

WEEKLY UPDATES ON COMPANY LAW, SEBI, RBI AND IBC

Week 03 - January 10 2022 to January 16 2022

1

Companies Act 2013 during the week

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

S. No	Date of Issue	Rules/Circular/ Notification/Order	Contents thereof	Gist thereof
1	11/01/2022	Notification	<p>Commencement Notification</p> <p>https://www.mca.gov.in/bin/dms/getdocument?mcs=iT%252FontW9dKI4nmHzMDRmVA%253D%253D&type=open</p>	<p>Second Proviso to Section 403(1) of Companies act, 2013 provides that where the document, fact or information, as the case may be, is not submitted, filed, registered or recorded, as the case may be, within the period provided in the relevant section, it may, without prejudice to any other legal action or liability under this Act, be submitted, filed, registered or recorded as the case may be, on payment of such additional fee as may be prescribed and different fees may be prescribed for different classes of companies.</p> <p>The above provision is notified with effect from 01st July 2022</p>

2	11/01/2022	Notification	<p>MCA increases additional fee to upto 18 times of normal filing fees</p> <p>https://www.mca.gov.in/bin/dms/getdocument?mds=T%252F%252B384mFkSrHFx1liwRTnQ%253D%253D&type=open</p>	<p>With Effect From July 1, 2022, Higher Additional Fees Will Be Levied On Delayed Forms. The Higher Additional Fees Will Be 18 Times From Existing Additional Fees Of 12 Times Of Normal Fees.</p> <p>Annual Filings forms will continue to be levied additional fee at existing rate of Rs.100 per day of default.</p> <p>Changes in Additional fee is explained in the below table :</p> <table border="1" data-bbox="1281 630 2107 1321"> <thead> <tr> <th>Filing Delay period</th> <th>Additional Fee (multiple of normal fees)</th> <th>Higher additional fee in certain cases (multiple of normal fees)</th> </tr> </thead> <tbody> <tr> <td>upto 15 days (Forms u/s 139 and 157)</td> <td>1 time</td> <td>–</td> </tr> <tr> <td>16-30 days (Forms u/s 139 and 157) and upto 30 days (remaining forms)</td> <td>2 times</td> <td>Three (3) times</td> </tr> <tr> <td>31-60 days</td> <td>4 times</td> <td>Six (6) times</td> </tr> <tr> <td>61-90 days</td> <td>6times</td> <td>Nine (9) times</td> </tr> <tr> <td>91-180 days</td> <td>10 times</td> <td>Fifteen (15) times</td> </tr> <tr> <td>181 days and above</td> <td>12 times</td> <td>Eighteen (18) times</td> </tr> </tbody> </table>	Filing Delay period	Additional Fee (multiple of normal fees)	Higher additional fee in certain cases (multiple of normal fees)	upto 15 days (Forms u/s 139 and 157)	1 time	–	16-30 days (Forms u/s 139 and 157) and upto 30 days (remaining forms)	2 times	Three (3) times	31-60 days	4 times	Six (6) times	61-90 days	6times	Nine (9) times	91-180 days	10 times	Fifteen (15) times	181 days and above	12 times	Eighteen (18) times
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				<ul style="list-style-type: none"> • An exception is drawn in the case of delay in filing e-form INC-22, or e-form PAS-3, wherein <ul style="list-style-type: none"> a) Additional fee will be levied for delays upto two occasions in the last 365 days b) Higher additional fee will be levied for delays beyond two occasions, within a period of 365 days from the date of filing of the last such belated e-form • Wherever higher additional fee is payable, additional fee shall not be charged

S. No	NEWS ON MCA
	NIL

2

SEBI during the week

Act -0; Rules -0; Circulars–1; Press Release-0; General Orders – 0; Guidelines- 0

S. No	Date of Issue	Act/rules/circulars	Subject & Link	Gist thereof
1	10/01/2022	Circular	<p>Framework for operationalizing the Gold Exchange in India</p> <p>https://www.sebi.gov.in/legal/circulars/jan-2022/framework-for-operationalizing-the-gold-exchange-in-india_55251.html</p>	<ul style="list-style-type: none"> • SEBI vide its circular dated 10/01/2022 had laid out a framework for operationalizing the gold exchange, wherein the Gold will be traded in the form of electronic gold receipts (EGRs). SEBI specifies that the supply of the physical gold, to be converted into EGR, shall be the fresh deposit of gold, coming into the vaults, either through imports or through stock exchange accredited domestic refineries. • The existing deposit of gold lying in the vaults, which meets the aforesaid criteria and has never been out of the vaulting infrastructure, can be

