

SEBI: Disclosure regarding commodity risks by listed entities 1

SEBI: Standardized Norms for Transfer of Securities in physical mode. 3

CERC: Amendment to the Central Electricity Regulatory Commission (Deviation Settlement Mechanism and related matters) Regulations, 2014. 5

Companies Act: Amendment to the Companies (Registered Valuers and Valuation) Rules, 2017. 8

RBI: Real Time Gross Settlement System— Implementation of Positive Confirmation 9

RBI: Relaxation on the guidelines of Non-Banking financial Companies on Securitization transactions 10

MahaRERA: Procedure for referring complaints to Maharashtra Real Estate Regulatory Authority Conciliation and Dispute Redressal Forum 11

SECURITIES AND EXCHANGE BOARD OF INDIA

Disclosure regarding commodity risks by listed entities

The Securities and Exchange Board of India (“SEBI”) vide its *Notification dated November 15, 2018* mandated listed entities to make disclosures regarding commodity price risk and hedging activities in the Corporate Governance Report section of the Annual Report of a listed entity in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

1. In order to bring further clarity to the disclosures to be made in the Annual Report (“**Report**”) by the Listed companies, the Corporate Governance Committee in its report to SEBI dated October 5, 2017 recommended:
 - a. Disclosure of risk management activities and commodity hedging positions in a more transparent, detailed and uniform manner.
 - b. Detailed format along with the periodicity of the disclosures may be outlined by SEBI.
2. The abovementioned suggestions were accepted by the SEBI in its meeting held on March 28, 2018 and shall be implemented through a circular.

<u>MahaRERA: Standard Operating Procedure for handling complaints on Non-Registered Projects</u>	12
<u>MahaRERA: Disclosure of Information Regarding Project Professionals</u>	14
<u>MahaRERA: Quality Assurance Certificate</u>	15

3. Hence, all listed entities shall make the disclosure in the format as placed under the clause 9(n) of Part C of Schedule V which shall be included in the Report as an Annexure. The following Annexure is reproduced below:

ANNEXURE

1. Exposure of the listed entity to commodity and commodity risks faced by the entity throughout the year:
 - a. Total exposure in INR.
 - b. Exposure to various commodities:

Commodity Name	Exposure in INR towards the particular commodity	Exposure in Quantity	% of such exposure hedged through commodity derivatives					
			Domestic market		International market		Total	
			OTC	Ex-change	OTC	Ex-change		

- c. Commodity risks faced during the year and how they have been managed.

Standardized Norms for Transfer of Securities in physical mode

The Securities and Exchange Board of India (“SEBI”) vide its *Circular dated November 08, 2018* has prescribed requirements for transfer of securities in physical mode.

The Registrars Association of India (“RAIN”) submitted a standardized procedure for transfer of securities in physical mode which has been modified as below:

1. Non-availability of PAN of the transfer deeds executed prior to December 01, 2015:

The transfer deeds executed prior to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”) may be registered with or without the PAN of the transfer or as per the requirement of quoting PAN under the applicable Income Tax Rules.

2. Mismatch of name in PAN card vis-à-vis name on share certificate/ transfer deed:

On explaining the difference in names, additional documents shall be submitted viz,

- a. Copy of Passport
- b. Copy of legally recognized Marriage Certificate
- c. Copy of gazette notification regarding change in name
- d. Copy of Aadhar Card

3. Major Mismatch/ Non-availability of transferor’s signature:

The following procedure/ documentation shall be followed for registration of transfer of securities:

- a. Compliance with the procedure as laid down in Para (B)(2) of Schedule VII of LODR for major difference or non-availability of the signature of the transferor.
- b. The Registrar and Transfer Agent (“RTA”)/ Issuers shall either check the Dividend history or current contact details where the dividend was encashed or contact the transferor from the address, email and phone numbers.
- c. In case of non-delivery of objection memo:
 1. The below mentioned documents shall be collected from the transferee:
 - i. Indemnity Bond from the transferee in the format placed at Annexure A.
 - ii. Copy of Address proof- Passport/ Aadhar Card/ Driving License of the transferee.
 - iii. Undertaking stating that the transferee will not transfer/ demat the physical securities until the lock-in period specified under clause (iii) is completed.
 2. RTA may also verify Know Your Client (“KYC”) details submitted by the transferee.
 3. Transfer shall come in effect only after the expiry of thirty (30) days after being published in the newspaper in at least one English language national daily newspaper having nationwide circulation.
- d. In case the bank attested address of the transferor differs from that available in the company’s/ RTA’s records, the company/ RTA shall update the new address as attested by the bank.

CENTRAL ELECTRICITY REGULATORY COMMISSION

Amendment to the Central Electricity Regulatory Commission (Deviation Settlement Mechanism and related matter) Regulation, 2014

The Central Electricity Regulatory Commission (“**CERC**”) vide its *Notification dated November 20, 2018* amended the Central Electricity Regulatory Commission (Deviation Settlement Mechanism and related matters) Regulation, 2014 (“**Principal Regulations**”) to the Central Electricity Regulatory Commission (Deviation Settlement Mechanism and related matters) (Fourth Amendment) Regulations, 2018 (“**Amended Regulations**”).

