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SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI)

In exercise of the powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992, read with Regulation 77 of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, the Securities and Exchange Board of India ("SEBI") in order to protect the interests of investors in securities and to enhance transparency in debt schemes has vide its *Circular dated July 22, 2020* decided as follows:

1. Every month, Mutual Funds shall undertake 10% (based on the average in immediate preceding three months) of their total secondary market trades by value in the Corporate Bonds by placing or seeking quotes through one-to-many mode on the Request for Quote platform of stock exchanges. The 10% is exclusive of Inter Scheme Transfer trades.
2. Further, in partial modification of earlier *Circular dated September 13, 2012* SEBI has decided that for debt schemes disclosures shall be done on fortnightly basis within five (5) days of every fortnight. Also, in addition to portfolio disclosure, yield of the instrument shall also be disclosed.

This Circular shall come into effect from October 01, 2020.



Extension of time for submission of financial results for the quarter/ half year/ financial year ended 30th June 2020

In the wake of chaos caused by spread of the COVID-19 virus, several representations have been received from stakeholders with regard to difficulty in submission of financial results under Regulation 33 of the Listing Obligations and Disclosure Requirements Regulations (“**LODR**”), for the quarter/half year/financial year ended 30th June 2020.

The Securities and Exchange Board of India vide *Circular dated July 29, 2020*, has granted relief to the stake holders and this circular shall come into immediate effect.

1. SEBI, vide *Circular dated June 24, 2020*, had extended the timeline for submission of financial results by listed entities for the quarter / half-year / financial year ended 31st March 2020 to July 31, 2020 due to the impact of the COVID-19 pandemic.
2. Regulation 33 of LODR Regulations, 2015 requires a listed entity to submit its quarterly/ half year/annual financial results within forty-five days (45) or sixty days (60), as applicable, from the end of each quarter/half year/financial year. Accordingly, listed entities are required to submit the financial results for the quarter/half year ended June 30, 2020, on or before August 14, 2020.
3. SEBI has received representations requesting extension of time for submission of financial results for the quarter/half year ended June 30, 2020, due to the shortened time gap between the extended deadline for submission of financial results for the period ended March 31, 2020 (*31st July*) and the quarter/half year ended June 30, 2020 (*14th August*).
4. After consideration, it has been decided to extend the timeline for submission of financial results under Regulation 33 of the LODR Regulations, for the quarter/half year/ financial year ended 30th June 2020, to September 15, 2020.
5. The Circular is issued in exercise of the powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992 read with Regulation 101 of the LODR Regulations.



Securities and Exchange Board of India (International Financial Services Centres) Guidelines, 2015 - Amendments

1. Securities and Exchange Board of India (“SEBI”) has issued a *Circular dated July 09, 2020 (“Circular”)* for amendments in SEBI International Financial Services Centres Guidelines, 2015 (“SEBI IFSC Guidelines, 2015”) which was notified on March 27, 2015 in accordance with SEBI Circular dated July 27, 2017.
2. In order to further streamline the operations at International Financial Services Centres (“IFSC”), clause 4 (1) of SEBI IFSC Guidelines, 2015 is amended and to be read as follows:

“4. 1) Eligibility and Shareholding limit for stock exchange desirous of operating in IFSC

Any Indian recognized stock exchange or any stock exchange of a foreign jurisdiction may form a subsidiary to provide the services of stock exchange in IFSC wherein at least fifty one per cent. of paid up equity share capital is held by such stock exchange and remaining share capital may be offered to any other person (whether Indian or of foreign jurisdiction) and such person shall not at any time, directly or indirectly, either individually or together with persons acting in concert, acquire or hold more than five per cent of the paid up equity share capital in a recognized stock exchange in IFSC, subject to applicable law.

Provided that, —

- (a) a stock exchange,*
- (b) a depository,*
- (c) a banking company,*



*(d) an insurance company,
(e) a commodity derivatives exchange
(f) [whether Indian or of foreign jurisdiction for (a) to (e)]
(g) a public financial institution of Indian jurisdiction, and
(h) a bilateral or multilateral financial institution approved by the Central Government,
may acquire or hold, either directly or indirectly, either individually or together with persons acting in concert, upto fifteen per cent of the paid up equity share capital of a recognized stock exchange with prior approval of the Board.*

Provided further that the provisions of Regulation 19 and 20 of Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 should be complied with”

3. This Circular is issued in exercise of powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act, 1992, to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.



