

**SUPPLEMENT FOR PROFESSIONAL PROGRAMME
(NEW SYLLABUS)**

CORPORATE RESTRUCTURING, INSOLVENCY, LIQUIDATION & WINDING-UP (PART-I)

Module-2

Paper - 5

(Relevant for students appearing in June - 2019 Examination)

The students are advised to read their Study Material along with these updates. These academic updates are to facilitate the students to acquaint themselves with the amendments in the Companies Act, 2013 and other Rules and Regulations up to 1st December, 2018, applicable for June 2019 Examination. The students are advised to read all the relevant regulatory amendments made and applicable up to 1st December, 2018 along with the study material. In the event of any doubt, students may write to the Institute for clarifications at academics@icsi.edu

The Corporate Restructuring, Insolvency, Liquidation & Winding-up (Part-I) Study Material updated up to October, 2018 is available on the website of the Institute. Students are advised to refer the same along with these updates for June, 2019 Examinations. The Study Material is available at:

https://www.icsi.edu/media/webmodules/Corporate_Restructuring_Insolvency_LiquidationandWindingUp.pdf

Students are advised to refer Chartered Secretary for latest articles, legal matters and other updates relevant to the subject.

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**The students may also refer to the E-book on Companies Act, 2013 on the MCA website (<http://ebook.mca.gov.in/default.aspx>) or ICSI website (<http://ebook.mca.gov.in/default.aspx>) for the updated Companies Act, 2013 and rules made thereunder. The Students are also advised to visit the Website of ICSI, MCA, IBBI, SEBI, RBI and other regulator for recent updates on the Subject.

Applicability of the Companies (Amendment) Ordinance, 2018 (effective from 02nd November, 2018) and Companies (Amendment) Ordinance, 2019

The Central Government has notified the Companies (Amendment) Ordinance, 2018 on 2nd November, 2018. The amendments effected by the Companies (Amendment) Ordinance, 2018 are applicable immediately upon its notification in the official gazette. Since the Notifications, Circulars, Clarifications, etc. issued by the Regulators, on or before six months prior to the June 2019 Examination are applicable.

Companies (Amendment) Ordinance, 2018 will cease to operate on 21st January, 2019 and hence President has promulgated Companies (Amendment) Ordinance, 2019 which shall be deemed to have come in force on 2nd November, 2018.

Companies (Amendment) Ordinance, 2019 is applicable for the examination to be held in June, 2019.

LESSON 1
TYPES OF CORPORATE RESTRUCTURING

1. NOTICE TO BE GIVEN TO REGISTRAR FOR ALTERATION OF SHARE CAPITAL

The Companies (Amentment) Ordinance, 2018 inserted following sub-section (2) in section 64 of the Companies Act, 2013 w.e.f. 2nd November, 2018,

"(2) Where any company fails to comply with the provisions of sub-section (1), such company and every officer who is in default shall be liable to a penalty of one thousand rupees for each day during which such default continues, or five lakh rupees whichever is less."

LESSON 2

ACQUISITION OF COMPANY/ BUSINESS

1. Securities And Exchange Board Of India (Substantial Acquisition Of Shares And Takeovers) (Second Amendment) Regulations, 2018

In the Securities and Exchange Board of (Substantial Acquisition of Shares and Takeovers) Regulations, 2011,

(1) in regulation 2:

(a) in sub-regulation (1), in clause (j), the words "is made" shall be substituted with the following, namely:-

"is required to be made under these regulations"

(b) in sub-regulation (1), after clause (j) and before clause (k), the following clause shall be inserted, namely;-

"(ja) "fugitive economic offender" shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018)."

(c) in sub-regulation (1), after clause (m) and before clause (n), the following clause shall be inserted, namely:-

"(ma) "listing regulations" means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015."

(d) in sub-regulation (1), clause (r) shall be substituted with the following, namely:-

"(r) "postal ballot" means a postal ballot as provided for under Rule 22 of the Companies (Management and Administration) Rules, 2014 made under the Companies Act, 2013."

