

WEEKLY UPDATES ON COMPANY LAW, SEBI, RBI AND IBC

Week 20th– May 10th 2021 to May 16th 2021

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Companies Act 2013 during the week

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

| S. No | Date of Issue | Rules/Circular/ Notification/Order | Contents thereof   | Gist thereof   |
|-------|---------------|------------------------------------|--|--|
| 1     | 13/05/2021    | Important Notice                   | <a href="#">List of forms providing waiver of additional fee as per Circular no. 06/2021 and 07/2021</a> | MCA on 3 <sup>rd</sup> May 2021 vide its circular announced that no additional fees will be levied up to 31st July 2021 for forms filed under the Companies Act 2013/LLP Act 2008 and Rules made thereunder, which are due for filing between 1 <sup>st</sup> April 2021 to 31st May 2021. Now MCA announced the following list of forms covered under such relaxation |

| Sl.No | Form ID     | Form Description  |
|-------|-------------|---|
| 1.    | Form CHG 1  | Application for registration of creation, modification of charge (other than those related to debentures)   |
| 2.    | Form CHG 9  | Application for registration of creation or modification of charge for debentures or rectification of particulars filed in respect of creation or modification of charge for debentures |
| 3.    | Form ADT 1  | Appointment of auditors   |
| 4.    | Form INC 22 | Notice of Situation or Change of situation of Registered Office of the Company  |
| 5.    | Form NDH 3  | Return of Nidhi Company for the half year ended   |
| 6.    | Form FC 4   | Annual Return of a Foreign Company  |
| 7.    | Form MSC 3  | Return of dormant companies   |
| 8.    | Form INC 27 | Conversion of public company into private company or private company into public company  |
| 9.    | Form NDH 2  | Application for extension of time   |
| 10.   | Form IEPF 3 | Statement of shares and unclaimed or unpaid dividend not transferred to the Investor Education and Protection Fund  |

|              |                    |
|--------------|--------------------|
| <b>S. No</b> | <b>NEWS ON MCA</b> |
|              | <b>NIL</b>         |

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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.    | 10.05.2021    | Circular            | <a href="#">Business responsibility and sustainability reporting by listed entities</a> | <p>SEBI notified new disclosure requirements under Business Responsibility and Sustainability Reporting(BRSR), which shall replace the existing Business Responsibility Report (BRR) and applicable to Top 1,000 listed entities by Market Capitalisation. This is applicable from Financial year 2022-23.</p> <p>The structure of the BRSR format is segregated under essential (“mandatory”) and leadership (“voluntary”) indicators. The leadership indicators in the BRSR format also includes disclosures related to the value chain of the listed entities. In the new format, the disclosures on climate and social (employees, consumers and communities) related issues of the entity are significantly enhanced and made more granular as compared to the disclosures under BRR.</p> |

| S. No | NEWS ON SEBI   |
|-------|--|
| 1.    | <p><b><u>INFORMAL GUIDANCE</u></b></p> <p>SEBI has provide informal guidance to M/s. Jade Capital Markets Private Limited, which is a registered Investment Advisor(IA) with SEBI, in the following matter:</p> <p><b><u>Background:</u></b> SEBI, vide Circular dated 23/09/2020 had amended criteria for charging fees from Clients by Investment advisors and further prescribed two modes (1. Assets under Advice mode 2. Fixed Fee mode) under which IA can charge fee from clients and also placed upper limit for fees. Such compliance to be adhered by Investment advisor latest by April 1, 2021.</p> <p><b><u>Query:</u></b> Jade capitals had already executed legal agreement with the existing clients, can it collect performance-based fee whenever the same is due in terms of the agreement executed with client, even if such fee is due on or after 31 March 2021.</p> <p><b><u>Response:</u></b> IAs are not permitted to collect any fee other than fee modes as specified under SEBI circular and IAs are mandatorily required to execute investment agreement with their clients including existing clients.</p> |
| 2.    | <p><b><u>Consultation Paper on Segregation and Monitoring of Collateral at Client level</u></b></p>  |
| 3     | <p>SEBI has release a Consultation Paper on “Review of the regulatory framework of promoter, promoter group and group companies as per Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018”</p> <p>The SEBI has issued a consultation paper on Review of the regulatory framework of promoter, promoter group and group companies as per SEBI (ICDR) Regulations, 2018 with an objective of seeking the public comments on the following latest by June 10, 2021</p>   |

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**RBI during the week**

**Notifications - 1; 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   |
|-------|---------------|--|--|--|
| 1     | 12.05.21      | Notification                                     | <b>Sponsor Contribution to an AIF set up in Overseas Jurisdiction, including IFSCs</b> | Sponsor contribution from an Indian sponsor to an Alternative Investment Fund (AIF) set up in an overseas jurisdiction, including International Financial Services Centres (IFSCs) in India, as per the laws of the host jurisdiction, will be treated as Overseas Direct Investment (ODI). Accordingly Indian Party can set up AIF in overseas jurisdictions, including IFSCs, under the automatic route. |

| S. No | NEWS ON RBI   |
|-------|---|
| 1.    | <b><u>RBI amends KYC norms</u></b> :The Reserve Bank on May 10, 2021 amended its master direction on know your customer to further leverage the Video-based Customer Identification Process (V-CIP) and simplify the process of periodic updation of KYC. |

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**IBC during the week**

**Notifications -0; 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 |
|------|---------------|---|----------------|--------------|
| NIL  |               |   |                |              |

| S. No | NEWS ON 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/<br>Notification/Order | Contents thereof | Gist thereof |
|-------|---------------|---------------------------------------|------------------|--------------|
| NIL   |               |                                       |                  |              |

| S. No | GENERAL NEWS   |
|-------|--|
| 1.    | <p><b><u>Plea in Supreme Court seeks direction to Ministry of Corporate Affairs to fill up the vacancy of NCLAT chairman, NCLT president</u></b><br/>           A plea has been filed in the Supreme Court seeking direction to the Ministry of Corporate Affairs to fill up the vacancy of the Chairman of NCLAT and President of NCLT without any delay. The plea highlighted that the existing strength of the NCLAT consists of its officiating chairperson and a total number of members, which is below than the sanctioned limit of 11 members, and NCLT consists of its Acting president and a total number of 38 members, which is below than the sanctioned limit of 63 members.</p> |
| 2.    | <p><b><u>Arbitral Award-Holder's Claim Can Be Extinguished On Approval Of Award-Debtor's Resolution Plan Under IBC.</u></b> The Calcutta High Court settled an important question of arbitration law, viz., whether an arbitral award holder's claim would stand extinguished upon the approval of a Resolution Plan for the award debtor's revival when it was not pressed during the Corporate Insolvency Resolution (CIRP).</p>   |





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