



NEWS CHRONICLE

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Editorial Team: Knowledge Management @ Acquisory

➤ RELIANCE JIO RAISES MORE THAN ₹19,000 CRORES IN JUNE FROM A HOST OF FOREIGN INVESTORS

- ✓ Reliance Jio has raised ₹5,683.50 crores from Abu Dhabi Investment Authority (ADIA) by selling its 1.16% stake on a fully diluted basis.
- ✓ Continuing its fund – raising spree, Reliance Jio raised ₹9,093.60 crore from Mubadala Investment Company by selling its 1.85% stake. With this deal, Reliance Jio is expecting to benefit from Mubadala’s experience and insights from across the world.
- ✓ Jio has raised a further ₹4,546 crores from Silver Lake in June. Considering the previous investment in May 2020, the total investment of Silver Lake in Jio platform is now valued at ₹10,202.55 crores for 2.08% stake.
- ✓ After these latest series of funding, Jio platform has raised a total of ₹97,885 crore from global investors.

➤ MILKBASKET RAISES FRESH \$5.5 MILLION

Milkbasket has raised a fresh funding of \$5.5 million led by Inflection Point Ventures. The funding is expected to scale up operations for Milkbasket and meet any unforeseen expenses which may arise due to COVID. In these times where people prefer door – step delivery, Milkbasket claims to be serving 1,30,000 households with more than 9,000 products across categories such as fruits and vegetables, dairy, bakery and FMCG segment.

➤ START UP VENTURES WITNESS TRANSACTIONS IN JUNE:

- ✓ **DocsApp:** Healthcare startup, DocsApp, has announced merger with Medibuddy to create a digital healthcare platform called “MediBuddy DocsApp”. The joint entity has scored \$20 million worth Series B funding round led by Bessemer Venture, Fusian Capital, Mitsui Sumitomo, and Beyond Next Ventures.
- ✓ **Pushp:** Venture capital firm A91 Partners has invested \$16.4 million in spice brands Pushp. Pushp is expected to utilize these funds to expand its distribution network, sales team and strengthen its brand across India.
- ✓ **Milk Mantra:** Dairy foods startup, Milk Mantra, has raised \$10 million from US International Development Finance Corporation (DFC). Milk Mantra is an agricultural dairy start – up set up with the aim to solve milk scarcity problem in its state.
- ✓ **BankBazaar:** BankBazaar has secured \$6 million funding as a part of its ongoing Series D round. While WSV has led the latest investment, existing investors, Amazon, Sequoia India, Experian, and Eight Roads also participated in it. BankBazaar is expected to utilize these funds for business expansion and further promoting the delivery of contactless personal finance products.
- ✓ **iNurture:** Bengaluru-based ed-tech startup, iNurture, has raised \$4 million from Kimera Ltd, a Dubai-based family office. iNurture offers industry – related courses in association with universities and colleges across India.

➤ TEMPORARY RELAXATION FOR PRICING OF PREFERENTIAL ISSUE

SEBI in its Board Meeting on 25th June 2020 decided to provide for an additional option for pricing methodology with respect to preferential issues:

- A. While exercising the new option, there would be a 3 - year lock-in period for such shares.
- B. This option would be available for the preferential issues made between 01.07.2020/ date of notification of amendment to the regulations (whichever is late) and 31.12.2020.
- C. Under this option, in case of frequently traded shares, the price of the equity shares to be allotted pursuant to the preferential issue should not be less than higher of either of the following two levels:
 1. the average of the weekly high and low of the Volume Weighted Average Price (VWAP) of the related shares **during the 12 weeks preceding the relevant date** or
 2. such average of the weekly high and low of VWAP of shares **during the two weeks preceding the relevant date.**

The existing pricing guideline for preferential issue for frequently traded shares will also continue to remain in force, and the issuer may choose any one of the formulae.

➤ AMENDMENT W.R.T. OPEN OFFER:

- ✓ SEBI has decided to allow acquisition of shares through stock exchange settlement process by way of bulk or block deals during an open offer subject to certain conditions.
- ✓ In case of indirect acquisitions where public announcement of an open offer has been made, the entire consideration payable under the open offer must be deposited two working days before the date of detailed public statement.
- ✓ In case, there is a delay in making open offer due to the acquirer, a simple interest of 10% would be paid to all the shareholders, who have tendered the shares in the open offer.

➤ RELAXATION FOR LISTED COMPANIES HAVING STRESSED ASSETS:

- ✓ SEBI has decided to relax the pricing methodology for preferential issues by listed companies having stressed assets and exempt allottees of preferential issues from open offer obligations with immediate effect.
- ✓ Eligible listed companies having stressed assets will now be able to determine the pricing of their preferential allotments at not less than the average of weekly high and low of the VWAP of related equity shares **during the two weeks preceding the relevant date.**
- ✓ Allottees of the preferential issue in such eligible companies will be **exempted from making an open offer if the acquisition is beyond the prescribed threshold** or if the open offer is warranted due to change in control in terms of takeover regulations.

➤ **EXTENSION OF TIMELINES FOR SUBMISSION OF:**

- **ANNUAL SECRETARIAL COMPLIANCE (ASC) REPORT:** The last date for submission of ASC report has been extended by SEBI till 31.07.2020 in view of operational difficulties due to COVID-19 outbreak.
- **FINANCIAL RESULTS FOR Q/HY/FY ENDED 31.03.2020:** The last date for submission of financial results has been extended till 31.07.2020.

➤ **MSME MINISTRY - NEW NORMS FOR ONLINE REGISTRATION OF NEW ENTERPRISES BASED ON SELF-DECLARATION**

The MSME Department has come up with a new definition/ classification of MSMEs and procedure for issuance of certificate called as Udyam Registration which will be based on self – declaration. The requirement to upload documents and certificates has been done away with. This new scheme will come into effect from 01.07.2020.

The procedure for issuing certificate will cover a composite criteria of investment and turnover, the meaning of investment, calculation of turnover, etc.

➤ **SCHEME FOR RELAXATION OF TIME FOR FILING FORMS RELATED TO CREATION OR MODIFICATION OF CHARGES UNDER THE COMPANIES ACT, 2013**

APPLICABILITY*	TIMELINE RELAXATION	APPLICABLE FEE
Before 01.03.2020 but the timeline for form filing has not expired as on 01.03.2020 u/s 77 of the Act	Period from 01.03.2020 to 30.09.2020 not to be considered for the purpose of counting number of days for filing form u/s 77 or 78	<u>If form is filed on or before 30.09.2020</u> Fee payable as on 29.02.2020
		<u>If form is filed on or after 01.10.2020</u> Fee payable adding the number of days beginning from 01.10.2020 plus fee payable till 29.02.2020
Anywhere between 01.03.2020 to 30.09.2020 (both dates inclusive)	Period from creation/ modification of charge to 30.09.2020 not to be considered for the purpose of counting number of days for filing form u/s 77 or 78	<u>If form is filed on or before 30.09.2020</u> Normal fee payable under Fee Rules
		<u>If form is filed on or after 01.10.2020</u> 01.10.2020 to be considered as first day after creation/ modification of charge and number of days till the date of filing of form be counted accordingly

*Date of creation/ modification of charge

GLOSSARY

ADIA	Abu Dhabi Investment Authority
ASC	Annual Secretarial Compliance
DFC	Development Finance Corporation
FMCG	Fast Moving Consumer Goods
MSME	Micro, Small and Medium Enterprises
Q/HY/FY	Quarterly/ Half - Yearly/ Financial Year
SEBI	Securities and Exchange Board of India
VWAP	Volume Weighted Average Price

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