

WEEKLY UPDATES ON COMPANY LAW ,SEBI AND RBI

Week 37 –September 10 to September 16, 2018

1

Companies Act 2013 during the week

Rules - 2; Circulars - 1; Notifications – 2; Orders- 0; Important Notices - 2

S.No	Date of Issue	Rules/Circular/ Notification/order	Contents thereof	Gist thereof
1	10.09.2018	Rules	Companies (Prospectus and allotment of securities) 3rd Amendment Rules 2018	<p>All unlisted public Companies shall issue securities only in demat form with effect from 02.10.2018 and the facilitate dematerialisation of existing securities.</p> <p>The said requirement as on date is not applicable to private limited companies.</p>

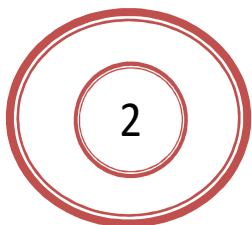
2	12.09.2018	Rule	Companies (appointment and remuneration of managerial personnel) Amendment Rules 2018	The requirement to make application to the Central Government for approval of remuneration to directors have been done away with and rule 6 has been amended from 'application to the central government' to 'parameters for consideration of remuneration'
3	10.09.2018	General Circular 08/2018	Clarification in filing BEN-1 under CA 2013	Revised Form BEN-1 to be notified and due date of 10.09.2018 for filing BEN-1 declaration will also be revised (dates are yet to be given). Stakeholders are advised to file declaration as per the revised BEN-1 form only.
4	12.09.2018	Notification	Amendment to Schedule –V of the CA 2013	<p>Following Amendments have been incorporated in Schedule V of CA 2013</p> <p>a) Person who had been sentenced to imprisonment for any period, or to a fine exceeding one thousand rupees, for the conviction of an offence under IBC, GST and Fugitive Economic Offenders Act, 2018 are not eligible to be appointed as Managerial Personnel</p> <p>b) In case of inadequate profits, the amount of remuneration paid can exceed the limit specified</p>

				<p>(earlier the amount can only be doubled, now no limits) if the resolution passed by the shareholders is a special resolution.</p> <p>c) In case of a managerial person who is functioning in a professional capacity, remuneration shall be paid as per the approved limits specified in Part II Section II Clause (A) of the said rules</p>
5	12.09.2018	Commencement notification	Section 66 to 70 of Companies (Amendment) Act 2017	<p>In the Companies (Amendment) Act, 2017, covering Amendments to below Sections 196, 197, 198, 200 and 201 of the Companies Act, 2013 stand effected from 12.09.2018</p> <p>Sections 196 :</p> <p>In case of appointment of a person who has attained the age of seventy years may be passed by Special Resolution - where no such special resolution is passed but votes cast in favour of the motion exceed the votes, cast against the motion, then such appointment shall be made subject to an application made to CG</p> <p>Sections 197 :</p> <p>The total managerial remuneration payable by a public company shall now be done subject to Special Resolution without prior approval of the Central Government (earlier CG approval and ordinary</p>

				<p>resolution)</p> <p>Section 198 any amount representing unrealised gains, notional gains or revaluation of assets shall not be given credit for calculating Profits</p> <p>Section 200 The Company (earlier Central Government) shall consider the factors specified in that section while fixing the limit for remuneration.</p>
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S.No.	GENERAL IMPORTANT NOTICES	Remarks
1.	Form MR-2 has been temporarily withdrawn to make it applicable only for appointment or re-appointment of managerial personnel with effect from 12.09.2018. The revised MR-2 for seeking ' <i>approval of Central Government for the approval of appointment or reappointment of Managing Director or Whole Time Director or Manager</i> would be made available soon for filing purposes.	MR 2 form earlier had the requirement to mentions the details of remuneration of directors seeking central government approval. The form is withdrawn the make revisions in accordance with the amendments.

2	<p>As you are aware the last date for filing form DIR-3 KYC without fee has expired on 15th September 2018. The process of deactivating the non-compliant DINs is in progress and is likely to be completed by 17th September 2018. Please note that the form DIR-3 KYC will not be available for filing during the pendency of this activity (from 16th September 2018 to 17th September 2018).</p>	<p>DIN of Directors who have not completed DIR 3 KYC will be deactivated and can be activated upon payment of Rs. 5000 penalty. Clarity will emerge only after 17th of September on the same.</p>
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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 –1; Others -0

S.No	Date of Issue	Act/rules/circulars..	Subject & Link	Gist thereof
		..		

S.No.	GENERAL IMPORTANT NOTICES	Remarks
1	SEBI publishes interim report of Working Group on “KYC Requirements for FPIs” for public comments	

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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
	-	-	-	-

S.No.	GENERAL IMPORTANT NOTICES
1	



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