Manner and mechanism of providing exit option to dissenting unit holders pursuant to Regulation 22(6A) and Regulation 22(8) of SEBI Real Estate Investment Trusts Regulations, 2014 (“SEBI (REIT) Regulations”)

1. Regulation 22(6A) and Regulations 22(8) of SEBI REIT Regulations provide for exit option to be given to dissenting unit holders and are mentioned in this *Circular dated July 17, 2020*

2. An acquirer providing an exit option to dissenting unitholders in terms of this Circular shall appoint one or more merchant bankers, registered with the Board, as lead manager(s) for the exit option/offer, shall ensure compliance with the regulations. The lead manager(s) shall send the Letter of Offer (LoF) to all dissenting unit holders and shall also file the same along with a due diligence certificate, in line with specified Form A which are provided further below in this circular. A due diligence certificate shall also be filed which is in line with Form D with the Board within two working days of payment considered by the acquirer by the Lead Manager(s), some of the details of which are reproduced below for ready reference:

3. *Manner and mechanism of exit option:*

A. The acquirer shall facilitate tendering of units by the unit holders and settlement of the same through the stock exchange mechanism as specified by SEBI for the purpose of takeover, buy-back and delisting in case of equity of listed companies.

B. Manager shall be entitled to receive from the Acquirer all expenses incurred and payable to external agencies related to the exit offer process prescribed in this circular.

C. Units tendered in exit option shall be in multiples of the trading lot as applicable to the units of the same class of the REIT, under the existing provisions of the SEBI (REIT) Regulations and circulars issued thereunder.

D. Dissenting shareholders who are unit holders on the cut-off date for the purpose of voting shall be eligible to avail the exit option/offer in respect of such number of units held by such Dissenting Unitholders on the cut-off date.



Maharashtra Electricity Regulatory Commission

Bothe Windfarm Development Private Limited versus Maharashtra State Electricity Distribution Company Limited & Ors.

Case No. 28 of 2020 was filed by Bothe Windfarm Development Private Limited (“**Petitioner**”) seeking directions against Maharashtra State Electricity Distribution Company Limited (“**Respondent**”) for executing Energy Purchase Agreement (“**EPA**”) for supply of power from its 6.3 MW Wind Turbine Generators.

Summary:

1. The Petitioner’s prayers included to ask the Maharashtra Electricity Regulatory Commission (“**MERC**”) to comply with its wind policy, 2014 and Government of Maharashtra’s RE Policy, 2015 and execute EPA’s with Petitioner aggregating 6.3MW for a period of 13 years from their commissioning i.e 2014 at the levelised general tariff at Rs. 5.70/kWh determined by MERC
2. The prayers also included directing the Respondent to pay Rs. Forty One Crore Thirty Five Lakhs Thirty Three Seven Hundred and Thirty Three (Rs. 41,35,33,733) inclusive of late payment surcharges as per the EPA. Direct Respondent to pay tariff at Rs. 5.70/kWh beyond January 23, 2020 along with interest/payment surcharge at the rate of 15% per annum
3. Issues to be considered and addressed by MERC:
 - A. Whether the Respondent is mandated to enter into EPA’s keeping in mind the past policies?
 - B. Whether there was an implied contract/agreement between the Petitioner and MSEDCL?
 - C. Whether the Petitioner is eligible for compensation for energy injected by it into the grid and if yes, at which rate?
4. In regards to the first issue, MERC ruled that the Petitioner cannot be directed to sign the EPA by relying on the Respondent’s Wind Policy 2014 and RE Policy, 2015.



5. In opinion of the MERC in regards to the second issue, the Respondent had categorically mentioned in its letters that Permission to Commission ("**PTC**") does not guarantee purchase of power and therefore, the Petitioner's contention that the Respondent entered into an EPA with free consent cannot be accepted.

