

**WEEKLY UPDATES ON COMPANY LAW, SEBI, RBI AND
IBC**

Week 14- March 29th 2021 to April 04rd 2021

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Companies Act 2013 during the week

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

S. No	Date of Issue	Rules/Circular/ Notification/Order	Contents thereof	Gist thereof
1	01.04.2021	Rules	Company(Accounts), Second Amendment Rules,2021 http://www.mca.gov.in/Ministry/pdf/AccountsAmendmentRules_01042021.pdf	The requirement of using an accounting software for maintaining books of account with feature of recording audit trail has now been deferred and is applicable from FYs starting 1st April, 2022 (Earlier from FYs starting 1 st April 2021).
2	01.04.2021	Rules	Companies (Audit and Auditors) Second Amendment Rules,2021 http://www.mca.gov.in/Ministry/pdf/AuditAuditorsAmendmentRules_01042021.pdf	The confirmation by the Auditors on Accounting software for maintaining books of accounts (as detailed above) has now been deferred and is applicable from FYs starting 1 st April, 2022 (Earlier from 1 st April 2021).

S.No	NEWS ON MCA
1.	Corporate affairs ministry facilitates tracking down of payments to MSMEs The Ministry of Corporate Affairs (MCA) has made it easier for authorities to find out whether the company concerned is holding payments of vendors, especially micro, small, and medium enterprises (MSMEs) and for how many years. Companies would be required to disclose trade payables according to their ageing in their financial statements. This would be divided between MSMEs and others. Within each category, there would be further sub-categories — disputed and undisputed.
2.	“E-form INC-6” revised as per the Companies (Incorporation) Second Amendment Rules, 2021 is now available for filing
3.	“CSR-1 Form related to registration of Entities for undertaking CSR Activities” is now available for filing as E- Form.

In the last two months, MCA had notified many changes to provisions of Companies Act, 2013 and its rules thereunder which are effective from 1st April 2021. Summary of them is given below

- Change in definition of Small Company and One Person Company
- Amendments to the process of conversion of OPC into a Public Limited or Private Limited Company
- Revised Time Period for accepting of Rights issue offer
- Definition of ‘Listed Companies’
- Additional confirmations to be provided in the Audit Report
- Additional Disclosures to be provided in the Board’s Report
- Amendments to Schedule III of the Companies Act, 2013

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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 reduced the timelines for refund of investors' money to four days in case of non-receipt of minimum subscription and the issuer failing to obtain listing or trading permission from the stock exchanges.

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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 Directions/Master Circulars	Subject & Link	Gist thereof
NIL				

S. No	NEWS ON RBI
1.	The Reserve Bank of India (RBI) extended the deadline for processing recurring online transactions to September 30, 2021, from March 31, 2021. Banks and payment gateways had sought additional time to comply with the RBI directive on automatic recurring payment.

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IBC during the week

**Notifications -0; Master Directions –0; Master Circulars –0; Circular –0;
Press Release –0; Others – 1**

S.No	Date of Issue	Notifications/Master Directors/Master Circulars	Subject & Link	Gist thereof
1.	04.04.2021	Ordinance	The Insolvency And Bankruptcy Code (Amendment) Ordinance, 2021 https://ibbi.gov.in/uploads/legalframework/04af067c22275dd1538ab2b1383b0050.pdf	A new CHAPTER III-A has been introduced, adding Sections 54A to 54P to the Insolvency and Bankruptcy Code, 2016. The chapter deals with entities which are eligible to take the benefit of pre-packaged insolvency resolution process, its initiation, duties of resolution professional, approval of a plan etc. The Ordinance is aimed at providing an efficient alternative insolvency resolution process for corporate persons classified as MSMEs by ensuring quicker, cost-effective and value maximising outcomes for all the stakeholders, in a manner which is least disruptive to the continuity of their businesses, and which preserves jobs.

				It allows the corporate debtor to submit a "base resolution plan" to the resolution professional who further presents it to the committee of creditors. The pre-packaged insolvency resolution process has to be completed within a period of one hundred and twenty days from the pre-packaged insolvency commencement date
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S. No	NEWS ON IBC
1.	The Supreme Court held that once a winding up petition is admitted, the winding up petition should not trump any subsequent attempt at revival of the company through a Section 7 or Section 9 petition filed under the IBC.

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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.	It has been made mandatory for a GST taxpayer having aggregate turnover of more than Rs 5 crore in the preceding financial year, to furnish 6 digits HSN Code (Harmonised System of Nomenclature Code). This comes into effect from April 1, 2021.
2.	The four labour codes will not come into effect from April 1 as States are yet to finalize the relevant rules, which means that there will be no change in take home pay of employees and provident fund liability of companies for now.
3.	Concessional TDS rates specified under “The Taxation and Other Laws (Relaxation and Amendment of Certain Provisions) Act, 2020” were applicable till 31 st March 2021 only. Old TDS rates (prior to 14/05/2020) will be applicable with effect from 01 st April 2021.



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