(e) in sub-regulation (2), the words and figures "Companies Act, 1956 (1 of 1956)" shall be substituted with the words and figures "Companies Act, 2013 (18 of 2013)"

(2) in regulation 5A,-

(a) in sub-regulation (1), in the proviso, after the words "detailed public statement", the following words and figures shall be inserted, namely:-

"and a subsequent declaration of delisting for the purpose of the offer proposed to be made under sub regulation (1) will not suffice"

(b) sub-regulation (3) shall be substituted with the following, namely:-

"(3) In the event of failure of the delisting offer made under sub-regulation (1), the open offer obligations shall be fulfilled by the acquirer in the following manner:

(i) the acquirer, through the manager to the open offer, shall within five working days from the date of the announcement under sub-regulation (2), file with the Board, a draft of the letter of offer as specified in sub-regulation (1) of regulation 16; and

(ii) shall comply with all other applicable provisions of these regulations.

Provided that the offer price shall stand enhanced by an amount equal to a sum determined at the rate of ten per cent per annum for the period between the scheduled date of payment of consideration to the shareholders and the actual date of payment of consideration to the shareholders.

Explanation: For the purpose of this sub-regulation, scheduled date shall be the date on which the payment of consideration ought to have been made to the shareholders in terms of the timelines in these regulations.”

(3) after regulation 6A and before regulation 7, the following regulation shall be inserted, namely;-

“6B. Notwithstanding anything contained in these regulations, no person who is a fugitive economic offender shall make a public announcement of an open offer or make a competing offer for acquiring shares or enter into any transaction, either directly or indirectly, for acquiring any shares or voting rights or control of a target company.”

(4) in regulation 7, in sub-regulation (2), the words “total shares of” appearing after the words “additional ten per cent of the”, shall be substituted by the words “voting rights in”.

(5) in regulation 9,-

(a) the words “listing agreement”, wherever occurring, shall be substituted by the words “listing regulations”.

(b) in sub-regulation (5), in clause (c), in the explanation, the words and figures “subsection (1A) of 81 of the Companies Act, 1956 (1 of 1956)” shall be substituted by the words and figures “clause (c) of sub-section (1) of section 62 of the Companies Act, 2013 (18 of 2013)”.

(6) in regulation 10,-

(a) the words “listing agreement”, wherever occurring, shall be substituted by the words “listing regulations or as the case may be, the listing agreement.”

(b) in sub-regulation (1), in clause (a), after sub-clause (iii) and before sub-clause (iv), the following explanation shall be inserted, namely:-

“Explanation: For the purpose of this sub-clause, the company shall include a body corporate, whether Indian or foreign.”

(c) in sub-regulation (1), in clause (h), the words and figures “sub-section (2) of section 87 of the Companies Act, 1956 (1 of 1956)” shall be substituted by the words and figures “sub-section (2) of section 47 of the Companies Act, 2013 (18 of 2013)”.

(d) in sub-regulation (4), in clause (c), in the first proviso, in sub-clause (i), the words and figures “section 77A of the Companies Act, 1956 (1 of 1956),” shall be substituted by the words and figures “section 68 of the Companies Act, 2013 (18 of 2013)”.

(e) in sub-regulation (4), in clause (c), in the first proviso, in sub-clause (iii), the words and figures “section 77A of the Companies Act, 1956 (1 of 1956),” shall be substituted by the words and figures “section 68 of the Companies Act, 2013 (18 of 2013)”.

(7) in regulation 17, in sub-regulation (3), after the proviso the following explanation shall be inserted, namely:-

“Explanation: The cash component of the escrow account as referred to in clause (a) above may be maintained in an interest bearing account, subject to the merchant banker ensuring that the funds are available at the time of making payment to the shareholders.”

(8) in regulation 18,-

(a) in sub-regulation (2), before the first proviso, the following explanation shall be inserted, namely:-

“Explanation:

(i) Letter of offer may also be dispatched through electronic mode in accordance with the provisions of Companies Act, 2013.

(ii) On receipt of a request from any shareholder to receive a copy of the letter of offer in physical format, the same shall be provided.

(iii) The aforesaid shall be disclosed in the letter of offer.”

(b) in sub-regulation (4), the words “three working days” shall be substituted by the words “one working day”.

(9) in regulation 20, in sub-regulation (9), in the proviso, the words “three working days” shall be substituted by the words “one working day”.

(10) in regulation 22, in sub-regulation (2), the words “one hundred per cent of the” shall be substituted by the words “the entire”.

(11) in regulation 24, in sub-regulation (1), in the first proviso, the words “one hundred per cent of the” shall be substituted by the words “the entire”.