6. As per provisions and rulings by APTEL, energy injected without a valid contract is not eligible for compensation but MERC is of the opinion that since the Respondent availed benefits of the energy injected from FY 2014-15 to FY 2016-17, the Petitioner should be compensated for the same. As there was no valid EPA between the parties, the tariff applicable at the point in time cannot be considered. The only other way to calculate is through Average Power Purchase Cost ("**APPC**") and that is why MERC directed the Respondent to compensate the Petitioner at the approved APPC rate for the respective years and since the Respondent has used this energy to meet its RPO, green attribute of the same also needs to be paid. However, energy inject from FY 2017-18 onwards, which has not been utilized by the Respondent for its RPO and is without a valid EPA, need not be compensated.

In view of the above facts, the Case No. 28 of 2020 is partly allowed.



Kalika Steel Alloys Private Limited and 27 others filed a case seeking extension of the Maharashtra Electricity Regulatory Commission's ("Commission") Orders in Case No. 82 of 2020 pertaining to the Revision/Change in Contract Demand

The Petitioners' prayers included:

1. The Petitioners' prayed that the relaxation granted vide Order dated May 21, 2020 be extended up to March 31, 2023
2. The Petitioners' prayers included a plea for grant of 1 day relaxation in case of reduction of Contract Demand by Petitioners' so that they are able to do so within 48hours/2 days' notice instead of existing 3 days' notice.
3. The Petitioners' pray that the Hon'ble Commission be pleased to extend the system of WEB SELF SERVICE(WSS) portal and make the same available to the Petitioners who intend to increase their Contract Demand even beyond the Original (Sanctioned) Contract Demand (Contract Demand before March 22, 2020) with the system of 7 days advance application through WEB SELF SERVICE.

RULING:

1. The Petition was partly allowed.
2. Although the Petition Prayer sought extension of relaxation till March 31, 2023, the Petitioners' advocate, during the hearing, amended the extension date and asked for extension up to March 31, 2021. This extension for 3 years was opposed by Maharashtra State Electricity Distribution Company Limited ("MSEDCL") but after it was amended, the decision was left to the Commission. The Commission allowed the extension of Contract Demand up to 3 occasions to HT industrial and HT Commercial consumers and up to 2 occasions to LT Industrial and LT commercial consumers to March 21, 2020.
3. The Commission's decision on the grant of relaxation of 1 day in case of reduction of Contract Demand was not granted. The reason given by the Commission was that two (2) days is not ample amount of time for the processing of request by MSEDCL for power planning and billing system. Thus, three (3) days are maintained to balance the interest of all the parties.
4. The applications, whether load/contract demand, shall be allowed through online mode as the Commission has always encouraged online methods wherever possible. The sanction of load beyond the Original Load (March 22, 2020) shall be subjected to technical feasibility.



National Company Law Appellate Tribunal at New Delhi Caselaw

In the matter of **Vivek Bansal versus Burda Druck India Private Limited & Anr.**, the NCLAT announced an **order dated July 14, 2020**, the summary of which is produced down below:

1. The CIRP Process was initiated by the Operational Creditor under Section 9 of the Insolvency Bankruptcy Code, 2016 and was thereby admitted by the Adjudicating Authority i.e. NCLT.
2. Consequently, Moratorium was imposed and an Interim Resolution Professional (“IRP”) was appointed.
3. Thereafter, the issue in question was solved by the parties through settlement and entered into a settlement agreement soon pursuant to the amicable solving.
4. An appeal was thus filed in NCLAT for recording the statement of the parties under Rule 11 of NCLAT Rules, 2016 and the parties were then allowed to quit the CIRP Process midway as it was no longer relevant after the settlement between said parties.
5. “The Respondent Company is released from all the rigour of law and is allowed to function independently through its board of directors with immediate effect” read the Judgement produced by the Three (3) Member Bench.

MINISTRY OF CORPORATE AFFAIRS

In view of the widespread of COVID – 19 pandemic, the Ministry of Corporate Affairs vide *Notification issued in July, 2020* relaxed deadlines and extended time periods of various procedures involved in the incorporation of a new as well as existing companies. The notification clarifies as below:

S r . No	Issue description	Period / Days of Extension
1.	Names reserved for Twenty (20) days for new company incorporation. SPICE+ Part B needs to be filed within Twenty (20) days of name reservation.	Names expiring any day between March 15, 2020 and July 31, 2020 would be extended by Twenty (20) days beyond July 31, 2020.
2.	Names reserved for Sixty (60) days for change of name of company. INC-24 needs to be filed within Sixty (60) days of name reservation.	Names expiring any day between March 15, 2020 and July 31, 2020 would be extended by Sixty (60) days beyond July 31, 2020.
3.	Extension of RSUB (re-submission) validity for companies.	Service Request Number (" SRN ") where last date of Resubmission (RSUB) falls between March 15, 2020 and July 31, 2020, additional Fifteen (15) days beyond July 31, 2020 would be allowed. However, for SRNs already marked under NTBR, extension would be provided on case to case basis. Note: Forms will not get marked to (Not to be taken on Record)'NTBR' due to non-resubmission during this extended period as detailed above. It also includes IEPF Non-STP e-Forms (IEPF-3, IEPF-5 and IEPF-7)



4.	Names reserved for Ninety (90) days for new LLP incorporation/change of name. FiLLiP/Form 5 needs to be filed within Ninety (90) days of name reservation	Names expiring any day between March 15, 2020 and July 31, 2020 would be extended by Twenty (20) days beyond July 31, 2020.
5.	RSUB validity extension for LLPs	SRNs where last date of resubmission (RSUB) falls between March 15, 2020 and July 31, 2020, additional Fifteen (15) days would be allowed from July 31, 2020 for resubmission. However, for SRNs already marked under NTBR, extension would be provided on case to case basis. Note: Forms will not get marked to (Not to be taken on Record)'NTBR' due to non-resubmission during this extended period
6.	Extension for marking IEPF-5 SRNs to 'Pending for Rejection u/r 7(3)' and 'Pending for Rejection u/r 7(7)'	SRNs where last date of filing e-Verification Report (for both Normal as well as Re-submission filing) falls between March 15, 2020 and July 31, 2020, would be allowed to file the form till September 30, 2020. However, for SRNs already marked under 'Pending for Rejection u/r 7(3)' and 'Pending for Rejection u/r 7(7)', extension would be provided on case to case basis. Note: Status of IEPF-5 SRN will not change to 'Pending for Rejection u/r 7(3)' and 'Pending for rejection u/r 7(7)' till



MINISTRY OF POWER

Guidelines for Tariff Based Competitive Bidding Process for Procurement of Round-The Clock Power from Grid Connected Renewable Energy Power Projects, complemented with Power from Coal Based Thermal Power Projects

1. The following guidelines are being issued under Section 63 of the Electricity Act, 2003 to enable procurement of Round-The-Clock (“RTC”) power by DISCOMs from grid connected to RE Power Projects, complemented with power from coal based thermal power projects, through tariff based competitive bidding practices and were released vide *Notification dated July 22, 2020*.

2. The objectives of the guidelines are as follows:
 - A. To facilitate renewable capacity addition and fulfilment of Renewable Purchase Obligations requirement of DISCOMs as well as provide RTC power to DISCOMs from grid connected to RE power projects complemented with power from coal based thermal power projects.
 - B. To provide for a fair, transparent, standardized procurement framework based on open competitive bidding with appropriate risk-sharing between various stakeholders to enable procurement of power at competitive prices in consumer interest, improve bankability of projects and ensure reasonable returns to the investors; and
 - C. To provide for a framework for an Intermediary Procurer as an Aggregator/Trader for the inter-state/intra-state, long-term, sale purchase of power.

3. Mentioned below for ready reference are a few points out of the guidelines:

Preparation for inviting bid and project preparedness: (Conditions to be met by the Procurer)

Bid Documentation:

- A. Prepare the bid documents in accordance with these Guidelines and any



Standard Bidding Documents (“**SBDs**”), (consisting of Model Request for Selection (“**RfS**”), model power purchase agreement and model power sale agreement), notified by the Central Government, except as provided in sub-clause below:

- B. Seek approval of the Appropriate Commission for deviations, if any, in the draft RfS Draft PPA, draft PSA (if applicable) from these Guidelines and/or SBDs, in accordance with the process described in clause 19 of these Guidelines
- C. However, for the purpose of clarity, if the Procurer while preparing the draft RfS , draft PPA and draft PSA and other project agreements provides detailed provisions that are consistent with the Guidelines, such detailing will not be considered as deviations from these Guidelines even though such details are not provided in the Guidelines.

