

WEEKLY UPDATES ON COMPANY LAW ,SEBI AND RBI

Week 13 –March 26 – April 01, 2018

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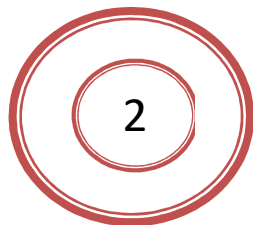
Companies Act 2013 during the week

Rules - 0; Circulars - 2; Notifications – 1; Orders- 0; Important Notices - 0

S.No	Date of Issue	Rules/Circular/ Notification/order	Contents thereof	Gist thereof
1	28.03.2018	Circular	Condonation of Delay Scheme 2018.	Condonation of Delay Scheme came into force with effect from 01.01.2018 to 31.03.2018 (refer General circular 16/2017 dates 29.12.2017) for filing of overdue. The scheme has been extended till 30.04.2018.
2	28.03.2018	Circular	Relaxation of additional fees and extension of last date of filing of AOC-4 XBRL E-Forms using Ind AS under the Companies Act, 2013	Filing of AOC 4 – XBRL Eform using Ind AS has been extended till 30 April, 2018.
3	28.03.2018	Notification	Companies (IAS) Amendment Rules, 2018	The MCA has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 with effect from 1st April 2018. Companies (Indian

				Accounting Standards) Amendment Rules, 2018 includes Ind AS 115 - Revenue from Contracts with Customers, Appendix D Service Concession Arrangements to Ind AS 115- Service Concession Arrangements and Appendix B to Ind AS 21, Foreign Currency Transactions and Advance Consideration (corresponding to IFRIC 22). Ind AS 11 Construction Contracts and Ind AS 18 Revenue will be omitted and changes in various Ind AS have been made, like Ind AS 1, 2, 8,12, 16,17,23,28,32,34,36,37,38,40, 101, 103, 104, 107, 109, 112, 114, etc.
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S.No.	GENERAL IMPORTANT NOTICES	Remarks
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SEBI during the week

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

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

S.No	Date of Issue	Act/rules/circulars....	Subject & Link	Gist thereof
1	28.03.2018	Board Meeting	SEBI Board Meeting	<p>Decisions taken at the Board Meeting as follows:</p> <p style="text-align: center;">Kotak Committee recommendation</p> <p>Acceptance of Recommendation without modification</p> <ol style="list-style-type: none"> I. Reduction in the maximum number of listed entity directorships from 10 to 8 by April 01, 2019 and to 7 by April 1, 2020 II. Expanding the eligibility criteria for independent directors III. Enhanced role of the Audit Committee, Nomination and Remuneration Committee and Risk Management Committee IV. Disclosure of utilization of funds from QIP/preferential issue