The Amended Regulations shall come into force from January 01, 2019. It laid down the following Amendments:

1. Area Clearing Price (“**ACP**”) would mean the price of a time block electricity established on the Power Exchange after taking into consideration all the valid purchases and sale bids in particular area(s) after dividing the market across constrained transmission corridor(s).
2. A clause pertaining to the Day Ahead Market (“**DAM**”) is added in the Amended Regulations.
3. The Deviation Settlement Mechanism (“**DSM**”) rate vector will have a dynamic slope determined by joining the identified price points at 50 Hz (daily simple average ACP), frequency of 49.85 Hz (Rs. 8 (Rupees Eight Only) per unit) and 50.05 Hz (zero) on a daily basis.
4. Maximum Ceiling Limit for Daily ACP in the DAM segment of Power Exchange at 50.00 Hz shall be Rs. 8 (Rupees Eight only).

5. Daily simple average ACP in the day-ahead market (exclusive of any transmission charges and transmission losses) will be used as the basis for market linked DSM price at 50 Hz.
6. The daily simple average ACP of the power exchange having a market share of 80 percent or more in energy terms on a daily basis will be taken into consideration for linking to the DSM price vector.
7. If no single power exchange is having a market share of 80 percent or more, the weighted average day-ahead price will be used for linking to the DSM price vector.
8. In case of non-availability of daily simple average ACP due to no-trade on a given day, daily simple average ACP of the last available day will be considered for determining the DSM charge.
9. The National Load Despatch Centre (“**NLDC**”) shall act as the Nodal Agency to declare the daily DSM rates.
10. The sub-clause (b) of clause (2) of Regulation 5 of the Principal Regulation will be substituted as mentioned below:

"(b) The Charge for Deviation corresponding to grid frequency interval of 'below 50.01 Hz and not below 50.0 Hz' shall be daily average Area Clearing Price discovered in the Day-Ahead Market (DAM) segment of Power Exchange. The daily simple average ACP of the Power Exchange having a market share of 80% or more in energy terms on a daily basis shall be used for linking to the DSM price. If no single Power Exchange is having a market share of

more in energy terms on a daily basis shall be used for linking to the DSM price. If no single Power Exchange is having a market share of 80% or more, the weighted average daily simple average ACP shall be considered".

11. The charge for Deviation at Grid frequency below 49.85 Hz shall be 800 paise/KWh shall be substituted in sub-clause (d) of clause (2) of Regulation 5.

12. A new proviso shall be added to the Regulation 7 of the Principal Regulation after the clause 2 viz:

"Provided also that from a date not earlier than one year as may be notified by the Commission, the total deviation from schedule in energy terms during a day shall not be in excess of 3% of the total schedule for the drawee entities and 1% for the generators and additional charge of 20% of the daily base DSM payable / receivable shall be applicable in case of said violation."

13. Clause (10) of Regulation 7 of the Principal Regulation shall be amended. The Amended Regulation is pertaining to the events of sustained deviation from schedule in one direction, whether positive or negative, by any regional entity, such regional entity will have to change their sign of deviation from schedule, at least once, after every six (6) time blocks. Violation of the abovementioned requirement shall attract an additional charge of 20 percent on daily base DSM payable/ receivable.

COMPANIES ACT

Amendment to the Companies (Registered Valuers and Valuation) Rules, 2017

The Central Government vide its *Notification dated November 13, 2018* amended the Companies (Registered Valuers and Valuation) Rules, 2017 (“**Principal Rule**”). The amended rule may be called the Companies (Registered Valuers and Valuation) Fourth Amendment Rules, 2018 (“**Amended Rule**”).

In the Amended Rule,

1. A sub-rule (3) shall be inserted after the sub-rule (2) of rule 1 which establishes the application of the Amended Rules. It classifies that the conduct of valuation will not affect any other law or the Companies Act, 2013 or the Principal Rules.
2. An explanation will subsequently be added after the Explanation II under rule 4, explaining the term ‘equivalent’ under rule 4:

“For the purposes of this rule and Annexure IV equivalent’ shall mean professional and technical qualifications which are recognized by the Ministry of Human Resources and Development as equivalent to professional and technical degree.”

3. The Amended Rule will omit under the rule 10 the below mentioned words,

“and he may conduct valuation as per these rules if required under any other law or by any other regulatory authority”

RESERVE BANK OF INDIA

Real Time Gross Settlement System—Implementation of Positive Confirmation

The Reserve Bank of India (“RBI”) vide its *notification dated November 15, 2018*.

In view of the fact that the National Electronic Funds Transfer (“NEFT”) system provides for sending a positive confirmation to the remitter, it has been decided that the banks shall provide the same facility to the remitter of funds under the Real Time Gross Settlement (“RTGS”) System as well.

