



January Roundup

Week ending – 19.01.2021
(GOVERNMENT NOTIFICATIONS,
CIRCULARS & ANNOUNCEMENTS)



1. SEBI Amends the SEBI (Investment and Advisers) Regulations, 2013

11.01.2021

On 11.01.2021, the Securities & Exchange Board of India (**SEBI**) issued the SEBI (Investment Advisers) (Amendment) Regulations 2021, amending the SEBI (Investment Advisers) Regulations, 2013.

The following amendments have been made:

- Under Regulation 6 (which specifies the eligibility criteria of the application), a subsection (n) has been inserted, namely:
“Whether the applicant is a member of a recognized body or body corporate as specified under regulation 14: Provided that the existing investment advisers shall comply with the requirement under this clause in such manner as may be specified by the Board.”¹
- There has been another amendment to Schedule II, which specifies the registration fee

Please find link to Notification [here](#)

2. SEBI Revises Norms for DLP

11.01.2021

On 11.01.2021, the Securities & Exchange Board of India (**SEBI**) issued a Circular revising the Daily Pricing Limits (**DPL**) for commodity future contracts. The defined DLP is meant to protect investors from sudden and extreme price movements. It also provides a cooling-off period to re-assess the information and fundamentals impacting the price of the commodity futures contract. Presently, SEBI has decided to revise norms pertaining to DLP for agricultural and non-agricultural commodity derivatives which have been provided in detail in the Circular issued.

For more information, please find link to Circular [here](#)

3. Ministry of Finance Notifies the Faceless Penalty Scheme, 2021

12.01.2021

On 12.01.2021, the Ministry of Finance issued a notification in the Gazette of India to bring into effect the Faceless Penalty Scheme, 2021 (**FPS**). The Finance Act, 2020 had introduced a new provision in the income tax laws to enable the central government to frame a scheme for conducting penalty proceedings so as to impart greater efficiency, transparency and accountability by:

- Eliminating the interface between the tax authority and taxpayers during penalty proceedings to the extent it was technologically feasible.
- Optimizing utilization of resources through economies of scale and functional specialization.
- Introducing a system for conducting penalty proceedings with dynamic jurisdiction in a team-based manner.

Taking one more step forward in this direction and pursuant to the powers granted, Government has now notified FPS, effective from 12 January 2021, by publishing the following notifications dated 12 January 2021 in the official gazette:

- **Notification No. 2/2021 dated 12 January 2021:** Introduction of FPS, infrastructure of FPS, mode of communication, process of conducting penalty proceedings, authentication and delivery of electronic record, option for personal hearing etc.
- **Notification No. 3/2021 dated 12 January 2021:** Directions from the Government to the effect that any provision of the income tax laws shall not apply/or shall apply with exception, modification and adaptations for giving effect to FPS.

Please find link to Notification [here](#)

4. SEBI Repeals the SEBI (Central Database of Market Participants) Regulations, 2003

13.01.2021

On 13.01.2021, the Securities & Exchange Board of India (**SEBI**) repealed, with immediate effect, the SEBI (Central Database of Market Participants) Regulations, 2003. However, it has been specified that the repeal shall not affect the following:

- Previous operation or anything done or omitted under the regulations
- Any right, privilege, obligation, or liability acquired under the regulations
- Any penalty or punishment incurred under the regulations
- Any investigation, legal proceedings or remedy in respect of any right

Please find link to Notification [here](#)

5. IBBI Amends the IBBI (Model Bye-Laws and Governing Board of Insolvency Professional Agencies) Regulations, 2016

14.01.2021

On 14.01.2021, the Insolvency and Bankruptcy Board of India (**IBBI**) notified the IBBI (Model Bye-Laws and Governing Board of Insolvency Professional Agencies) (Amendment) Regulations, 2021. Under the Amendment Regulations, the director shall also disclose to the insolvency professional agent any order of any authority that affects his character or reputation within a week of receiving any such order. Further, the Governing Board shall evaluate its performance in a financial year within three months of the closure of the year and a self-evaluation report shall be uploaded on the relevant website. Further amendments have been made with respect to a compliance officer.

Please find link to notification [here](#)

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