

WEEKLY UPDATES ON COMPANY LAW, SEBI, RBI AND IBC

Week 12-March 16 to March 23, 2020

1

Companies Act 2013 during the week

Rules - 1; Circulars - 0; Notifications – 0; Orders-0; Important Notices - 0

S. No	Date of Issue	Rules/Circular/ Notification/Order	Contents thereof	Gist thereof
1	19/03/2020	Rule	Companies (Meetings of Board and its Powers) Amendment Rules, 2020	<p>Companies Act, 2013 restricts transaction of the following items through video conferencing.</p> <p>Board meetings for approval of</p> <ul style="list-style-type: none"> • the annual financial statements, • Board’s report, • Approval of prospectus matters relating to amalgamation, merger etc. • Audit committee meetings for consideration of financial statements <p>This amendment provides temporary relaxation to the</p>

				<p>requirement of physical presence of directors in board meetings considering the need to take precautionary steps to overcome the outbreak of the corona virus (Covid-19).</p> <p>Such meetings may be held from 19th March 2020 till June 30th 2020 through video conferencing or other audio visual means.</p>
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S. No	NEWS ON MCA
1	Govt to amend CSR rules under Companies Act - The corporate affairs ministry has sought public comments on proposed changes to rules governing Corporate Social Responsibility (CSR) policy under the companies law.

2

SEBI during the week

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

Master Circulars-0; Circulars – 1; Press Release –2; Others -0;

S. No	Date of Issue	Act/rules/circulars....	Subject & Link	Gist thereof
1	20/03/2020	Press Release	Regulatory measures taken by SEBI in view of ongoing market volatility	<p>SEBI,keeping in view the objective of ensuring orderly trading and settlement, effective risk management, price discovery and maintenance of market integrity, proposed measures proposed few inter alia regarding the following</p> <ul style="list-style-type: none"> • Revision of Market Wide Position Limit (MWPL) • Increase in margin for stocks and for Non-F&O Stocks in Cash Market • Revised position limits in equity index derivatives (futures and options) • Flexing of dynamic price bands for F&O stocks

				These measures will be effective from 23 rd March 2020 for a period of one month.
2	19/03/2020	Press Release	Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to the CoVID -19 virus pandemic	<p>Taking into consideration of current situations due to CoVID-19 outbreak, SEBI relaxed timelines of filings to be done by listed companies including for holding of Board Meeting for approval of Annual Financial Results, filing of Monthly returns like CG report, Shareholding pattern etc.</p> <p>By this notification, the board of directors and Audit Committee of the listed entity are exempted from observing the maximum stipulated time gap between two meetings for the meetings held or proposed to be held between the period December 1, 2019 and June 30, 2020.</p> <p>This is effective from the date of circular.</p>
3	16/03/2020		Consultation Paper on Relaxation with respect to QIP issues	<p>Under SEBI (ICDR) Regulations, 2018, expiry of 6 months from the date of previous Qualified Institutions Placement (QIP) is a condition for making new QIP. Inconsideration to representations received from issuers, SEBI proposes to relax conditions for making of successive QIPs.</p> <p>Proposed: <i>Relaxation may be provided for successive QIPs within 6 months of previous QIP</i></p>

			<p><i>issue, in cases where terms of placement for the subsequent tranches/issue are disclosed upfront in the special resolution.</i></p> <p>SEBI invites public comments with regard to above matter till 15th April 2020.</p>
4	16/03/2020	<p>Consultation Paper on Amendment to SEBI (Delisting of Equity Shares) Regulations, 2009 for Schemes of Arrangement</p>	<p>Under existing Delisting Regulation, the listed subsidiary desirous of getting delisted would be required to follow the delisting norms in terms of the Delisting Regulations.</p> <p>Proposed: <i>The shareholders of the listed subsidiary company will be offered shares of the listed parent company and the listed subsidiary will continue to exist, albeit as a wholly owned subsidiary of the parent company</i></p> <p>To ensure that this route is not taken undue advantage of and is detrimental to the investors, certain safeguard measures is also proposed by SEBI.</p> <p>SEBI invites public comments with regard to above matter till 15th April 2020</p>

S. No	NEWS ON SECURITIES EXCHANGE BOARD OF INDIA
	NIL

3

RBI during the week

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

Press Release – 0;

S. No	Date of Issue	Notifications/Master Directors/Master Circulars	Subject & Link	Gist thereof
1	16/03/2020	Notification	COVID-19- Operational and Business Continuity Measures	Through this notification, RBI advised an indicative list of actions required to be taken by the banks/financial institutions as a part of their existing operational and business continuity plans,

S. No	NEWS ON RESERVE BANK OF INDIA
	NIL

4

IBC during the week

Notifications -2; Master Directions –0; Master Circulars – 0; Circular – 1;

Press Release – 0;

S.No	Date of Issue	Notifications/Master Directors/Master Circulars	Subject & Link	Gist thereof
1	17/03/2020	Circular	Feature for modification of CIRP Forms (including IP-1 Form) submitted by an Insolvency Professional (IP) in compliance of regulation 40B of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016	Through this notification, IBBI enables a feature for modification of an already filed CIRP Form (including IP-1 Form). Such modification till 31 st March 2020 shall not attract any fees.
2	19/03/2020	Notification	Notice-Closing of filing counters of NCLT benches	Closure of all NCLT Benches is notified by the Board. It is further instructed that, in case of limitation issue, online filing can be done at Delhi, Mumbai,Hyderabad, Amaravati and jaipur Benches and hard copy may be filed over counters once it is

				<p>opened.</p> <p>Further through this notice it is instructed with regard to limitation issue under other benches, application can be filed through email of respective Registrar of the Bench.</p> <p>All NCLT benches shall remain closed till 27th March 2020.</p>
2	20/03/2020	Order	Extent of the Insolvency and Bankruptcy Code, 2016 to whole of India	Central Government notified Jammu and Kashmir Reorganisation (Adaptation of Central Laws) Order, 2020, through several acts including The Insolvency And Bankruptcy Code, 2016 was made applicable to union Territory of Jammu and Kashmir.
3	22/03/2020	Notification	Notification No.11-2020 under CGST Act, 2017 regarding registration of corporate debtor under CIRP as a class of person	Notification mandates a special procedure to be followed by Interim Resolution Professional (IRP) and Resolution professional (RP), from the date of appointment till the period the Company undergoes Corporate Insolvency Resolution Process. IRP/RP are directed to get separate registration in each state/ Union Territories where the Corporate Debtor was registered earlier within 30 days of appointment. Procedure for filing returns after such appointment and eligibility of IRP/RP to obtain Input tax Credit are also explained

				through this notification.
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S. No	NEWS ON INSOLVENCY AND BANKRUPTCY CODE
	NIL

S. No	GENERAL NEWS
1	Govt ramps up capacity of the NCLT Benches to boost decision-making The government is ramping up the capacity of the National Company Law Tribunal (NCLT) Benches to boost decision-making and reduce delays.It will set up dedicated Benches for insolvency and bankruptcy cases and add 40 new positions for NCLT.



Flat No.7, Door No.10 Madhans,
 South Canal Bank Road,
 Mandavelipakkam, Chennai 600028.
mail@akshayamcorporate.com
www.akshayamcorporate.com;Land Line:044-43533080

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