acquired knowledge of Respondent No. 3's copyright registration, he filed an objection with the Trademark's Registrar seeking withdrawal of the Respondent No. 3's NOC. The Trademark Registrar thereafter upon considering the said objections cancelled Respondent No. 3's NOC on 23rd March, 2021 and passed an order dated 16th March, 2021, refusing registration to the trademark application of Respondent No. 3 on the grounds that it was 'identical/similar to earlier trademarks on record'. The Petitioner submitted that in light of the cancellation of Respondent No. 3's NOC, the copyright registration granted to the Respondent No. 3 could not stand. The Counsel for Respondent

No. 3 submitted that they had already sought review of the Trademark Registrar's order dated 23rd March, 2021. The Court observed that under the scheme of the Act, if any person intended to obtain a copyright registration for an artistic work, which is being used or is capable of being used in respect of goods and services, the NOC is mandatorily to be obtained under the proviso of Section 45(1) of the Act. The Court further observed that the preliminary intention of the said provision is to ensure that there is no conflict between labels, packaging, etc. registered or used by trademark owners and registrations granted under the Trademarks Act, 1999.

The Court stated that the legal position on the provisions of Section 45 of the Act had been discussed in detail in the case of *Abhishek Kumar v. Union of India Through Registrar of Copyrights (C.O. (COMM.IPD-CR) 17/2021)* wherein the Court had held that:

"15. Considering now the fact that the search certificate has been cancelled and the Petitioner's first application for the trademark has also been revived, the copyright registration in favour of Respondent No.3 can no longer stand. Obtaining an NOC under the proviso to Section 45 of the Act is compulsory in order to obtain registration of copyright. Clearly, there seems to be some misconduct indulged into by Respondent No.3 which has resulted in this entire sequence of events leading up to the grant of copyright registration in favour of Respondent No.3..."

The Court inter alia observed that on perusal of the copyright registrations and the packaging of both the Petitioner and the Respondent No. 3's products, it was abundantly clear that both the labels were identically similar and Respondent No. 3's label was a substantial imitation of the Petitioner's label. The Court further observed that the Petitioner had been granted copyright registration way before Respondent No. 3. The Court opined that the two competing registrations, which are almost identical to each other, cannot be sustained under the Copyright Act and that Respondent No. 3's artistic work is a substantial and colourable imitation of the Petitioner's artistic work.

The Court thereafter observed that the Trademark's Registrar had vide an order dated 23rd March, 2021 held that the two labels are identical and hence had cancelled Respondent No. 3's NOC. The Court however considered the submission of Respondent No. 3 with respect to the review of the Trademark Registrar's order dated 23rd March, 2021 and held that if Respondent No. 3 would succeed with the said review, they could apply for a fresh copyright registration. Finally, allowing the petition, the Court held that as Respondent No. 3's NOC under Section 45 (1) of the Act had been cancelled, "Respondent No.3's registration no longer has any legs to stand upon, inasmuch as the foundation of Respondent No.3's registration itself has been revoked." and ordered rectification of the Copyright register accordingly.

JUDGEMENTS

In the matter of M/s Comviva Technologies Limited ("Company") for violation of Section 135 of the Companies Act, 2013 ("Act")

The Company suo-moto filed an application to the Registrar of Companies, NCT of Delhi & Haryana **("ROC")** admitting the non-compliance of section 135 of the Act. As per the facts stated in the application, the Company had spent a lesser amount during the financial year 2020-21, as compared to the amount it should have been spent as a part of its CSR obligation. In compliance with the provisions of the Act, the company should have transferred such unspent amount to the fund specified in Schedule VII of the Act within six (6) months of the closure of the financial year ended on March 31, 2021.

Although, the Company had transferred such unspent amount to the specified schedule VII fund (PM Relief Fund) on April 22, 2021 (i.e., within the prescribed timeline). However, due to technical error, the said unspent amount bounced back into the Company's Bank Account on the same day and it remained unnoticed by the officer of the Company. This default was made good by the Company on March 30, 2022, i.e. after the due date and therefore it became liable for penalties under section 135 of the Act.The ROC concluded this matter by imposing penalty of INR 1,100,244 on the Company and INR 55,012.20/- on every director of the Company.