(12) in regulation 29, in sub-regulation (3), after the words “or the acquisition” and before the words “of shares or voting rights”, the words “or the disposal” shall be inserted.

(13) in regulation 32, in sub-regulation (1), after the words “issue such directions” and before the words “as it deems fit”, the words “or any other order” shall be inserted.

(14) in regulation 33,

(a) the words and symbol “shall have the power to issue directions through guidance notes or circulars:” shall be substituted by the words “may issue clarifications or guidelines from time to time”.

(b) the proviso shall be omitted

(15) in regulation 35, in sub-regulation (1), the word “stand” shall be substituted by the word “stands”.

LESSON 3
PLANNING AND STRATEGY

1. SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018

In exercise of the powers conferred by section 30 of the Securities and Exchange Board of India Act, 1992 (15 of 1992), the Board hereby makes the following regulations, namely:

Regulation 24 (Disclosures in the draft offer document and offer document)

- (1) The draft offer document and offer document shall contain all material disclosures which are true and adequate to enable the applicants to take an informed investment decision.
- (2) Without prejudice to the generality of sub-regulation (1), the red-herring prospectus, and prospectus shall contain:
 - (a) disclosures specified in the Companies Act, 2013 and;
 - (b) disclosures specified in **Part A of Schedule VI**.
- (3) The lead manager(s) shall exercise due diligence and satisfy themselves about all aspects of the issue including the veracity and adequacy of disclosure in the draft offer document and the offer document.
- (4) The lead manager(s) shall call upon the issuer, its promoters and its directors or in case of an offer for sale, also the selling shareholders, to fulfil their obligations as disclosed by them in the draft offer document and the offer document and as required in terms of these regulations.
- (5) The lead manager(s) shall ensure that the information contained in the draft offer document and offer document and the particulars as per restated audited financial statements in the offer document are not more than six months old from the issue opening date.

Regulation 25 (Filing of the draft offer document and offer document)

- (1) Prior to making an initial public offer, the issuer shall file three copies of the draft offer document with the concerned regional office of the Board under the jurisdiction of which the registered office of the issuer company is located, in accordance with **Schedule IV**, along with fees as specified in **Schedule III**, through the lead manager(s).
- (2) The lead manager(s) shall submit the following to the Board along with the draft offer document:
 - a) a certificate, confirming that an agreement has been entered into between the issuer and
 - b) the lead manager(s);
 - c) a due diligence certificate as per Form A of **Schedule V**;
 - d) in case of an issue of convertible debt instruments, a due diligence certificate from the debenture trustee as per Form B of **Schedule V**;

- (3) The issuer shall also file the draft offer document with the stock exchange(s) where the specified securities are proposed to be listed, and submit to the stock exchange(s), the Permanent Account Number, bank account number and passport number of its promoters where they are individuals, and Permanent Account Number, bank account number, company registration number or equivalent and the address of the Registrar of Companies with which the promoter is registered, where the promoter is a body corporate.
- (4) The Board may specify changes or issue observations, if any, on the draft offer document within thirty days from the later of the following dates:
 - a) the date of receipt of the draft offer document under sub-regulation (1); or
 - b) the date of receipt of satisfactory reply from the lead manager(s), where the Board has sought any clarification or additional information from them; or
 - c) the date of receipt of clarification or information from any regulator or agency, where the Board has sought any clarification or information from such regulator or agency; or
 - d) the date of receipt of a copy of in-principle approval letter issued by the stock exchange(s).
- (5) If the Board specifies any changes or issues observations on the draft offer document, the issuer and lead manager(s) shall carry out such changes in the draft offer document and shall submit to the Board an updated draft offer document complying with the observations issued by the Board and highlighting all changes made in the draft offer document and before registering or filing the offer documents with the Registrar of Companies or an appropriate authority, as applicable.
- (6) If there are any changes in the draft offer document in relation to the matters specified in **Schedule XVI**, an updated offer document or a fresh draft offer document, as the case may be, shall be filed with the Board along with fees specified in **Schedule III**.
- (7) Copy of the offer documents shall also be filed with the Board and the stock exchange(s) through the lead manager(s) promptly after registering the offer documents with Registrar of Companies.
- (8) The draft offer document and the offer document shall also be furnished to the Board in a soft copy.
- (9) The lead manager(s) shall submit the following documents to the Board after issuance of observations by the Board or after expiry of the period stipulated in sub-regulation (4) of regulation 25 if the Board has not issued observations:
 - a) a statement certifying that all changes, suggestions and observations made by the Board have been incorporated in the offer document;
 - b) a due diligence certificate as per **Form C of Schedule V**, at the time of registering of the offer document;
 - c) a copy of the resolution passed by the board of directors of the issuer for allotting specified securities to promoter(s) towards amount received against promoters' contribution, before opening of the issue;