SUPREME COURT

CASE: Writ Petition (Civil) No. 679/2020- *Saurabh Jain & Anr. vs. Union of India & Ors.*
before the Hon'ble Supreme Court of India ("**Hon'ble Court**") – dated July 20,
2020

FACTS OF THE CASE:

The petitioners, led by senior advocate Manan Kumar Mishra and advocate Durga Dutt, claimed that a huge sum of money is being lost on a daily basis merely because, the Public Sector Banks ("**PSB's**") are failing to invoke personal bank guarantees furnished by big corporate entities. The Petitioners alleged the non-compliance of the **Circular** issued by the Ministry of Finance, directing all Public Sector Banks, to invoke personal guarantees given by the promoters, directors, managerial personnel of large corporate houses, which have defaulted in repaying the loans advanced to them by such PSB's.

RULING:

The Hon'ble Supreme Court of India, was of the view that is clearly stated in the present Writ Petition as been clearly cited that the Ministry of Finance itself has, by a circular, directed personal guarantees issued by promoters/managerial personnel to be invoked. The Circular makes it clear that in the event of default in repayment of loan by the borrower Company, all the guarantors are liable to repay the guaranteed loan with interest as the liability of the guarantor is co-extensive with the principal-debtor (borrower).

Despite the above mentioned Circular issued by the Ministry of Finance, the Public Sector Undertakings continue not to invoke such guarantees, which in turn have resulted in huge losses not only to the public exchequer but also to the common man.

Considering the importance of the said issue, the Hon'ble Supreme Court asked the petitioners, to withdraw the said Writ Petition, and approach the Ministry of Finance with a representation in this behalf within a period of two weeks from the date of this order – July 20, 2020.

The Ministry of Finance was thereby directed to reply to the said representation within a period of four weeks after receiving such representation.



Ministry of Consumer Affairs, Food and Public Distribution

The Ministry of Consumer Affairs, Food and Public Distribution, vide *Notification dated July 15 2020*, stated that the Central Government, in exercise of the powers conferred by Section 1 (3) of the Consumer Protection Act, 2019, hereby appoints the 20th day of July, 2020 as the date on which the following provisions of the said Act shall come into force, namely:

Chapter	Sections
I - Preliminary	Section 2 [Except clauses (4), (13), (14), (16), (40)]
II - Consumer Protection Councils	Sections 3 to 9 (both inclusive);
IV - Consumer Disputes Redressal Commission	Sections 28 to 73 (both inclusive); [Except sub-clause (iv) of clause (a) of sub-section (1) of Section 58.]
V - Mediation	Sections 74 to 81 (both inclusive);
VI - Product Liability	Sections 82 to 87 (both inclusive);
VII - Offences And Penalties	Sections 90 and 91; [Except sections 88,89,92 & 93]
VIII - Miscellaneous	Sections 95, 98, 100, Section 101 [Except clauses (f) to (m) and clauses (zg), (zh) and (zi) of sub –section 2] Sections 102, 103, 105, 106, 107 [Except sections 94, 96,97,99, 104]



By giving effect to Section 107 of the Consumer Protection Act, 2019 and thereby repealing the Consumer Protection Act, 1986, majority sections of the Act are brought in force by the said notification.

However it is to be noted that the entire Chapter III dealing with Central Consumer Protection Authority has been kept out of the ambit of this notification. Further, by enabling sections 74 to 81 of Chapter V of the Act, a statutory Mediation mechanism has been put into effect.

Accordingly, by enforcing Sections 28 to 73 of Chapter IV, in the pecuniary jurisdiction of the said Commissions has been revised as follows:

District Commission: According to Section 34 (1) the District Commission shall have jurisdiction to entertain complaints where the value of the goods or services paid as consideration does not exceed **Rupees One Crore (Rs. 1,00,00,000)**

State Commission: According to Section 47 (1) (a) the State Commission shall entertain the complaints where the value of the goods or services paid as consideration, exceeds rupees one crore, but does not exceed **Rupees Ten Crore (Rs. 10,00,00,000)**

National Commission: According to Section 58 (1) (a) the National Commission shall entertain complaints where the value of the goods or services paid as consideration exceeds **Rupees Ten Crore (Rs. 10,00,00,000)**

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Warm Regards,

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