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In the matter of M/s D. J. Shah Investment Finance Private Limited ("Company") for violation of Section 158 of the Companies Act, 2013 ("Act")

The Regional Director, Ahmedabad **("RD")** informed the Registrar of Companies, Ahmedabad **("ROC")** that the Company has not mentioned the Director Identification Number ("DIN") in its financial statements filed with the ROC in the previous three financial years which attracted the violation of section 158 of the Act. In this regard, RD instructed the ROC to take necessary action and submit action taken report to the RD.

ROC further submitted that it has observed that the Company had not mentioned DIN of its directors, in its financial statement and profit & loss account for 8 (eight) years, i.e., since F.Y. 2013-14 to F.Y. 2020-21. In this regard, ROC issued an adjudication notice to the Company and its Directors. On the hearing, the Practising Company Secretary ('PCS') submitted the facts that the financial statements are the formal records of the financial activities and position of the business or entity, accordingly, it should not be considered as return/ information/ particulars related to the Directors of the Company. He further submitted that the e-form filed by the Company (i.e., AOC-4) also contained information such as date, place and DIN of the individuals signing the financial statement. Whereas, the ROC responded that the financial statement should not be discrete

JUDGEMENTS

with the word "any return, information or particulars" provides under the Law. Hence the submission of PCS was not sustainable. After considering the facts, ROC concluded this matter by imposing a penalty of INR 150,000/- on the Company and its officers in default under section 172 of the Act for the violation of section 158 of the Act.

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In the matter of M/s Dana India Private Limited ("Company") for violation of Section 173 of the Companies Act, 2013 ("Act")

In terms of section 173 of the Act, every company should hold minimum four board meetings every year in such a manner that not more than 120 days shall intervene between two consecutive meetings of the Board. In the present case, the Registrar of Companies, Pune **("ROC")** issued an adjudication notice against the Company for not convening the four (4) board meetings for the financial year 2019-20 with less than 120 days intervene between two consecutive board meetings. The Company replied to that adjudication notice stating that despite of bona fide efforts by the management of the Company, the Company could not call, convene and hold the meeting of its Board of Directors on account of the inability/non-availability of the Directors to attend the meeting as one of the Directors was facing travel restrictions due to which he was not able to come to India, another one directorwas suffering from temporary illness/fever thereby it was not possible for him to be available for the meeting and the other directors were on business travel. After considering all the facts and submissions, ROC concluded the matter by imposing a penalty of INR 25,000/- on every director of the Company.

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In the matter of M/s Huizhong Automobile Components India Private Limited ("Company") for violation of Section 136(1) of the Companies Act, 2013 ("Act")

In the present case, the Company suo-moto filed an adjudication application in form GNL-1 to adjudicate the default under Section 136(1) of the Act. The Company had failed to send the financial statement for the financial year 2020-21 to the members of the Company before the Annual General Meeting (AGM). As per the provisions of Section 136 of the Act, every company is required to send the financial statement, auditor's report and every other document required by law to be annexed with the financial statement to every member, trustee of the debenture-holder (if debenture issued), and to all person who is entitled, not less than twenty-one days before the AGM.

In this regard, ROC conducted a hearing and a practising company secretary (PCS) appeared in the hearing on behalf of the Company and its officers. ROC concluded the matter by imposing the penalty of INR 25,000/- on the Company and INR 5,000/- on its every director for the violation of section 136(1) of the Act.

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JUDGEMENTS

In the matter of M/s GSHP Mutual Benefit India Limited ("Company") for violation of Section 137 of the Companies Act, 2013 ("Act")

As per the provisions of section 137(1) of the Act, a copy of the financial statements, including consolidated financial statement, if any, along with all the documents which are required to be or attached to such financial statements under this Act, duly adopted at the annual general meeting of the company, shall be filed with the Registrar within thirty days of the date of annual general meeting. In the present case, the Company had made a default in filing its financial statement for the financial year 2019-20, therefore, an adjudication notice was issued by the Registrar of Companies, Patna ("ROC") to the Company and its officers. However, no response was received by the ROC of such notice. Therefore, the ROC issued a notice of hearing, but, on the hearing date, neither officers of the Company nor any authorised representative presented for the hearing. ROC concluded the matter by imposing the penalty of INR 78,200/- on the company and INR 50,000/- each on the director of the Company for failure the compliance with section 137 of the Act.

