



20th April 2024 – Issue 426

Securities Exchange Board of India vide circular dated April 18, 2024, has issued Circular on Standardization of the Private Placement Memorandum (PPM) Audit Report

- SEBI vide circular dated April 18, 2024, has issued Circular on Standardization of the Private Placement Memorandum (PPM) Audit Report.
- In terms of Regulation 28 of SEBI (AIF) Regulations, 2012 and Clause 2.4 of SEBI Master Circular SEBI/HO/AFD/PoD1/P/CIR/2023/130 dated July 31, 2023 (Master Circular) it is mandatory for AIFs to carry out an annual audit of compliance with the terms of Private Placement Memorandum (PPM). In terms of Clause 2.4.2 of Master Circular, AIFs are required to submit Annual PPM Audit Reports to the Trustee or Board of Directors or Designated Partners of the AIF, Board of directors or Designated Partners of the Manager and SEBI, within 6 months from the end of the Financial Year.
- The said reporting format shall be hosted on the websites of the AIF Associations which are part of SFA within 2 working days of issuance of this circular. The associations shall assist all AIFs in understanding the reporting requirements and in clarifying or resolving any issues which may arise in connection with reporting to ensure accurate and timely reporting.
- The notification shall come into force with effect from 16th day of February, 2024.

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Insolvency and Bankruptcy Board of India vide notification dated April 18, 2024, has issued Partial modification to the circular no. IBBI/LIQ/61/2023 dated 28th September 2023 titled 'Clarification w.r.t. Liquidators' fee under clause (b) of sub-regulation (2) of Regulation 4 of IBBI (Liquidation Process) Regulations, 2016'

- IBBI vide notification dated April 18, 2024, has issued Partial modification to the circular no. IBBI/LIQ/61/2023 dated 28th September 2023 titled 'Clarification w.r.t. Liquidators' fee under clause (b) of sub-regulation (2) of Regulation 4 of IBBI (Liquidation Process) Regulations, 2016'.
- In Further, vide order dated 04th April 2024, of the Hon'ble Bombay High Court in the matter of Amit Gupta vs. Insolvency and Bankruptcy Board of India & Union of India (Writ Petition (Lodging) No. 34701 of 2023), while confirming the validity of remaining paras of the circular, Paragraph 2.1 ('Amount Realised') and Paragraph 2.5 ('Period for calculation of fee') have been struck down.
- The IPs who have not submitted any compliance in relation to circular dated 28th September,2023, are hereby given an opportunity to comply with the remaining parts of the circular dated 28th September 2023 and inform the status of the same to the IBBI electronically on the website of IBBI on or before 31st May 2024.
- The notification is enclosed herewith.

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