				<p>V. Disclosures of auditor credentials, audit fee, reasons for resignation of auditors, etc.</p> <p>VI. Disclosure of expertise/skills of directors</p> <p>VII. Enhanced disclosure of related party transactions (RPTs) and related parties to be permitted to vote against RPTs</p> <p>VIII. Mandatory disclosure of consolidated quarterly results with effect from FY 2019-20</p> <p>IX. Enhanced obligations on the listed entities with respect to subsidiaries</p> <p>X. Secretarial Audit to be mandatory for listed entities and their material unlisted subsidiaries under SEBI LODR Regulations.</p> <p style="text-align: center;"><u>Acceptance of recommendation with modifications</u></p> <p>I. Minimum 6 directors in the top 1000 listed entities by market capitalization by April 1, 2019 and in the top 2000 listed entities, by April 1, 2020</p> <p>II. At least one woman independent director in the top 500 listed entities by market capitalization by April 1, 2019 and in the top 1000 listed entities, by April 1, 2020</p> <p>III. iii. Separation of CEO/MD and Chairperson (to be initially made applicable to the top 500 listed entities by market capitalization w.e.f. April 1, 2020)</p>
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				<p>IV. iv. Quorum for Board meetings (1/3rd of the size of the Board or 3 members, whichever is higher) in the top 1000 listed entities by market capitalization by April 1, 2019 and in the top 2000 listed entities, by April 1, 2020</p> <p>V. v. Top 100 entities to hold AGMs within 5 months after the end of FY 2018-19 i.e. by August 31, 2019</p> <p>VI. vi. Webcast of AGMs will be compulsory for top 100 entities by market capitalization w.e.f. FY 2018-19</p> <p>VII. vii. Shareholder approval (majority of minority) for Royalty/brand payments to related party exceeding 2% of consolidated turnover (instead of the proposed 5%).</p> <p>Other approvals of the Board are as follows:</p> <ul style="list-style-type: none"> ➤ Measures for Strengthening Algorithmic Trading Framework ➤ Rationalizing and Strengthening the framework of Equity Derivatives Market ➤ Proposal for amendment of the regulatory provision permitting charging of additional expenses of up to 0.20% of the daily net assets of MF Schemes ➤ Go Green initiative in Mutual Funds ➤ Amendments to the SEBI (Alternative Investment Funds) Regulations, 2012 regarding Angel Funds
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				<ul style="list-style-type: none"> ➤ Revised Framework for non-compliance of the Listing Regulations <ul style="list-style-type: none"> • <u>The Board has decided to revise the existing enforcement framework for non-compliance of the listing regulations by listed companies.</u> • <u>Covers wide gamut of listing regulations and non compliance leads to fines by Stock Exchange</u> • <u>Empowers Stock Exchanges to freeze shareholding of promoters and promoter group in such entity and other securities.</u> • <u>Lead to suspension</u> ➤ Distribution of cash benefits by listed companies through Depositories ➤ Amendment to Regulation 40 of SEBI (LODR) Regulations, 2015 for mandating transfer of securities only in demat form <ul style="list-style-type: none"> • <u>Share Transfer of Listed entities shall not be processes unless securities are held in Demat Form. Measure aimed at curbing fraud and manipulation of physical transfer of securities. Effective Date will be notified later.</u> ➤ Public Consultation Process for laying down a framework of compliance with SEBI Regulations by listed entities subject to Corporate Insolvency
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				<p>Resolution Process under the Insolvency and Bankruptcy Code, 2016.</p> <p>➤ Public Consultation Process for Review of SEBI (Buy-back of Securities) Regulations, 1998 and SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.</p>
	26.03.2018	<p>Circular</p> <p>SEBI/HO/OIAE/IGRD/CIR/P/2018/58</p>	<p>Investor grievance redress mechanism - new policy measures</p>	<p>SCORES (SEBI Complaints Redress System) is a web based centralized system where investors' complaints are addressed. SEBI encourages the investors to lodge their complaints in SCORES to enhances the turnaround time and speed of redressal of a complaint.</p> <p>Upon request of various stake holders, SEBI has come up with revised policy measures on SCORES.</p> <p>Inorder to save time, the investors have been requested to complaint first with the company and incase they are not satisfied with the response, they can raise a complaint in Scores.</p> <p>The following complaints are not dealt through SCORES directly:</p> <ol style="list-style-type: none"> i. Complaints against the companies which are unlisted/delisted, in dissemination board of Stock Exchanges, ii. Complaints which are under consideration by court of law, quasi-judicial proceedings etc. iii. Complaints falling under the purview of other regulatory bodies

				<p>iv. Complaints against a sick company or a company where a moratorium order is passed in winding up / insolvency proceedings.</p> <p>v. Complaints against the companies where the name of company is <i>struck off</i> from RoC or a vanishing company as per list published by MCA.</p> <p>vi. Suspended companies, companies under liquidation / BIFR / etc.</p> <p>With effect from 01.08.2018, investors has to follow the procedure prescribed by SEBI for filing and redressal of grievances.</p>
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RBI during the week

Notifications -0; 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
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