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In the matter of M/s TKS Developers Limited ("Company") for violation of Section 149 of the Companies Act, 2013 ("Act")

In terms of the provisions of section 149(1) of the Act, the paid-up capital of the Company as per the audited financial statement 2020-21 exceeded the threshold limit. As a result, the Company had to appoint a woman director to comply with the relevant section, which it failed to do so. Therefore, the Company had violated the provisions of Section 149 of the Act. In this regard, the Registrar of Companies, NCT of Delhi & Haryana ("ROC") issued a show cause notice to the Company and its officers in default. However, neither the Company had appointed any women director to rectify its default nor any reply furnished by or on its behalf. Hence, ROC concluded this matter by levying the penalty on the Company and its officers in default under section 172 of the Act for violation of section 149 of the Act.

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RBI issues Guidelines on Digital Lending

On 2 September 2022, the Reserve Bank of India **("RBI")** issued "Guidelines on Digital Lending" **(Guidelines)**. The instructions contained in this Circular shall be applicable to the 'existing customers availing fresh loans' and to 'new customers getting onboarded' from the date of this circular. Although, for a smooth transition, Regulated Entities **(REs)** shall have time till 30 November 2022, to put in place adequate systems and processes to ensure that 'existing digital loans' (sanctioned as on the date of this circular) are also in compliance of these guidelines. Earlier, RBI on 10 August 2022, issued a Press Release on "Recommendations of the Working group on Digital Lending-Implementation". The RBI had constituted a Working Group on 'digital lending including lending through online platforms and mobile apps' on 13 January 2021. The Working Group had submitted its report which was later put on the RBI website for comments. Based on the inputs that were received from various stakeholders, the RBI had decided to strengthen the regulatory framework so as to provide growth of credit delivery through digital lending methods while trying to reduce the regulatory concerns. The Regulatory framework is based on the principle that lending businesses can be carried out only by entities that are either regulated by the RBI or entities that are permitted to do so under any other law.

The Guidelines are applicable to digital lending extended by, (a) all commercial banks, (b) primary (urban) co-operative banks, state co-operative banks, district central co-operative banks, and (c) non-banking financial companies (including housing finance companies). The objective behind issuing these Guidelines is to have a safer and more protected environment for carrying out digital lending in an organized and efficient manner. Pertaining to the matters mentioned with in the other two lists, we shall have to wait and see what the Government of India decides.

Amendment in the Companies (Specification of definition details) Rules, 2014

The MCA notified the Companies (Specification of definition details) Amendment Rules, 2022 **("Amendment")** to further amend the Companies (Specification of definition details) Rules, 2014 **("Rules")** vide notification dated September 15, 2022. Through this amendment, the threshold for a small company in clause (t) of rule 2(1) of the Rules has been amended. The limit of paid-up share capital has been increased to rupees four crores (*earlier it was rupees two crores*) and the limit of turnover has been increased to rupees forty crores (earlier it was rupees twenty crores). Accordingly, a small company now means a company, other than a public company, whose paid-up share capital does not exceed rupees four crores and turnover does not exceed rupees forty crores. The following companies would not be categorized as a small company:

- a holding company or a subsidiary company;
- a company registered under section 8 of the Companies Act, 2013; or
- a company or body corporate governed by any special Act.

Validation of Instructions for Pay-In of Securities from Client Demat account to Trading Member (TM) Pool Account against obligations received from the Clearing Corporations

On 19 September, 2022 the Securities and Exchange Board of India ("SEBI") issued a circular on "Validation of Instructions for Pay-In of Securities from Client Demat account to Trading Member (TM) Pool Account against obligations received from the Clearing Corporations". In order to protect clients' funds and securities and to ensure that the Stock Broker segregates securities

or moneys of the client or clients and does not use the securities or moneys of a client or clients for self or for any other client, SEBI has issued various circulars from time to time. SEBI after extensive consultations with Exchanges, Depositories and Clearing Corporations (CCs) to further mitigate the risk for clients' securities, particularly those given towards delivery/settlement obligations decided the following:

- Depositories, prior to executing actual transfer of the securities for Pay-In from client demat account to TM Pool account, shall validate the transfer instruction received through any of the available channels for the purpose of Pay-in, that is either initiated by clients themselves or by the Power of Attorney (POA) / Demat Debit and Pledge Instruction (DDPI) holder against the client-wise net delivery obligation received from CCs.
- For Early Pay-In transactions, the existing facility of Block mechanism shall continue.

