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***Ministry of Corporate Affairs of India vide notification dated April 04, 2021 has issued Insolvency and Bankruptcy Code (Amendment) Ordinance, 2021***

- MCA vide notification dated April 04, 2021 has issued Insolvency and Bankruptcy Code (Amendment) Ordinance, 2021.
- The Ordinance is issued following the hardships faced by business, financial markets and economies all over India due to COVID-19 pandemic.
- The Ordinance issued by the Ministry is attached below.

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***Reserve Bank of India vide notification dated April 07, 2021 has issued Asset Classification and Income Recognition following the expiry of Covid-19 regulatory package***

- RBI vide notification dated April 07, 2021 has issued Asset Classification and Income Recognition following the expiry of Covid-19 regulatory package.
- All lending institutions<sup>1</sup> shall immediately put in place a Board-approved policy to refund/adjust the 'interest on interest' charged to the borrowers during the moratorium period, i.e. March 1, 2020 to August 31, 2020.
- The relief shall be applicable to all borrowers, including those who had availed of working capital facilities during the moratorium period, irrespective of whether moratorium had been fully or partially availed, or not availed, in terms of the circulars DOR.No.BP.BC.47/21.04.048/2019-20 dated March 27, 2020 and DOR.No.BP.BC.71/21.04.048/2019-20 dated May 23, 2020 ("Covid-19 Regulatory Package").

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***Reserve Bank of India vide notification dated April 07, 2021 has provided Relaxation in the period of parking of unutilised ECB proceeds in term deposits***

- RBI vide notification dated April 07, 2021 has provided Relaxation in the period of parking of unutilised ECB proceeds in term deposits.



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- It has been decided to relax the above stipulation as a one-time measure. Accordingly, unutilised ECB proceeds drawn down on or before March 01, 2020 can be parked in term deposits with AD Category-I banks in India prospectively for an additional period up to March 01, 2022.

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***Reserve Bank of India vide notification dated April 07, 2021 has extended Priority Sector Lending (PSL) classification for lending by banks to NBFCs for on-lending***

- RBI vide notification dated April 07, 2021 has extended Priority Sector Lending (PSL) classification for lending by banks to NBFCs for on-lending.
- It has been decided to extend the PSL classification for lending by banks to NBFCs for on-lending by six months i.e. up to September 30, 2021. However, bank loans to HFCs for on-lending for the purpose of housing, as prescribed in para 23 of our Master Direction on PSL dated September 4, 2020, will continue on an on-going basis. Further, existing loans disbursed under the on-lending model will continue to be classified under Priority Sector till the date of repayment/maturity.

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***Reserve Bank of India vide notification dated April 07, 2021 has provided Increase in limits for bank lending against Negotiable Warehouse Receipts (NWRs) / electronic Negotiable Warehouse Receipts (eNWRs)***

- RBI vide notification dated April 07, 2021 has provided Increase in limits for bank lending against Negotiable Warehouse Receipts (NWRs) / electronic Negotiable Warehouse Receipts (eNWRs).
- With a view to ensure greater flow of credit to the farmers against pledge/hypothecation of agricultural produce, and to encourage use of NWR/eNWR issued by regulated warehouses as a preferred instrument for



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availing such finance by the farmers, it has been decided to enhance the PSL limit for loans against NWRs/eNWRs from ₹50 lakh to ₹75 lakh per borrower. The PSL limit backed by the warehouse receipts other than NWR/eNWR will continue to be ₹50 lakh per borrower.

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***Securities Exchange Board of India vide circular dated April 07, 2021 has issued Guidelines pertaining to Regulatory reporting by AIFs***

- SEBI vide circular dated April 07, 2021 has issued Guidelines pertaining to Regulatory reporting by AIFs.
- It has been decided that all AIFs shall submit report on their activity as an AIF to SEBI on quarterly basis within 10 calendar days from the end of each quarter in the revised formats.
- AIFs shall submit these reports online through SEBI intermediary Portal.

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