

WEEKLY CORPORATE UPDATES

Saturday 30th December, 2023

(Curated & compiled by)

Team Indiacorp Law

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MCA UPDATES

MCA Notifies Important Updates on V2 Portal

Dated: 29th December, 2023

MCA said, "Stakeholders please note that post registration on the V3 portal, the user shall receive their V2 user IDs on their registered email within 5 hours."

V2 portal is Version 2 of the MCA portal which was used to file various forms relating to Companies and LLP's

Related Link: <https://www.mca.gov.in/content/mca/global/en/notifications-tender/news-updates/updates.html>.

1,34,699 Companies got incorporated from 1st Apr to 27th Dec 23 as against 1,28,702 Company Incorporations last year for the same period and 41,465 LLPs got incorporated from 1st Apr to 27th Dec 23 as against 27,064 LLP Incorporations last year for the same period.

Dated: 28th December, 2023

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Related Link: <https://www.mca.gov.in/content/mca/global/en/home.html>

SEBI UPDATES

Extension of timelines for providing 'choice of nomination' in eligible demat accounts and mutual fund folios

Dated: 27th December, 2023

Based on representations received from the market participants, for ease of compliance and investor convenience, it has been decided to extend the last date for submission of 'choice of nomination' for demat accounts and mutual fund folios to June 30, 2024

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Related Link:

https://www.sebi.gov.in/legal/circulars/dec-2023/extension-of-timelines-for-providing-choice-of-nomination-in-eligible-demat-accounts-and-mutual-fund-folios_80221.html

RBI UPDATES

Payments Infrastructure Development Fund (PIDF) – Extension of Scheme, Enhancements and Status Update

Dated: 29th December, 2023

The Reserve Bank has now decided to extend the PIDF Scheme by a further period of two years, i.e., upto December 31, 2025. To widen the scope of beneficiaries and acceptance infrastructure, following enhancements are being made:

- i) Beneficiaries of PM Vishwakarma Scheme in all centres have been included as merchants under the PIDF Scheme.*
- ii) Sound Box devices and Aadhaar-enabled biometric devices are eligible for claim of subsidy under the Scheme.*
- iii) Subsidy for special focus areas, viz., North Eastern states and U.T.s of Jammu & Kashmir and Ladakh, has been made uniform at 90% of the cost of device, irrespective of the type of device.*

Related Link:

<https://rbidocs.rbi.org.in/rdocs/PressRelease/PDFs/PR1571DEECEB0AC8164CAA776AD76D5FFF236.PDF>

RBI releases Draft Directions on Bond Forwards under Section 45W of the RBI Act, 1934

Dated: 28th December, 2023

The Reserve Bank of India has been expanding the suite of interest rate derivative products available to market participants to manage interest rate risks. The Reserve Bank has received suggestions on the need to introduce bond forwards in government securities. The draft directions on contracts to deliver government securities on a forward basis seek to enable market participants, especially long-term investors, to manage their cash flows and interest rate risk.

Related Link:

https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=5700

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NCLT UPDATES

NCLT filing SOP- Mandatory Pre-Requisite for E-filing Matters in NCLT – NCLT order dated 22.12.2023

Dated: 22th December, 2023

This Order is in continuation of earlier Orders made on the above subject on 29.08.2023 and 01.09.2023.

This is to inform all Litigants/Advocates/Parties to follow the pre-requisite outline on formatting, proper book marking of Petition/Applications/Pleadings/Documents, electronic signature using e-Sign, retention of originals etc. at time of e-filing with effect from 01.01.2024.

The PDF/A version documents are mandatory for filing followed by electronic signature using Digital Signature Certificate (DSC) issued by Certifying Authority (CA). The provisioning of e-Sign based on Aadhaar Authentication shall be made available shortly.

The detailed instructions are given in the attached document and related Annexures.

Related Link:

<https://ibclaw.in/mandatory-pre-requisite-for-e-filing-matters-in-nclt-nclt-order-dated-22-12-2023/>

Can Financial Creditor initiate insolvency proceedings against Successful Resolution Applicant on default in payment to Stakeholders/Creditors as per terms of approved Resolution Plan – ICICI Prudential Asset Management Company Ltd. Vs. Nandi Vardhan Infrastructure Ltd. – NCLT Mumbai Bench

Dated: 29th December, 2023

In the case of ICICI Prudential Asset Management Company Ltd. vs. Nandi Vardhan Infrastructure Ltd. (Company Petition – CP(IB) 276 MB 2023), the NCLT Mumbai Bench deliberated on whether promises or proposals made by a successful resolution applicant in a resolution plan, specifically to pay certain sums to stakeholders/creditors of the corporate debtor in Corporate Insolvency Resolution Process (CIRP), could be categorized as financial debt under Section 5(8) of the Insolvency and Bankruptcy Code, 2016 (IBC). The tribunal opined that such undertakings, if unfulfilled, did not constitute default on a financial debt, albeit might lead to consequences such as forfeiture of performance guarantees or potential prosecution under Section 74 of the Code. The tribunal distinguished these obligations from a financial debt, stating that they couldn't be likened to a corporate guarantee. While the petitioner attempted to draw parallels to a corporate guarantor's liability, the tribunal held that the obligations of a successful

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resolution applicant in implementing the plan didn't align with the definition of a financial debt. Consequently, the tribunal dismissed the petition, ruling that the petitioner failed to establish the existence of a financial debt and the default by the corporate debtor, thereby denying the petition's validity (CP(IB) 276(MB)2023) without imposing any costs.

Related Link:

<https://ibclaw.in/icici-prudential-asset-management-company-ltd-vs-nandi-varadhan-infrastructure-ltd-nclt-mumbai-bench/>

Thanking You,

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