In order to validate the pay- in instructions a process has been put in place by the depositories. This process shall not be applicable to clients having arrangements with custodians registered with SEBI for clearing and settlement of trades. This circular shall be applicable with effect from 25 November 2022.

SEBI issues framework on Social Stock Exchange

On 19 September 2022, SEBI issued a detailed framework on Social Stock Exchange ("SSE"). SEBI vide notification dated 25 July 2022, amended the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 **("ICDR Regulations")**, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 **("LODR Regulations")** and SEBI (Alternative Investment Funds) Regulations, 2012 **("AIF Regulations")** in order to provide a broad framework for SSE. In terms of the said amendment, SEBI has brought forth a detailed framework on SSE and it, inter-alia, specifies the following:

- Minimum requirements to be met by a Not for Profit Organization (NPO) for registration with SSE in terms of Regulation 292F of the ICDR Regulations;
- Minimum Initial Disclosure Requirement for NPOs raising funds through the issuance of Zero Coupon Zero Principal Instruments in terms of Regulation 292K(1) of the ICDR Regulations;
- Annual disclosure by NPOs on SSE which have either raised funds through SSE or are registered with SSE in terms of Regulation 91C of the LODR Regulations;
- Disclosure of Annual Impact Report by all Social Enterprises which have registered or raised funds using SSE in terms of Regulation 91E of the LODR Regulations; and
- Statement of utilisation of funds in terms of 91F of the LODR Regulations.

Amendment in the Companies (Corporate Social Responsibility Policy) Rules, 2014

The MCA notified the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2022 ("Amendment") to further amend the Companies (Corporate Social Responsibility Policy) Rules, 2014 vide notification dated September 20, 2022. The amendments inter alia include the following: -

- A new proviso has been inserted in sub rule 1 of rule 3. In case if a company has any amount in its "Unspent Corporate Social Responsibility Account" in relation to any ongoing project, then it needs to constitute a CSR committee in compliance with section 135 of the Companies Act, 2013 **("Act")**.
- The sub-rule 2 to Rule 3 has been omitted, which provided that once CSR provisions became applicable on a company it was required to comply with the said provisions

- for a consecutive period of three financial years even if the company ceases to fall within the specified thresholds for CSR applicability.
- The companies undertaking impact assessment can book expenditure up to 2% of total CSR expenditure or Rs. 50 Lakhs whichever is higher.
- The format for annual report on CSR activities (i.e. Annexure II) to be included in Board's report has been amended.

Modification in Daily Price Limits (DPL) for Commodity Futures Contracts

On 27 September 2022, SEBI issued a Circular on "Modification in Daily Price Limits (DPL) for Commodity Futures Contracts". Earlier, SEBI on 11 January 2021 revised the norms for Daily Price Limit (DPL) for commodity futures contracts. The exchanges have informed that closing price on domestic exchange differs from closing price on international exchange/s (after necessary currency conversion), because of difference in methodology of calculation of closing price. Due to such difference in closing price, the aggregate DPL range on domestic exchange may lag behind (either upwards or downwards) the prices on international exchange in next trading session. In order to resolve the above, SEBI amended the Circular issued on 11 January of 2021 by:

(a) Substituting Clause 7.4 to read as:

"7.4 In case the price movement in the international markets is more than the aggregate DPL or if international price is beyond aggregate DPL range (after appropriate currency conversion) when compared with closing price on previous day on domestic exchange, the same maybe further relaxed in stages of 3% by the Exchange with cooling off period of 15 minutes. For such instances, the Stock Exchanges shall give appropriate notice to the market along with all the relevant details and justification for the same."

(b) To maintain parity between Clause 7.4 & 7.5, 7.5 is substituted to read as:

"7.5 Only in the event of exceptional circumstances, where there is extreme price movement, beyond the initial slab of the DPL, in the international markets, during trading hours or after the closure of trading on domestic exchanges, the stock exchanges can relax the DPL directly by the required level, by giving appropriate notice to the market, as per para 7.4. above."

It is clarified that breach of slab is not essential for implementation of Clause 7.4 and Clause 7.5 of SEBI Circular of 11 January 2021. All the other terms and conditions specified in the SEBI Circular of 11 January 2021 shall remain the same. The circular shall be effective from 27 September 2022.

