

WEEKLY UPDATES ON COMPANY LAW, SEBI, RBI AND IBC

Week 36 – September 02 to September 08, 2019



Companies Act 2013 during the week

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

S. No	Date of Issue	Rules/Circular/ Notification/Order	Contents thereof	Gist thereof
NIL				

S. No	NEWS ON MINISTRY OF CORPORATE AFFAIRS
1.	Update regarding incorporation of Nidhi companies: Stakeholders are advised not to file applications for incorporation of Nidhi companies for the time being, on account of certain changes required in eform SPICe. Stakeholders will be duly informed as soon as the proposed changes are carried out.
2	The Central Government has made further amendments to Schedule III to the Companies Act, 2013 vide Notification dated 11 th October 2018. As per the said notification, Division III has been inserted in respect of Financial Statements for a Non-Banking Financial Company (NBFC) whose financial statements are drawn up in compliance of the Companies (Indian Accounting Standards) Rules, 2015. The changes to AOC-4 Non-XBRL form necessitated by insertion of Division III in Schedule III of CA 2013 are under development and the revised form exclusively for such class of companies would be made available for filing purposes soon. Once the form is deployed in MCA21 portal for filing purposes, suitable notice would be published and adequate time would be given for filing the form without levying additional fee. Stakeholders may kindly take note and plan accordingly.

2

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	Rules/Circular/ Notification/Order	Contents thereof	Gist thereof
NIL				

S. No	NEWS ON SECURITIES EXCHANGE BOARD OF INDIA
NIL	



RBI during the week

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

Press Release – 0;

S. No	Date of Issue	Rules/Circular/ Notification/Order	Contents thereof	Gist thereof
NIL				

S. No	NEWS ON RESERVE BANK OF INDIA
	NIL

4

IBC during the week

Notifications - 0; Master Directions – 0; Master Circulars – 0; Circular – 1;

Press Release – 0;

S. No	Date of Issue	Notifications/Master Directors/Master Circulars	Subject & Link	Gist thereof
1	07.09.2019	Circular	Statutory Repositories under regulation 21(2)(c)(ii) of the Insolvency and Bankruptcy Board of India (Information Utilities) Regulations, 2017	Regulation 21 of the Insolvency and Bankruptcy Board of India (Information Utilities) regulations, 2019 reads as under: - <i>“21. Information of default.</i> <i>(1) An information utility shall expeditiously undertake the process of authentication and verification of information of default as soon as it is received.</i> <i>(2) For the purpose of sub-regulation (1), the information utility shall-</i>

			<p><i>(a) deliver the information of default to the debtor seeking confirmation of the same within the time specified in the Technical Standards;</i></p> <p><i>(b) remind the debtor at least three times for confirmation of information of default, in case the debtor does not respond, allow three days each time for the debtor to respond;</i></p> <p><i>(c) deliver the information of default or the reminder, as the case may be, to the debtor either by hand, post or electronic means at the postal or e-mail address of the debtor-</i></p> <p><i>(i) registered with the information utility by him, failing which,</i></p> <p><i>(ii) recorded with any other statutory repository as approved by the Board, failing which,</i></p> <p><i>(iii) submitted in Form C of the Schedule</i></p> <p><i>.....”</i></p> <p>For the purposes of regulation 21(2)(c)(ii) of the said Regulations, the Board approved MCA 21 database of the Ministry of Corporate Affairs and</p>
--	--	--	--

				the Central Registry of Securitisation Asset Reconstruction and Security Interest of India (CERSAI) registry as repositories.
--	--	--	--	---

S. No	NEWS ON INSOLVENCY AND BANKRUPTCY CODE
1	Creditors of India's bankrupt Jet Airways are likely to recover less than 10% of the carrier's total outstanding dues in a liquidation scenario if no suitor succeeds in buying the airline. The airline's financial and operational creditors, who are owed nearly 300 billion Indian rupees (\$4.20 billion) are likely to recover only \$300-\$400 million from the sale of Jet's assets. The expected recovery on owned planes and real estate is \$300-400 million after repaying debt tied specifically to those assets.
2	The National Company Law Tribunal (NCLT) has approved JSW Steel's Rs. 19,700 crore bid for debt-ridden Bhushan Power & Steel Ltd (BPSL). "The resolution plan of JSW Steel is accepted. Objections raised by ex-directors-cum-promoters of the corporate debtor and the operational creditors are overruled," ordered a two-member bench led by Justice MM Kumar. The NCLT approval brings JSW Steel a step closer to adding 3.5 million tonnes of BPSL's steel production capacity to its operations. The bench said the criminal proceedings against the erstwhile promoter of BPSL, Neeraj Singhal, would not impact the implementation of JSW Steel's resolution proposal.

S. No	GENERAL NEWS
1	After dilly-dallying for years due to resistance from ministries dealing with infrastructure, the finance ministry has moved a plan to make it easier for companies to get 75% of the arbitration award in case of construction projects that were facing disputes. National Highways Authority of India (NHAI) alone is to clear claims of over Rs 50,000 crore to road developers, despite the government agency losing cases in arbitration. The amount could easily top Rs 1 lakh crore if the claims related to railways and power are included.
2	In a temporary relief to BSR & Associates LLP, a KPMG affiliate firm, the Bombay High Court has stayed the proceedings against the audit firm in the Mumbai bench of the National Company Law Tribunal (NCLT) until further order. A division bench of the Bombay High Court comprising Justice Ranjit More and Justice NJ Jamdar stayed proceedings in NCLT in an oral order.



Flat No.7, Door No.10 Madhans,
South Canal Bank Road,
Mandavelipakkam, Chennai 600028.

mail@akshayamcorporate.com

www.akshayamcorporate.com; Land Line: 044-43533080

*The Information Contained herein is of general nature and is not intended to address the circumstances of any particular individual or entity.
The views expressed here are solely those of the author in his private capacity.*