



## Inside this edition

- Extension of LLP Settlement Scheme, 2020
- Guidelines for rights issue of units by an unlisted Infrastructure Investment Trust (InvIT)
- Enhancement of Overseas Investment limits for MFs
- Investor Grievance Redressal Mechanism.
- New Category under Equity Schemes- "Flexi Cap Fund"
- Non-compliance with provisions related to continuous disclosures.

& more ...

## Extension of LLP Settlement Scheme, 2020



The Ministry of Corporate Affairs has extended the date w.r.t. applicability to defaulting LLP under LLP Settlement Scheme, 2020, from August 31, 2020 to November 30, 2020. Accordingly, any defaulting LLP is now permitted to file belated documents, which were due for filing till November 30, 2020 in accordance with the provisions of LLP Settlement Scheme, 2020. Further, MCA provided that if a statement of Account and Solvency for the financial year 2019-2020 has been signed beyond the period of six months from the end of financial year but not later than November 30, 2020, the same shall not be deemed as non-compliance.

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## Guidelines for rights issue of units by an unlisted Infrastructure Investment Trust (InvIT)



In order to enable unlisted InvITs to raise further funds, it has been decided to provide a mechanism for raising of funds by unlisted InvITs through rights issue of units. SEBI has issued detailed guidelines for raising funds through this route which provides the guidelines on conditions for issuance, underwriting, letter of offer, application form, pricing of units, timelines and manner of issuance of units. Further, the minimum allotment to any investor, as prescribed, shall be INR 1 crore.

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## Enhancement of Overseas Investment limits for Mutual Funds



SEBI has enhanced the investment limits per Mutual Fund as follows:

1. Mutual Funds can make overseas investments subject to a maximum of US \$ 600 million per Mutual Fund, within the overall industry limit of US \$ 7 billion.
2. Mutual Funds can make investments in overseas Exchange Traded Fund (ETF(s)) subject to a maximum of US \$ 200 million per Mutual Fund, within the overall industry limit of US \$ 1 billion. Mutual Funds shall report the utilisation of overseas investment limits on monthly basis, within 10 days from end of each month.

SEBI has also prescribed the format for reporting.

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## Investor Grievance Redressal Mechanism



In order to further strengthen the Investor Grievance Redressal Mechanism, SEBI has clarified that Stock Exchange shall ensure that the investor complaints shall be resolved within 15 working days from the date of receipt of the complaint. Additional information, if any, required from the complainant, shall be sought within 7 working days from the date of receipt of the complaint. Stock Exchange shall maintain a record of all the complaints addressed/redressed within 15 working days from the date of receipt of the complaint/additional information.

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## **New Category under Equity Schemes- “Flexi Cap Fund”**

SEBI has come up with new category under equity schemes in order to give more flexibility to the mutual funds, an open ended dynamic equity scheme will be available which require such schemes to invest minimum 65 per cent of the total assets in equity & equity related instruments, across large cap, mid cap and small cap stocks. For easy identification by investors and in order to bring uniformity in names of schemes for a particular category across Mutual Funds, the scheme name shall be the same as the scheme category. Mutual Funds have the option to convert an existing scheme into a Flexi Cap Fund subject to compliance with the requirement for change in fundamental attributes of the scheme.

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## **Non-compliance with provisions related to continuous disclosures**



SEBI lays down a uniform structure for imposing fines for non-compliance with continuous disclosure requirements in order to ensure effective enforcement of continuous disclosure obligations by issuers of listed Non-Convertible Debt Securities or Non-Convertible Redeemable Preference Shares (NCRPS) or Commercial Papers. The Stock Exchanges shall levy fine and take action in case of non-compliances with continuous disclosure requirements by issuers of listed NonConvertible Debt Securities and/ or NCRPS and/ or Commercial Papers as specified.

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## **Securities Appellate Tribunal Order in the matter of Reliance Industries Ltd & Ors.**

The Securities Appellate Tribunal (SAT) has directed Reliance Industries Ltd (RIL) to make payment of the disgorged amount of Rs. 447.27 Crore, along with simple interest calculated at the rate of 12% p.a. with effect from November 29, 2007 till the actual date of payment to SEBI within 60 days from the date of this Order, while dismissing an appeal filed by the company against the SEBI order dated March 24, 2017. SEBI earlier had barred RIL and other entities from dealing in equity derivatives in the futures and options segment for a period of one year, directly or indirectly, for allegedly indulging in fraudulent trades in Reliance Petroleum Ltd in 2007.

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