Amendments to guidelines for preferential issue and institutional placement of units by a listed InvIT

On 28 September 2022, SEBI issued further amendments to the 'guidelines for preferential issue and institutional placement of units by listed InvITs dated 27 November 2019' ("Guidelines") as follows:

(a) Clause 2.2 of the Guidelines is amended to read as:

"2.2 Units of the same class, which are proposed to be allotted have been listed on a stock exchange for a period of at least six months prior to the date of issuance of notice to its unit holders for convening the meeting to pass the resolution in terms of clause 2.1 above:"

(b) Clause 4.2 of Annexure II of Guidelines is amended to read as:

"4.2 No allotment shall be made, either directly or indirectly, to any institutional investor who is a sponsor(s) or investment manager, or is a person related to, or related party or associate of, the sponsor(s) or the investment manager

Provided that allotment of units can be made to the sponsor for un-subscribed portion in the institutional placement subject to following conditions

- at least ninety percent of the issue size has been subscribed
- objects of the issue is acquisition of assets from that sponsor
- units allotted to sponsor shall be locked in as per Clause 3 of Annexure I.
- unitholders approval shall be taken for unsubscribed portion being allotted to sponsor".

Amendments to guidelines for preferential issue and institutional placement of units by a listed REITs

On 28 September 2022, SEBI issued further amendments to the 'guidelines for preferential issue and institutional placement of units by listed REITs dated 27 November 2019' ("REITs Guidelines") as follows:

(a) Clause 2.2 of the REITs Guidelines is amended to reads as follows:

"2.2 Units of the same class, which are proposed to be allotted have been listed on a stock exchange for a period of at least six months prior to the date of issuance of notice to its unit holders for convening the meeting to pass the resolution in terms of clause 2.1 above:"

(b) Clause 4.2 of Annexure II of the REITs Guidelines is amended to read as:

"4.2 No allotment shall be made, either directly or indirectly, to any institutional investor who is a sponsor(s) or manager, or is a person related to, or related party or associate of, the sponsor(s) or the manager

Provided that allotment of units can be made to the sponsor for un-subscribed portion in the institutional placement subject to following conditions

- at least ninety percent of the issue size has been subscribed
- objects of the issue is acquisition of assets from that sponsor
- units allotted to sponsor shall be locked in as per Clause 3 of Annexure I.
- unitholders approval shall be taken for unsubscribed portion being allotted to sponsor".

Extension of time for filing e-form DIR-3-KYC and web-form DIR-3-KYC-WEB without fee upto October 15, 2022

MCA received the representations requesting for an extension of time beyond September 30, 2022, for filing e-form DIR-3-KYC and web-form DIR-3-KYC-WEB without payment of fees. MCA examined this matter and it was decided to allow the filing of the aforesaid forms without fees upto October 15, 2022.

The Spiritual Significance of Festival of lights *"Diwali"*

Diwali is India's most important festival of the year it brings good luck, happiness and prosperity. The lighted *Diya* not only illuminate the environment but it also symbolizes the spiritual *"victory of light over darkness, good over evil, and knowledge over ignorance"*

The Spiritual Significance of Diwali **- Beyond the lights, gambling, and fun, Diwali is also a time to reflect on life and make changes for the upcoming year. With that, there are a number of customs that revelers hold dear each year.**

- **Give & forgive**
- **Rise & shine**
- **Unite & unify**
- **Prosper & progress**

- **Give & forgive** - *It is common practice that people forget and forgive the wrongs done by others during Diwali. There is an air of freedom, festivity, and friendliness everywhere.*
- **Rise & shine** - *Waking up during the Brahmamuhurta (at 4 a.m., or 1 1/2 hours before sunrise) is a great blessing from the standpoint of health, ethical discipline, efficiency in work, and spiritual advancement.*
- **Unite & unify** - *Diwali is a unifying event, and it is a time when people mingle about in joy and embrace one another. The lights of Diwali also signify a time of inner illumination.*
- **Prosper & progress** - *On this day, Hindu merchants in North India open their new account books and pray for success and prosperity during the coming year.*

Source - https://www.learnreligions.com/diwali-festival-of-lights-1770151

Notable Recognitions & Accolades

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