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The Securities and Exchange Board of India (“SEBI”) vide Circular No.: SEBI/HO/CFD/DIL1/CIR/238/2020 dated December 08, 2020 has issued guidelines regarding Additional Payment Mechanism (i.e., ASBA, etc.) for Payment of Balance Money in Calls for partly paid specified securities issued by the listed entity

- SEBI, in its endeavor to protect investors’ interest and reduce investor grievances relating to refund, introduced Application Supported by Blocked Amount (ASBA) as the sole payment mechanism in the IPO and Rights issues.
- Considering that payment through ASBA mechanism is investor friendly and enables faster completion of the process, it has been decided to introduce additional payment mechanism (i.e. ASBA, etc.) for making subscription and/or payment of calls in respect of partly paid specified securities through SCSBs and intermediaries such as Trading Members/ Brokers -having three in one type account and Registrar and Transfer agents (RTA).
- Stock Exchanges are directed to:
 - Take necessary steps to put in place systems for implementation of the circular, including necessary amendments to the relevant byelaws, rules and regulations.
 - Take necessary action to institute additional payment channels (electronic banking models only) for making subscription and/or paying call money in respect of partly paid-up specified securities.
 - Bring the provisions of this circular to the notice of the listed companies and their members and disseminate the same on their websites

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The Securities and Exchange Board of India (“SEBI”) vide Circular No.: SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020 has issued guidelines regarding e-Voting Facility Provided by Listed Entities

- Under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders’ resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.
- Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.
- To increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all their demat account holders, by way of a single login credential, through their Demat accounts/websites of Depositories/Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process

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The Reserve Bank of India has released a Draft Circular on Declaration of Dividends by Non -Banking Financial Companies (NBFC'S) dated 9th December 2020.

- In pursuance of the announcements made in the Statement on Development and Regulatory Policies dated 4th December 2020, the RBI has released a draft circular on declaration of dividends by NBFCs.
- The comments on the draft circular are invited from NBFC's, industry participants and other related parties by the 24th of December 2020.

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The Ministry of Finance vide Notification dated 8th December 2020 amended the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules 2019.

- The Central Government in exercise of the powers conferred by clauses (aa) and (ab) of sub-section (2) of section 46 of the Foreign Exchange Management Act, 1999 has amended the Foreign Exchange Management (Non-debt Instruments) Rules 2019 and has made the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules 2020.
- As per the amendment, the Defence Industry which is subjected to industrial License under the industries (Development and Regulation) Act, 1951 and Manufacturing of small arms and ammunition under the Arms Act, 1959 shall have the Sectoral Cap at 100% and the Entry Route for FDI shall be up to 74% under automatic route accordingly and government route beyond 74% wherever it is likely to result in access to modern technology or for other reasons to be recorded.



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The Reserve Bank of India vide notification No: RBI/2020-21/75/DOR.BP/BC.No.29/21.02.067/2020-21 dated December 4, 2020 has issued guidelines over declaration of dividends by banks.

RBI whilst bearing reference to RBI/2020-21/75 has decided that banks shall not making any dividend payment on equity shares from the profits pertaining to the financial year ended March 31,2020 in order to further strengthen the bank's balance sheets, while at the same time support lending to the real economy.

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