				<p>considered for conversion into EGR.</p> <ul style="list-style-type: none"> • The 'gold' which complies either with LBMA Good Delivery Standard or with the India Good Delivery Standard, or any other standard specified by SEBI, will be eligible under this framework. • This whole process of trading will be executed in 3 tranches as follows: <ul style="list-style-type: none"> i. First Tranche: Creation of EGR ii. Second Tranche: Trading of EGR on stock exchange/s iii. Third Tranche: Conversion of EGR into Physical Gold • Clearing Corporations shall empanel accredited assaying (determining content or quality of the metal) agencies for checking the purity of gold if required by the beneficial owner of the EGR at the time of withdrawal of gold from the vaults. However, the charges towards assaying,
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				<p>transportation, and assaying charges, shall be borne by such beneficial owner. Such assaying charges shall be disclosed upfront to the public at large.</p> <ul style="list-style-type: none"> • The stock exchanges shall allow trading of the EGR's continuously. Further, the Depositories shall share information about the creation of EGR/s, with the stock exchanges and clearing corporations periodically. The details of such periodicity shall be issued by SEBI in due course. The Circular shall come into force with immediate effect.
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3

RBI during the week

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

S. No	Date of Issue	Notifications/Master Directors/Master Circulars	Subject & Link	Gist thereof
NIL				

S. No	NEWS ON RBI
1	The Reserve Bank of India (RBI) released the Annual Report of the Ombudsman Schemes for the year 2020-21, which has been prepared for the nine-month period, i.e., July 1, 2020 to March 31, 2021, in alignment with the change in the Financial Year of RBI from 'July – June' to 'April – March' with effect from July 1, 2020. The Annual Report covers the activities under the Banking Ombudsman Scheme, 2006 (BOS), the Ombudsman Scheme for Non-Banking Financial Companies, 2018 (OSNBFC) and the Ombudsman Scheme for Digital Transactions, 2019 (OSDT), major developments and the way forward in the area of consumer protection.

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IBC during the week
Notifications -0; Master Directions –0; Master Circulars –0; Circular –0;

S. No	Date of Issue	Notifications/Master Directors/Master Circulars	Subject & Link	Gist thereof
NIL				

S. No	NEWS ON IBC
NIL	

5

Others during the week

NSE-0; BSE-0; DIPP-0; Finance Ministry-0; Others -4;

S. No	Date of Issue	Rules/Circular/ Notification/Order	Contents thereof	Gist thereof						
1	11/01/2022	Circular	<p>Extension of timelines for filing of Income-tax returns and various reports of audit for the Assessment Year 2021-22</p> <p>https://www.incometaxindia.gov.in/communications/circular/circular-no-1-2022.pdf</p>	<p>The Central Board of Direct Taxes (CBDT), provides relaxation in respect of the following compliances:</p> <table border="1"> <thead> <tr> <th>S.no</th> <th>Particulars</th> <th>Extended Due date</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>The due date of furnishing of Report of Audit under any provision of the Act for the Previous Year 2020-21, in the case of assesses referred in clause (a) of Explanation 2 to sub-section (1) of section 139</td> <td>15/02/2022</td> </tr> </tbody> </table>	S.no	Particulars	Extended Due date	1	The due date of furnishing of Report of Audit under any provision of the Act for the Previous Year 2020-21, in the case of assesses referred in clause (a) of Explanation 2 to sub-section (1) of section 139	15/02/2022
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					of the Act	
					2 The due date of furnishing of Report of Audit under any provision of the Act for the Previous Year 2020-21, in the case of assessee referred in clause (aa) of Explanation 2 to sub-section (1) of section 139 of the Act.	15/02/2022
					3 The due date of furnishing of Report from an Accountant by persons entering into international transaction or specified domestic transaction under section 92E of the Act for the Previous Year 2020-21	15/02/2022
					4 The due date of furnishing of Return of Income for the Assessment Year 2021- 22, which was 31st October 2021 under sub-section (1) of	15/03/2022

