

WEEKLY UPDATES ON COMPANY LAW, SEBI, RBI AND IBC

Week 44–October 25<sup>th</sup> 2021 to October 31<sup>st</sup> 2021

1

Companies Act 2013 during the week

Rules -0; Circulars - 3; Notifications-0; Orders-0; Important Notices -0

S. No	Date of Issue	Rules/Circular/ Notification/Order	Contents thereof	Gist thereof
1	29/10/2021	Circular	<p>Relaxation on levy of additional fees in filing of e-forms AOC-4, AOC-4(CFS), AOC-4 XBRL, NON XBRL and MGT-7/MGT-7A for the year ended on 31-3-2021 under the Companies Act, 2013</p> <p><a href="https://www.mca.gov.in/content/mca/global/en/home.html">https://www.mca.gov.in/content/mca/global/en/home.html</a></p>	<p>MCA has granted Extension of timeline upto 31-12-2021 for filing the following forms without additional fees for the financial year 2021.</p> <p><u>Forms:</u></p> <ul style="list-style-type: none"> <li>• AOC-4</li> <li>• AOC-4(CFS)</li> <li>• AOC-4 XBRL</li> <li>• AOC-4 NON XBRL</li> <li>• MGT-7</li> </ul>

				<ul style="list-style-type: none"> <li>• MGT-7A</li> </ul>
2	29/10/2021	Circular	<p>Extension of last date of filing of Cost Audit Report to the Board of directors under Rule 6(5) of the companies (Cost Records and Audit) Rules,2014</p> <p><a href="https://www.mca.gov.in/content/mca/global/en/home.html">https://www.mca.gov.in/content/mca/global/en/home.html</a></p>	MCA has granted Extension of timeline till 30/11/2021 to file cost Audit report to the Board of Directors.
3	26/10/2021	Circular	<p>Relaxations in paying additional fees in case of delay in filling form-8(the statement of account and solvency) by Limited Liability Partnership upto 30<sup>th</sup> December 2021</p> <p><a href="https://www.mca.gov.in/content/mca/global/en/home.html">https://www.mca.gov.in/content/mca/global/en/home.html</a></p>	MCA has granted Extension of timeline for filing the form-8(Statement of accounts and solvency) by LLPs upto 30th December 2021 without paying additional fees.

S. No	NEWS ON MCA
	NIL

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**SEBI during the week**

**Act -0; Rules -0; Circulars-2; Press Release-0; General Orders – 0; Guidelines- 0**

S. No	Date of Issue	Act/rules/circulars	Subject & Link	Gist thereof
1	26/10/2021	Regulations	<p><b>Securities and Exchange Board of India (Depositories and Participants) (Second Amendment) Regulations, 2021</b></p> <p><a href="https://www.sebi.gov.in/legal/regulations/oct-2021/securities-and-exchange-board-of-india-depositories-and-participants-second-amendment-regulations-2021_53569.html">https://www.sebi.gov.in/legal/regulations/oct-2021/securities-and-exchange-board-of-india-depositories-and-participants-second-amendment-regulations-2021_53569.html</a></p>	SEBI vide this circular permitted practicing Cost Accountant (In addition to Company Secretary and Chartered Accountant) to certify the quarterly Reconciliation of Share Capital Audit report.

2	26/10/2021	Regulations	<p>Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2021</p> <p><a href="https://www.sebi.gov.in/legal/regulations/oct-2021/securities-and-exchange-board-of-india-issue-of-capital-and-disclosure-requirements-fourth-amendment-regulations-2021_53516.html">https://www.sebi.gov.in/legal/regulations/oct-2021/securities-and-exchange-board-of-india-issue-of-capital-and-disclosure-requirements-fourth-amendment-regulations-2021_53516.html</a></p>	<p>SEBI relaxed the framework concerning the issue of shares with superior voting rights (called SR shares). Promoters with a net worth exceeding Rs 1,000 crore would be eligible for holding voting rights in their companies. Previously, it was Rs 500 crore.</p> <p>While determining the individual net worth of the SR shareholder, his investment and shareholding in other listed companies would have to be considered but not that of his shareholding in the issuer company. Additionally, the minimum gap between issuing of the SR and filing of the red herring prospectus has been reduced to three months from the present requirement of six months.</p>
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S. No	NEWS ON SEBI
1	<p>SEBI allowed resident Indians, other than individuals, to become constituents of foreign portfolio investors (FPIs) that are registered as alternative investment funds (AIFs) in IFSCs. This will facilitate investment in Indian securities markets through the FPI route by AIFs set up in International Financial Services Centres (IFSCs). Such resident Indians will be sponsor or managers of the FPI and their contribution to the FPI will be subject to certain conditions. In a notification, Sebi said, "resident Indians, other than individuals, may also be constituents of the</p>

	<p>applicant." This is subject to the conditions that the applicant should be an AIF set up in the IFSCs and regulated by the International Financial Services Centres Authority. The contribution of such resident Indian in the FPI will be up to 2.5 per cent of the corpus of the applicant or USD 7,50,000 (whichever is lower), in case the applicant is a Category I or Category II AIF, while for Category III AIF it will be 5 per cent of the corpus or USD 1.5 million (whichever is lower).</p>
<b>2</b>	<p>SEBI has floated a consultation paper proposing a series of measures that guarantees ESG (Environment, Sustainability and Governance) mutual fund schemes walk their talk. ESG-focused mutual fund schemes remain true to label. All ESG schemes must define its objective and policy in clear terms as to what it aims to achieve by following an ESG – focused strategy and how it would materially make a difference. ESG focused MFs must invest in only those companies that are covered under the mandatory Business Responsibility and Sustainability Report (BRSR). At the moment - and since the new BRSR norms came into effect in May 2021- the top 1,000 companies listed by market capitalization are covered.</p>
<b>3</b>	<p>SEBI issued a circular, introducing new set of guidelines for trading by employees, trustees and board members of asset management companies (AMCs) or mutual funds. As per the Sebi circular, to ensure the employees of AMCs, its board members, and board members of trustees do not take undue advantage of any sensitive information that they may have about any company or its securities or the AMC's schemes or its units, a category of "access persons" has been created. These "access persons" will have to abide by the new Sebi rules. "Access person for the purpose of these guidelines shall mean the Head of the AMC (designated as CEO/Managing Director/President or by other name), Executive Directors, Chief Investment Officer, Chief Risk Officer, Chief Operation Officer, Chief Information Security Officer, Fund Managers, Dealers, Research Analysts, all employees in the Fund Operations Department, Compliance Officer and Heads of all divisions and/or departments or any other employee as decided by the AMC(s) and/or Trustees," the circular said.</p>

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**RBI during the week**  
**Notifications -1; Master Directions –0; Master Circulars –0; Circular -0;**

S. No	Date of Issue	Notifications/Master Directions/Master Circulars	Subject & Link	Gist thereof

S. No	NEWS ON RBI
1	The Reserve Bank of India allows borrowers, where exposure of the banking system is Rs. 5 crores or more, to maintain current accounts with any one of the banks with which they have Cash Credit (CC)/Overdraft (OD) facility

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**IBC during the week**

**Notifications -0; Master Directions -0; Master Circulars -0; Circular -0;**

S. No	Date of Issue	Notifications/Master Directors/Master Circulars	Subject & Link	Gist thereof
NIL				

S. No	NEWS ON IBC
NIL	

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**Others during the week**

**NSE-0; BSE-0; DIPP-0; Finance Ministry-0; Others -0;**

S. No	Date of Issue	Rules/Circular/ Notification/Order	Contents thereof	Gist thereof
NIL				





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