

WEEKLY UPDATES ON COMPANY LAW, SEBI, RBI AND IBC

Week 12- March 15th 2021 to March 21st 2021

1

Companies Act 2013 during the week

Rules -0; Circulars -0; Notifications-2; Orders-0; Important Notices -0

S. No	Date of Issue	Rules/Circular/ Notification/Order	Contents thereof	Gist thereof
1	18.03.2021	Notification	Commencement Notification Dated 18th March 2021	<p>Central Government notified the commencement of Section 32 and Section 40 of Companies (Amendment) Act, 2020.</p> <p>Section 32 seeks to amend S 149 of CA 2013 to allow Independent Director to take remuneration in case of no profit or inadequate profit as per Schedule-V.</p> <p>Section 40 seeks to amend S 197 of CA 2013 by including the provision of payment of remuneration to Non-executive directors including independent directors in case of companies failing to make profits.</p>
2	18.03.2021	Notification	Amendment to Schedule V of the Companies Act., 2013	<p>In line with the aforesaid amendment, Schedule V is also amended to bring effect to these provision. Limits of Remuneration for directors other than managerial</p>

				persons is also specified.										
				<table border="1"> <thead> <tr> <th>Effective capital</th> <th>Limit of remuneration</th> </tr> </thead> <tbody> <tr> <td>-ve or or <5 crores.</td> <td>12 Lacs</td> </tr> <tr> <td>5 Cr and above but < 100 Cr</td> <td>17 Lacs</td> </tr> <tr> <td>100 Cr and above but < 250 Cr</td> <td>24 Lacs</td> </tr> <tr> <td>250 Cr and above</td> <td>24 Lakhs plus 0.01% of the effective capital in excess of Rs.250 crores</td> </tr> </tbody> </table>	Effective capital	Limit of remuneration	-ve or or <5 crores.	12 Lacs	5 Cr and above but < 100 Cr	17 Lacs	100 Cr and above but < 250 Cr	24 Lacs	250 Cr and above	24 Lakhs plus 0.01% of the effective capital in excess of Rs.250 crores
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S. No	NEWS ON MCA
1.	<p>Year-long IBC suspension to be lifted ‘after March 24’, hints MCA</p> <p>The Ministry for Corporate Affairs has hinted that the suspension of the Insolvency and Bankruptcy Code (IBC) is likely to be revoked after March 24. This has been conveyed in a written submission by the Ministry to the Standing Committee on Finance headed by Jayant Sinha. This submission came along with the note on allocation and utilisation of funds for the Insolvency and Bankruptcy Board of India (IBBI).</p>
2	<p>Establishment of Central Scrutiny Centre (CSC)</p> <p>The Central Government vide notification dated March 18, 2021 has established a Central Scrutiny Centre (CSC) for carrying out scrutiny of Straight Through Processes (STP) e-forms filed by the companies under the Companies Act, 2013 and the rules made thereunder which shall come into force from March 23, 2021.</p> <ol style="list-style-type: none"> The CSC shall function under the administrative control of the e-governance Cell of the Ministry of Corporate Affairs. It shall carry out scrutiny of the aforesaid forms and forward findings thereon, wherever required, to the concerned jurisdictional Registrar of Companies for further necessary action under the provisions of the Companies Act, 2013 and the rules made thereunder. It shall be located at the Indian Institute of Corporate Affairs (IICA)

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SEBI during the week

Act -0; Rules -0; Regulations-0; General Orders – 0; Guidelines- 0

Master Circulars-0; Circulars –0; Press Release –0 Others -0;

S. No	Date of Issue	Act/rules/circulars	Subject & Link	Gist thereof
NIL				

S. No	NEWS ON SEBI
1	Markets regulator Sebi has notified new regulations for portfolio managers, investment advisers and research analysts with regard to their qualifications. The move will help recognise "the post graduate programme in securities market of not less than one year offered by NISM" as eligible qualification for portfolio managers, investment advisers and research analysts, according to Sebi.
2	Markets regulator Sebi put in place a uniform policy to streamline the reconciliation process among intermediaries with regard to initial public offers as well as a new mechanism to compensate investors. The new framework would address issues related to delay in receipt of mandate by investors for blocking of funds due to systemic issues at intermediaries and failure to unblock the funds in cases of partial allotment by the next working day from the finalisation of Basis of Allotment (BOA), Sebi said in a circular. Among other issues that would be addressed are Self Certified Syndicate Bank (SCSB) blocking multiple amounts for the same Unified Payment Interface (UPI) application and SCSB blocking more amount in the investors account than the application amount.

3

RBI during the week
Notifications -0; Master Directions –0; Master Circulars –0; Circular -0;
Press Release – 0

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

S. No	NEWS ON RBI

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IBC during the week

Notifications -1; Master Directions –0; Master Circulars –0; Circular –0;

Press Release –0; Others – 0

S.No	Date of Issue	Notifications/Master Directors/Master Circulars	Subject & Link	Gist thereof
1	15/03/2021	Notification	IBBI (Insolvency Resolution Process for Corporate Persons) (Amendment) Regulations, 2021	<p>Summary of amendments is given below:</p> <ul style="list-style-type: none"> Regulation 40B of the CIRP regulations require an interim resolution professional (IRP) / resolution professional (RP) to file a set of forms (CIRP 1 to CIRP 6) within seven days of completion of specific activities to enable monitoring progress of CIRP. As per the amendments, Form CIRP 7 has to be filed within three days of due date of completion of any activity, and continue to file Form CIRP 7 every 30 days, until the said activity remains incomplete. A creditor now required to update its claim as and when the claim is satisfied, partly or fully, from any source in any manner, after the

				<p>insolvency commencement date</p> <ul style="list-style-type: none"> Form C modified – Now, details of claims against CD by each category viz principal borrower, guarantor to be given separately and amount of claim covered by security interest and guarantee to be mentioned.
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S. No	NEWS ON IBC
1.	<p>Person Ineligible u/s 29A IBC to Submit Resolution Plan Cannot Propose Scheme Of Compromise & Arrangement u/s 230 Companies Act 2013: Supreme Court</p> <p>The Supreme Court held that a person who is ineligible under Section 29A of the Insolvency Bankruptcy Code to submit a resolution plan, cannot propose a scheme of compromise and arrangement under Section 230 of the Companies Act, 2013.</p>

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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				

S. No	GENERAL NEWS
1.	University Grants Commission recognizes Company Secretary, Chartered Accountant and Cost and Management Accountant Qualification as equivalent to Post Graduate Degree
2.	Rajya Sabha passes bill to hike FDI in insurance sector to 74% : The Bill to hike the foreign direct investment (FDI) limit in the insurance sector to 74% provides adequate safeguards so that control, ownership, and money collected from policyholders stays within the country. The decision to increase the FDI limit from the current 49% was taken after the sector’s regulator Insurance Regulatory and Development Authority of India (IRDAI) held detailed consultations with stakeholders



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