



Brahmayya Bulletin

October 2017

Editorial

With the introduction of the new Insolvency and Bankruptcy Code, industry has been undergoing major reformation.

An immediate need to reconcile various Acts and Rules with the Insolvency and Bankruptcy Code is envisaged. Accordingly, all regulators have been consciously working towards achieving this goal. It has been couple of months since the major reform by RBI requiring filing of insolvency petition in case of large default cases have been admitted by the Honourable Courts.

Apropos to this major enactment, economic repercussions have resulted in enforcement of laws and regulations. MCA has notified the much awaited Valuation related sections. With this, the concept of registered valuer become effective.

The new concept of Place of Effective Management (POEM) is gaining importance and the department has been issuing clarifications based on queries raised by stake holders. This concept of POEM along with the General Anti-Avoidance Rules (GAAR) will have to be carefully analysed and interpreted.

We firmly believe that the updates hosted as part of the Brahmayya Bulletin are useful for consistent updation of latest amendments and pronouncements. Kindly send your feedback as you stay updated.

Happy Reading!

Policy Directive order Instruction Update Clarification
Ministry of Corporate Affairs Circular
Rule Enactment Notification Guideline
Framework Update Policy Instruction
Central Board of Direct Taxes
Order Notification Regulation Instruction
Notice Circular Update Notification
Central Board of Excise and Customs
Directive Order Notification Enactment
Pronouncement Announcement Framework Rule
Foreign Exchange Management Act
Instruction Order Clarification Directive Interpretation
Institute of Chartered Accountants of India
Circular Order Clarification Directive Framework
Reserve Bank of India Notification
Announcement Framework Clarification
Notification Order Rule
Instruction Order
Framework Circular
Update

Ministry of Corporate Affairs (MCA)

Notification GSR 1267 (E) - Dated 13th October 2017

Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Second Amendment Rules, 2017 has been notified by Central Government and the said rules are effective from 13th October, 2017. The due date for transfer of shares shall be 31st October, 2017. The procedure for transfer of shares to IEPF Authority has been prescribed along with the time lines of 90 days after filing Form IEPF-5.

Notification S.O.3393 (E) & Notification GSR 1316 (E) - Dated 18th October 2017

Central Government has appointed 18th October 2017 as the date on which provisions of Section 247 of Companies Act 2013 shall come in force. The provisions relate to the valuation by registered valuers.

Central Government has notified rules relating to Section 247 of Companies Act 2013, called as Companies (Registered Valuers and Valuation) Rules, 2017 which comes into force from 18th October 2017. Details related to the valuation rules are elaborated in "Our News" section of our website.

Order S.O.3400 (E) - Dated 23rd October 2017

In order to remove the difficulties in interpretation of Section 247 (1) for the view of organization to which valuer belongs, Central Government has Clarified that valuer should be member of organization recognized for being appointed as valuers under Companies Act 2013.

Insolvency and Bankruptcy Code, 2016 (IBC, 2016)

General Circular No. IBC/01/2017-Dated 25th October 2017

The matter that whether any particular action as mentioned in the resolution plan of Corporate Debtor/Company would require stakeholders approval, has been clarified by the Ministry of Corporate Affairs.

It is clarified that any action for which Adjudicating authority has given approval would not require any further stakeholder approval.

Central Board of Direct Taxes (CBDT)

Circular No.25 of 2017 - Dated 23rd October 2017

Central Board of Direct taxes has provided clarifications on the guidelines for determining the Place of Effective Management (POEM). It has been clarified that activities of Regional Headquarter will not establish as POEM, provided that:

- The activities carried out by Regional Headquarter are in line with the general and objective principles of global policy of group.
- Such activities are not specific to any entity or group of entity.

It is also clarified that the general anti-avoidance rules may be triggered if the clarifications provided by the circular are used for purposes of abusive/aggressive tax planning.

Circular No. 26/2017 - Dated 25th October 2017

The due date for submitting report under Section 286 of Income Tax Act has been extended to 31st March 2018 for Financial Year 2016-17.

Notification No. 92/2017 - Dated 31st October 2017

Central Board of Direct Taxes have notified the Income Tax (Twenty-Fourth Amendment) Rules, 2017, wherein rules for Information and documents to be kept and maintained under proviso of Section 92D, Form 3CEAA and Form 3CEAB has been inserted.

Central Board of Excise and Customs (CBEC) – Customs

Instruction No.15/2017 - Customs - Dated 9th October 2017

Guidelines has been issued for starting of process of refund of Integrated Tax (IGST) paid on goods exported out of India. Details related to the guidelines for smooth start of refunds have been elaborated.

Security Exchange Board of India (SEBI)

IMD/FPIC/CIR/P/2017/113- Dated 4th October 2017

After the RBI announcement of Medium Term Framework for FPI limits in its Fourth Bi-Monthly Policy Statement, SEBI has revised the limits for investments by FPIs in Government Securities.

SEBI/HO/IMD/DF3/CIR/P/2017/114 - Dated 6th October 2017

To standardize the scheme of Mutual Funds, Mutual Fund Advisory Committee has classified the schemes of Mutual Funds into following group:

- Equity Schemes
- Debt Schemes
- Hybrid Schemes
- Solution Oriented Schemes
- Other Schemes.

The details of each schemes has also been described.

CFD/CMD/CIR/P/2017/115 - Dated 10th October 2017

Each listed Entity has to comply with the Minimum Public Shareholding as specified in the rules. SEBI has provided the procedures, which recognized stock exchanges / depositories shall follow with each non-compliant listed entities, promoters and directors.

Reserve Bank of India (RBI)

**Notification RBI/2017-18/71 IDMD.
CCD.No.929/14.04.050/2017-18-
Dated 6th October 2017**

Government of India has announced Sovereign Gold Bond Scheme, wherein any person resident of India can invest either in individual capacity, on behalf of minor, jointly with other person. Trust, Charitable Institution and University are also eligible for investment.

**Notification RBI/2017-18/74/ DGBA.
GBD.954/15.02.005/2017-18 - Dated
12th October 2017**

Government of India has announced that interest rate for small saving schemes will not change for the quarter starting from 1st October. The rates shall remain same as those of second quarter.

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