					section 139 of the Act		
					5	The due date of furnishing of Return of Income for the Assessment Year 2021- 22, which was 30th November 2021 under sub-section (1) of section 139 of the Act	15/03/2022
2	14/01/2022	Notification	SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) (AMENDMENT) REGULATIONS, 2022 232654.pdf (egazette.nic.in)	With the notification of SEBI (ICDR) (Amendment) Regulations, 2022 ('Amendment Regulations') the amendments have been made to the existing ICDR Regulations thereby amending the preferential issuance norms for listed companies with effect from the date of its publication in the official gazette, i.e., 15th January, 2022. Major amendments inter-alia includes			
						<ul style="list-style-type: none"> By way of insertion of Regulation 166A, the preferential allotment causing a change in control or resulting in allotment of securities made to a 	

				<p>single allottee or allottees in concert of more than 5% of post-issue diluted share capital, shall require pricing to be determined by a registered independent valuer in addition to the pricing methodology under Regulation 164. The valuation report shall contain specific guidance on control premium and the report is required to be uploaded on the website of the company, with reference to the same being made in the notice calling general meeting of shareholders.</p> <ul style="list-style-type: none"> • Any preferential allotment involving change in control can be done only after reasonable recommendation of Committee of Independent Directors, considering all relevant aspects of such preferential issue, including pricing. All Independent Directors of the board of the company are required to attend such meeting for providing their recommendations. • The lock-in requirements for promoters' holding, as a result of preferential allotment upto 20% of post-issue capital will be reduced to 18 months
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				<p>from the existing 1 year.</p> <ul style="list-style-type: none"> • Applicability of preferential issue guidelines to convertible loans and instruments. • An issuer company will be required to necessarily apply for in-principle approval from stock exchanges on the date of dispatch of notice to shareholders for general meeting approving the preferential allotment. • The certificate certifying compliance with the ICDR Regulations at the time of making preferential issue is required to be obtained from a practicing company secretary (earlier, the same was required to be taken from statutory auditors) and also required to be hosted on the website of the company, with link of the same to be provided for in the notice calling general meeting of shareholders for proposed preferential issue.
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3	14/01/2022	Notification	<p>SECURITIES AND EXCHANGE BOARD OF INDIA (FOREIGN PORTFOLIO INVESTORS) (AMENDMENT) REGULATIONS, 2022</p> <p>232644.pdf (egazette.nic.in)</p>	<p>SEBI vide this notification inserted the following clause wherein Exemption from strict enforcement of the regulations in certain cases was granted to Foreign Portfolio Investors.</p> <p>The Board may suo motu or on an application made by a foreign portfolio investor, for reasons recorded in writing, grant relaxation from the strict enforcement of any of the provisions of these regulations, subject to such conditions as the Board deems fit to impose in the interests of investors and the securities market and for the development of the securities market, if the Board is satisfied that: (a) the non-compliance is caused due to factors beyond the control of the entity; or (b) the requirement is procedural or technical in nature.</p>
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4	14/01/2022	Notification	<p>SECURITIES AND EXCHANGE BOARD OF INDIA (SETTLEMENT PROCEEDINGS) (AMENDMENT) REGULATIONS, 2022</p> <p>232643.pdf (egazette.nic.in)</p>	<p>SEBI vide this notification hereby makes the following regulations to further amend the Securities and Exchange Board of India (Settlement Proceedings) Regulations, 2018.</p> <p>Amendments brought in respect of</p> <ul style="list-style-type: none"> a) Stage Of The Proceeding(S) When The Settlement Application Is Filed b) Base Amount <ul style="list-style-type: none"> - For Alleged Default Relating To Disclosures Under Securities And Exchange Board Of India (Substantial Acquisition Of Shares And Takeovers) Regulations -1997/2011 - Alleged Default Relating To Transaction Specific Disclosures Under Regulations 13(3), 13(4), 13(4a) And 13 (6) Of 1992 Pit Regulations [Includes Corresponding Transaction Specific Disclosures Under 2015 PIT Regulations
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