



1 To enhance ease of dealing in securities markets by investors, SEBI pursuant to circular dated 25th January 2022, has decided that listed companies shall henceforth issue the securities in dematerialised form only while processing the following request's: -

- Issue of Duplicate Securities Certificate
- Claim from Unclaimed Suspense Account
- Renewal / Exchange of securities certificate
- Endorsement
- Sub-division / splitting of securities certificates
- Consolidation of securities certificates / folios
- Transmission
- Transposition

2 SEBI vide circular dated 27th January 2022 has introduced Special Situation Fund (SSF) as Sub-category under Category I AIFs.

In the above context following is specified: -

- a) Each scheme of SSF shall have a corpus of at least one hundred crore rupees.
- b) SSF shall accept an investment of value not less than ten crore rupees from an investor. In case of an accredited investor, the SSF shall accept an investment of value not less than five crore rupees. Further, in case of investors who are employees or directors of the SSF or employees or directors or the manager of the SSF, the minimum value of investment shall be twenty-five lakh rupees.
- c) SSF intending to act as a resolution applicant under the Insolvency and Bankruptcy Code, 2016, shall ensure compliance with the eligibility requirement provided thereunder.

SSF may acquire stressed loan in terms of clause 58 of RBI Master Direction upon inclusion of SSF in the respective Annex of the RBI Master Direction.

3 In order to streamline the process of providing approval to the proposed change in control of AMC involving scheme of arrangement which needs sanction of National Company Law Tribunal ("NCLT") in terms of provision of Companies Act, 2013 SEBI vide circular dated 31st January 2022 has decided that: -

- The application seeking approval for the proposed change in control of the AMC under Regulation 22(e) of MF Regulations shall be filed with SEBI prior to filing the application with the NCLT;
- Upon being satisfied with compliance of the applicable regulatory requirements, an in-principal approval will be granted by SEBI
- The validity of such in-principal approval shall be for three months from the date of issuance, within which the relevant application shall be made to NCLT
- Within 15 days from the date of order of NCLT, applicant shall submit the following documents to SEBI for final approval:
  - a. Application for the final approval;
  - b. Copy of the NCLT Order approving the scheme;
  - c. Copy of the approved scheme;

- d. Statement explaining modifications, if any, in the approved scheme vis-à-vis the draft scheme and the reasons for the same; and
  - e. Details of compliance with the conditions/ observations mentioned in the in-principal approval provided by SEBI.
- 4 SEBI vide notification dated 25th January 2022 amended SEBI (Mutual Funds) Regulations, 1996 (MF Regulations), which inter-alia, mandated that the AMCs shall prepare the Financial Statements and Accounts of the Mutual Fund Schemes in accordance with IND AS with effect from 1st April 2023. Accordingly, the following requirements are specified:
  - Mutual Fund Schemes shall prepare the opening balance sheet as on date of transition and the comparatives as per the requirements of IND AS
  - Perspective historical per unit statistics mentioned in Clause 6 of Eleventh Schedule of MF Regulations requires disclosure of scheme wise per unit statistics for the past 3 years. In this regard, Mutual Fund schemes may not be mandatorily required to restate the previous years published perspective historical per unit statistics as per requirement of IND AS for the first two years from first time adoption of IND AS. However, Mutual Fund schemes shall furnish additional information in perspective historical per unit statistics.

The Financial Statements of the Mutual Fund Schemes shall be prepared in the given Format in Circular.

- 5 SEBI vide circular dated 1st February 2022 have amended Part-I A (2) of Master Circular – Scheme of arrangement dated 23rd November 2021 and Para 37 of SEBI (LODR) Regulations where the listed entity shall submit the “No Objection Certificate” from the lending scheduled commercial banks/financial institutions/debentures trustees, from not less than 75% of the secured creditors in value for scheme of arrangement.
- 6 Taking into account recommendation of MFAC and the feedback received from Industry SEBI vide circular dated 9th February 2022 decide that AMCs of mutual funds shall be required to constitute an Audit Committee. The circular provides the role, responsibility, membership and other features of the Audit Committee of AMC.