1. The feature will initially be available for member banks wherein both the remitter and the beneficiary banks access RTGS. The positive confirmation feature would be subsequently enabled for member banks accessing RTGs through other channels.
2. All banks are required to put in place systems to ensure straight-through-processing (“STP”) based confirmation processing.
3. The positive confirmation system shall be operationalized at the earliest but not later than two (2) months.

Relaxation on the guidelines to Non Banking Financial Companies on
Securitization transaction

The Reserve Bank of India (“**RBI**”) vide its *Circular dated November 29, 2018* decided to relax the Minimum Holding Period in order to encourage Non Banking Financial Companies (“**NBFCs**”) to securitize/ assign their eligible assets also in respect to loans of original maturity above five (5) years and for receipt of repayment of six (6) monthly instalments or two (2) quarterly instalment, subjected that the Minimum Retention Requirement (“**MRR**”) shall be 20% of the book value/ cash flow.

This dispensation shall be applicable during a period of six (6) months from the date of issuance of this circular.

MAHARASHTRA REAL ESTATE REGULATORY AUTHORITY

Procedure for referring complaints to Maharashtra Real Estate Regulatory Authority Conciliation and dispute Resolution Forum

The Maharashtra Conciliation and Dispute Resolution Forum (“**MCDR Forum**”) was established by the Maharashtra Real Estate Regulatory Authority (“**MahaRERA**”) vide *Circular dated January 29, 2018* to facilitate resolution of disputes amicably.

Thus, to facilitate alternate dispute resolution the following guidelines are issued with immediate effect by the *Circular dated November 29, 2018 vide its Order No. 06/2018*:

1. When MahaRERA or an Adjudicating Officer of MahaRERA are of the view that the issue can be resolved through conciliation, then with the consent of both the parties, it may refer to a designated bench of the MCRD Forum.
2. A designated time should be provided before which, the conciliation panel (“**the Panel**”) should submit its report.
3. The Panel shall do their best to resolve before the estimated time.
4. The said authority shall take into record the report of the conciliation bench to decide the case.

Standard Operation Procedure for handling complaint on Non-Registered Projects

The Maharashtra Real Estate Regulatory Authority (“MahaRERA”) had issued *Circular dated July 17, 2018* laying down certain Standard Operating Procedures to deal with complaints against the registered projects and for source information of project, which ought to have been registered but have not registered.

On request of various stakeholders, MahaRERA introduced another circular having the *Circular No. 23/2018 dated November 26, 2018* which simplified the procedure for providing complaint on Non-Registered Projects.

The procedure as laid down:

Steps	Description	Details
Step 1	Informant are requested to submit the details on the portal	<ol style="list-style-type: none">1. If the informant wants a hearing with the authority, a fee of Rs. 5000 (Rupees Five Thousand Only).2. Mobile number will be verified through One Time Password (“OTP”)3. Status can be viewed using the mobile number and the Supreme Court (“SC”) number generated

Step 2	On receiving, automatic assignment to Technical Officers (“TO”)	The project will be scrutinized on the basis of gathered information.
Step 3	The TO shall take the following steps: 1. Source complaint: i. TO shall schedule hearing with authority; ii. On the hearing date, the Complainant shall provide the declaration that copy of the complaint along with hearing details has been duly served upon the respondent; iii. Ruling shall be uploaded on the website	1. Details can be viewed by the informant on his/her dashboard. 2. Provision of the Respondents email is mandatory.

Disclosure of Information regarding Project Professionals

The Maharashtra Real Estate Regulatory Authority (“**MahaRERA**”) vide *Circular dated November 26, 2018* made certain provisions for the disclosure of information regarding project professionals.

1. Rule 20 of Maharashtra Real Estate (Regulation and Development) (Resignation of real estate projects, Registration of real estate agents, rates of interest and disclosure on website) Rules, 2017, mandates disclosure of details of Real Estate Agents, Contractors, Architect (Certifying Form 1 & 4), Structural Engineer, Engineer (Certifying Form 2 & Form 2A), Chartered Accountant (Certifying Form 3 & 5) and any other person concerned with the development of the proposed project to increase transparency, accountability and ease in accessibility of information.
2. This circular proposes to capture the name, mobile number, email and address of all the persons mentioned above along with the MahaRERA Registration Number of the Real Estate Agent and the Type of the contractor for a project.
3. All the promoters are to update these details in their Projects online from December 1, 2018.

Quality Assurance Certificate– Form 2A

Maharashtra Real Estate Regulatory Authority (“**MahaRERA**”) vide its *Order No. 5 of 2018 in the circular dated November 26, 2018* introduced a Form 2-A (“**Form**”) specifying the details of on Engineer who supervises the work appointed by the Promoter to ensure the quality of the materials being used on the project.

This order shall come into effect from December 01, 2018 wherein:

1. The Promoter registering their project after December 01, 2018 should submit quarterly information in the Form.
2. The Form shall be uploaded on the website by the Promoter by the end of every financial year.

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Warm Regards,

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