- d) a certificate from a statutory auditor, before opening of the issue, certifying that promoters' contribution has been received in accordance with these regulations, accompanying therewith the names and addresses of the promoters who have contributed to the promoters' contribution and the amount paid and credited to the issuer's bank account by each of them towards such contribution;
- e) a due diligence certificate as per **Form D of Schedule V**, in the event the issuer has made a disclosure of any material development by issuing a public notice pursuant to para 4 of **Schedule IX**.

Regulation 26 (Draft offer document and offer document to be available to the public)

- (1) The draft offer document filed with the Board shall be made public for comments, if any, for a period of at least twenty one days from the date of filing, by hosting it on the websites of the Board, stock exchanges where specified securities are proposed to be listed and lead manager(s) associated with the issue.
- (2) The issuer shall, within two days of filing the draft offer document with the Board, make a public announcement in one English national daily newspaper with wide circulation, one Hindi national daily newspaper with wide circulation and one regional language newspaper with wide circulation at the place where the registered office of the issuer is situated, disclosing the fact of filing of the draft offer document with the Board and inviting the public to provide their comments to the Board, the issuer or the lead manager(s) in respect of the disclosures made in the draft offer document.
- (3) The lead manager(s) shall, after expiry of the period stipulated in sub-regulation (1), file with the Board, details of the comments received by them or the issuer from the public, on the draft offer document, during that period and the consequential changes, if any, that are required to be made in the draft offer document.
- (4) The issuer and the lead manager(s) shall ensure that the offer documents are hosted on the websites as required under these regulations and its contents are the same as the versions as filed with the Registrar of Companies, Board and the stock exchanges, as applicable.
- (5) The lead manager(s) and the stock exchanges shall provide copies of the offer document to the public as and when requested and may charge a reasonable sum for providing a copy of the same.

Regulation 43 (Issue-related advertisements)

- (1) Subject to the provisions of the Companies Act, 2013, the issuer shall, after registering the red herring prospectus (in case of a book built issue) or prospectus (in case of fixed price issue) with the Registrar of Companies, make a pre-issue advertisement in one English national daily newspaper with wide circulation, Hindi national daily newspaper with wide circulation and one regional language newspaper with wide circulation at the place where the registered office of the issuer is situated.
- (2) The pre-issue advertisement shall be in the format and shall contain the disclosures specified in **Part A of Schedule X**.

Provided that the disclosures in relation to price band or floor price and financial ratios contained therein shall only be applicable where the issuer opts to announce the price band or floor price along with the pre-issue advertisement pursuant to sub-regulation (4) of regulation 29.

- (3) The issuer may release advertisements for issue opening and issue closing, which shall be in the formats specified in **Parts B and C of Schedule X**.
- (4)
- (5) During the period the issue is open for subscription, no advertisement shall be released giving an impression that the issue has been fully subscribed or oversubscribed or indicating investors' response to the issue

Regulation 44 (Opening of the issue)

- (1) Subject to the compliance with the provisions of the Companies Act, 2013, a public issue may be opened within twelve months from the date of issuance of the observations by the Board under regulation 25;
- (2) An issue shall be opened after at least three working days from the date of registering, the red herring prospectus, in case of a book built issue and the prospectus, in case of a fixed price issue, with the Registrar of Companies.

Regulation 51 (Post-issue advertisements)

- (1) The lead manager(s) shall ensure that an advertisement giving details relating to subscription, basis of allotment, number, value and percentage of all applications including ASBA, number, value and percentage of successful allottees for all applications including ASBA, date of completion of despatch of refund orders, as applicable, or instructions to self-certified syndicate banks by the registrar, date of credit of specified securities and date of filing of listing application, etc. is released within ten days from the date of completion of the various activities in at least one English national daily newspaper with wide circulation, one Hindi national daily newspaper with wide circulation and one regional language daily newspaper with wide circulation at the place where registered office of the issuer is situated.
- (2) Details specified in sub regulation (1) shall also be placed on the websites of the stock exchange(s).

