

WEEKLY UPDATES ON COMPANY LAW,SEBI, RBI AND IBC

Week 19 – 04th May to 10th May 2020

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Companies Act 2013 during the week

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

S. No	Date of Issue	Rules/Circular/ Notification/Order	Contents thereof	Gist thereof
1.	05/05/2020	Circular	Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)	<p>MCA had come up with relaxation in holding EGMs vide Video Conferencing vide circulars in the month of April 2020.</p> <p>Further companies whose financial year ended on 31st December 2019, were allowed to hold their AGM on or before 30th September 2020.</p> <p>Now vide this Circular MCA has allowed all companies to hold their AGM via video Conferencing or other Audio Visual Means during the calendar year, subject to the following:</p>

				<p>Companies providing E-Voting Facilities:</p> <ol style="list-style-type: none"> 1. Framework of provided in April month's circular to apply mutatis mutandis. 2. Only unavoidable special business to be transacted. 3. Annual Report shall be sent only by email. 4. Public notice to be published with specific information such as 5. AGM will be convened through VC or OAVM 6. Date and time of the AGM through VC or OAVM 7. Availability of notice of the meeting on the website and SE, incase of listed company 8. Manner in which members holding physical shares to vote through e-voting. 9. Manner in which person whose email id are not registered, can get it registered with the company 10. Manner in which member can give mandate for receiving dividend directly in their bank accounts. 11. Any other detail. 12. Incase company is unable to make online payment of dividend, upon normalisation of postal services, company shall dispatch dividend warrant. 13. For companies which have obtained permission to hold AGM from authorities, should provide VC/OAVM facilities to other members.
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				<p>All members present physically and through VC/OAVM shall be reckoned for the purpose of quorum.</p> <p>For companies not required to provide E-voting</p> <ol style="list-style-type: none"> 1. AGM via VC or OAVM to be conducted only if email address of atleast half of its total number of members holding 75% of the paid up capital are available. 2. Framework of provided in April month's circular to apply mutatis mutandis. 3. Special business, considered unavoidable, may alone be transaction. 4. Email of annual report to be sent. 5. Provisions for allowing members to give mandate to receive dividend directly to their bank accounts, otherwise, dividend warrants/cheques to such shareholders to be sent via post, upon normalisation.
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S. No	NEWS ON MCA

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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 –0; Others -0;**

S. No	Date of Issue	Act/rules/circulars....	Subject & Link	Gist thereof
1.	06/05/2020	Circular	Relaxations relating to procedural matters – Issues and Listing	SEBI has decided to grant one time relaxations from the compliance of certain regulations of SEBI(Issue of Capital and Disclosure Requirements) Regulations, 2018, pertaining to Rights Issue upto July 31, 2020 in the wake of covid 19.

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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
Nil				

S. No	NEWS ON RESERVE BANK OF INDIA
1.	<p>RBI sold \$500 million in NDF market to keep rupee stable The Reserve Bank of India (RBI) sold a net \$500 million in the overseas currency-derivatives market in March, the biggest such intervention in at least a year, to ensure that the rupee remained stable amid a coordinated capital flight to safe havens from the emerging markets</p>
2.	<p>Government to borrow 54% more than estimate, fiscal deficit may hit 5.5% Weighed down by higher expenses due to the devastating impact of the Corona Virus pandemic on the economy, the government on Friday said it will borrow about Rs 12 lakh crore from the market in fiscal year 2020-21, a massive increase of Rs. 4.2 lakh crore, or 54% jump over the Budget estimate of Rs 7.8 lakh crore</p>
3.	<p>Non-banking finance companies (NBFCs) have asked the Reserve Bank of India (RBI) to permit one-time restructuring of all loans considering the economic scenario in the wake of COVID-19 lockdown.</p>

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IBC 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	05/05/2020	Notification	Amendment to the notification of the Government of India in the Ministry of Finance (Department of Revenue), No.11/2020- Central Tax, dated the 21st March, 2020	Ministry of Finance (Department of Revenue), No.11/2020- Central Tax, dated the 21st March, 2020 had notified that corporate debtors undergoing the corporate insolvency resolution process and the management of whose affairs are being undertaken by interim resolution professionals (IRP) or resolution professionals (RP), as the class of persons who shall follow the following special procedure, from the date of the appointment of the IRP/RP till the period they undergo the corporate insolvency resolution process for registration in each state/UT, returns and input tax credit.

				Certain amendments to the said notification has been brought for Registration and exceptions to certain class of companies from the said registration.
2	08/05/2020	What's New	Role of Resolution Professional / Liquidator in respect of Avoidance Transactions.	<p>Executive Director of IBBI has written a communication highlighting the role of RP/Liquidator in identifying preferential and fraudulent transactions under IB Code. The said communication also covers two cases laws as decided by the Hon'ble Supreme Court, including their observations on the said topic.</p> <p>This communication is issued for the sole purpose of educating the IPs and other stakeholders of corporate insolvency resolution and liquidation processes.</p>

S. No	NEWS ON INSOLVENCY AND BANKRUPTCY CODE
1.	<p>Investors may revise offers under IBC as covid-19 dents resolution process</p> <p>Investors who have bid for assets under the Insolvency and Bankruptcy Code (IBC) are expected to reassess their offers as cash flow projections have gone awry amid the covid-19 pandemic and the ensuing nationwide lockdown, experts said.</p>

S. No	GENERAL NEWS
1.	<p>No ordinance to amend labour laws Centre has no plans to promulgate an ordinance to ring in amendments to the labour laws, including increasing the present statutory working hours of workers.</p>
2.	<p>DGFT allows export of all sanitisers except alcohol-based In a partial rollback of curbs imposed in March, the Directorate General of Foreign Trade (DGFT) on Wednesday allowed export of all sanitisers, keeping only foreign sale of alcohol-based hand sanitisers under the ban amid heightened demand for the product during the covid-19 pandemic.</p>
3.	<p>SARFEASI Act Applicable To Cooperative Banks : SC Constitution Bench The Supreme Court has held that the Securitization and Reconstruction of Financial Assets and Enforcement of Security Act 2020 is applicable to co-operative banks.</p>
4.	<p>Cooperative Banks Must Comply With Banking Regulation Act And Other Laws Related To Banking: SC The Supreme Court has held that the co-operative banks cannot carry on any activity without compliance of the provisions of the Banking Regulation Act, 1949 and any other legislation applicable to such banks relatable to 'Banking'.</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



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