Regulation 55 (Post-issue reports)

The lead manager(s) shall submit a final post-issue report as specified in **Part A of Schedule XVII**, along with a due diligence certificate as per the format specified in **Form F of Schedule V**, within seven days of the date of finalization of basis of allotment or within seven days of refund of money in case of failure of issue.

2. Registration of Offer of Schemes involving Transfer of Shares (section 238)

The Companies (Amentment) Ordinance, 2018 substituted following in sub-section (3) in section 238 of the Companies Act, 2013 w.e.f. 2nd November, 2018,

“in sub-section (3), for the words "punishable with fine which shall not be less than twenty-five thousand rupees but which may extend to five lakh rupees", the words "liable to a penalty of one lakh rupees" shall be substituted.”

Note

**Section 230 (11) and 230 (12) relating to power to Compromise or Make Arrangements with Creditors and Members are yet to be notified.*

In case of Government Company - In Sections 230-232 for the word "Tribunal" the words "Central Government" shall be substituted.

LESSON 4
PROCESS OF M&A TRANSACTIONS

1. Companies (Registered Valuers and Valuation) Third Amendment Rules, 2018.

In the Companies (Registered Valuers and Valuation) Rules, 2017 in rule 11 for the figures, letters and word "30th September, 2018" occurring at both the places 'the figures' letters and word "31st January, 2019" shall be substituted w.e.f. 25th September, 2018.

2. Companies (Registered Valuers and Valuation) Fourth Amendment Rules, 2018

In exercise of the powers conferred by section 247 read with section 469 of the Companies Act, 2013, the Central Government made the following rules further to amend the Companies (Registered Valuers and Valuation) Rules, 2017 w.e.f. 13th November, 2018.

2. In the Companies (Registered Valuers and Valuation) Rules, 2017 (hereinafter referred to as "the said rules"), in rule 1,—

(a) for the marginal heading, the following marginal heading shall be substituted, namely:-

"Short title, commencement and application";

(b) after sub-rule (2), the following sub-rule shall be inserted, namely:-

"(3) These rules shall apply for valuation in respect of any property, stocks, shares, debentures, securities or goodwill or any other assets or net worth of a company or its liabilities under the provision of the Act or these rules.

Explanation.- It is hereby clarified that conduct of valuation under any other law other than the Act or these rules by any person shall not be affected by virtue of coming into effect of these rules."

3. In the said rules, in rule 3, in sub-rule (2), -

(a) in clause (a), the word "not" shall be omitted;

(b) in clause (c), after the brackets and letter "(e)", the brackets and letter "(f)," shall be inserted.

4. In the said rules, in rule 4,-

(a) in clause (c), the words, brackets and letters "and having qualification mentioned at clause (a) or (b)" shall be omitted;

(b) in Explanation II, the words "and examination or training" shall be omitted;

(c) after Explanation II, the following Explanation shall be inserted, namely :-

"Explanation III.— For the purposes of this rule and Annexure IV, 'equivalent' shall mean professional and technical qualifications which are recognised by the Ministry of Human Resources and Development as equivalent to professional and technical degree."

5. In the said rules, in rule 10, the words “and he may conduct valuation as per these rules if required under any other law or by any other regulatory authority” shall be omitted.

6. In the said rules, in rule 11, the Explanation shall be omitted.

7. In the said rules, in rule 12, in sub-rule(1), in clause (ii), for the words “a professional institute”, the words “it is a professional institute” shall be substituted.

8. In the said rules, for Annexure IV, the following Annexure shall be substituted, namely,

Eligibility Qualification and Experience for Registration as Valuer

Asset Class	Eligibility	Experience in specified discipline.
	Qualifications	
Plant and Machinery	(i) Graduate in Mechanical, Electrical, Electronic and Communication, Electronic and Instrumentation, Production, Chemical, Textiles, Leather, Metallurgy, or Aeronautical Engineering, or Graduate in Valuation of Plant and Machinery or equivalent;	(i) Five years
	(ii) Post Graduate on above courses.	(ii) Three years
Land and Building	(i) Graduate in Civil Engineering, Architecture, or Town Planning or equivalent;	(i) Five years
	(ii) Post Graduate on above courses and also in valuation of land and building or Real Estate Valuation (a two-year full time post-graduation course).	(ii) Three years.
Securities or Financial Assets	(i) Member of Institute of Chartered Accountants of India, Member of Institute of Company Secretaries of India, Member of the Institute of Cost Accountants of India, Master of Business Administration or Post Graduate Diploma in Business Management (specialisation in finance).	Three years
	(ii) Post Graduate in Finance	
Any other asset class along with corresponding qualifications and experience in accordance with rule 4 as may be specified by the Central Government.		

Note - The eligibility qualification means qualification obtained from a recognized Indian University or equivalent Institute whether in India or abroad.

4. Circular - Enrolment as Valuer Member by Registered Valuers Organisation and Registration as Registered Valuer by the Authority

Recognised RVOs are advised to admit only those individuals, who possess the necessary educational qualifications and experience and meet other eligibility requirements, as valuer members. They are also advised to recommend only those valuer members, who have completed the recognised educational course and passed valuation examination of the relevant asset class, to the Authority for registration.

LESSON 9

COMPETITION ACT

1. CCI (Procedure in regard to the transaction of business relating to combinations) Amendment Regulations, 2018

The Competition Commission of India (CCI) notified the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Amendment Regulations, 2018 on 9 October 2018 (Amendment Regulations).

Following are the key highlights from the Amendment Regulations:

Mechanism for computation of 210-day period

Under the Competition Act, 2002 (Competition Act), a notified transaction cannot be completed until the CCI gives its approval or until the expiry of 210 calendar days from the date of notification, whichever is earlier. Prior to this amendment, there was ambiguity in the manner of computation of the 210-day period, particularly whether the clock-stops during the review process are required to be excluded while counting the period of 210 days, given that there is no categorical mention of such exclusion in the Competition Act and/or the Combination Regulations. The Amendment Regulations now clarify that the period of 210 days is extendable based on the number of times a request for information is issued by the CCI. This means a longer waiting period for a "deemed approval" could result in significant uncertainty in approval timelines.

- **Withdrawal and refiling of notice (Regulation 16A)**

Previously, in cases where changes made to a notice (post filing) were likely to substantially affect the factors for determining appreciable adverse effect on competition, the CCI had the liberty to invalidate the notice. Now, in case a proposed transaction undergoes a significant change, the parties can withdraw the previous notice, and refile a fresh notice. The introduction of this provision provides flexibility to the parties to decide whether to "withdraw and refile" or to simply notify the CCI of any change to the notice. However, the final decision on whether to allow the refiling vests with the CCI.

While an invalidation of the notice by the CCI does not carry any penal consequences, it is an outcome most parties wish to avoid. The CCI has been following this practice of allowing the parties to "withdraw and refile" and the Amendment Regulations seek to formalize the same.

- **Introduction of provision for Phase I voluntary modifications [Regulation 19(2)]**

Previously, Regulation 19(2) of the Combination Regulations provided that if the CCI considers it necessary, it may ask for additional information and accept voluntary modifications, if made by the parties. However, after the substitution of Regulation 19(2) by the Amendment Regulations, the CCI may accept voluntary modifications, even when it does not deem such modifications to be necessary.

Further, the previous Regulation 19(2) only provided that the CCI may accept modifications if offered by the parties but did not provide for the approval of the combination based on such modifications. However, in practice, the CCI approved the transaction after the parties proposed a modification. The substitution, therefore, is a welcome step as it has embodied the decisional practice of the CCI.

- **Introduction of provision for voluntary modifications before Phase II review [Regulation 25]**

The introduction of the new provision allows the parties to offer modifications (prior to a formal Phase II process) immediately after the CCI has formed its *prima facie* opinion under Section 29(1) of the Competition Act, in response to the show-cause notice issued by the CCI just before initiating a Phase II investigation.

Now, the parties will not have to wait for the CCI to order modification after a long-drawn Phase II review process. As such, this would result in speedier resolution of the CCI's concerns and consequently will also result in quicker approvals. This insertion is a win-win situation for both the parties and the CCI and is consistent with the approach taken by other leading international merger authorities.

- **Introduction of agencies to oversee such implementation [Regulation 27]**

In regulation 27, for sub-regulation (1), the following sub-regulation shall be substituted, namely:-

“(1) Where the Commission is of the opinion that the implementation of the modifications to the proposed combination needs supervision, it may appoint agencies to oversee such implementation, on such terms and conditions as may be determined by the Commission.”.