

WEEKLY UPDATES ON COMPANY LAW ,SEBI AND RBI

Week 38 – September 17 to September 23, 2018

1

Companies Act 2013 during the week

Rules - 3; Circulars - 0; Notifications – 1; Orders- 0; Important Notices - 0

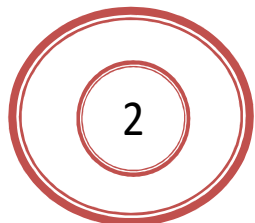
S.No	Date of Issue	Rules/Circular/ Notification/order	Contents thereof	Gist thereof
1	18.09.2018	Rule	LLP (Second Amendment) Rule 2018	<p>MCA has come up with a new rule after almost 8-9 months of not being able to incorporate an LLP for individuals not having a DIN.</p> <p>Amendment to be effective from October 02, 2018</p> <ul style="list-style-type: none"> - LLP Form 1 which was earlier used for reservation of Name to be replaced with RUN-LLP web-form for the purpose of reserving name - LLP Form 2 which was earlier used for registration / incorporation of LLP shall be replaced by Form FiLLiP (Form for incorporation of LLP) for incorporating LLP.

				<ul style="list-style-type: none"> - Reservation of Name for LLP can also be done through Form FiLLiP. - Name reservation and Incorporation to be handled by CRC, Manesar, thus making Incorporation of LLP also centralised process henceforth. - 2 names can be applied for in Form LLP-RUN. - If person does not have DIN/DPIN then the same can be applied through Form FiLLiP. - Form FiLLiP can also be used as single form for name reservation, DIN application and LLP incorporation. - One resubmission to be allowed in Form LLP-RUN with 15 days time from intimation. - Two resubmission to be allowed in Form FiLLiP. - Time for resubmission- 15 days from intimation each time subject to maximum 30 days resubmission period. - Certificate of Incorporation of LLP to be given by CRC in Form 16. - Form 5(Notice for Change of Name of LLP), Form
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				<p>18 (Application for conversion of Pvt./Unlisted Public company to LLP) and Form 17 (Application for conversion of firm to LLP) shall be also taken care by CRC, Manesar.</p> <p>- Name of LLP need not necessarily to be indicative of it's resources and abbreviation now allowed. (Clause (viii) and (xiv) of Rule 18 omitted)</p> <p>Difference from Company Incorporation</p> <p>- PAN-TAN application not merged and hence</p>
2	19.09.2018	Rule	Companies Amendment Act 2018	<p>Section 135 of the Companies Act - CSR amendment provision has been notified</p> <ul style="list-style-type: none"> ▪ In the place of Any financial year – Replaced with Immediately preceding financial year ▪ Notification specified non-requirement of ID(for such cos.) – Now provisions itself states so <p>Rules to decide what not to include in “Net Profits” calculation as per 198.</p>

3	20.09.2018	Rule	Companies (Registration Offices and Fees) Rules, 2014 Companies (Appointment and Qualification of Directors) Rules, 2014	DIR 3 – KYC time limit for completion has been extended upto 05 th October 2018 with a fee of Rs. 500 and from 06 th October 2018 a fee of Rs. 5000 is payable.
4	20.09.2018	Notification	Commencement of Amendment	Amendment to section 135 shall commence with immediate effect.

S.No.	GENERAL IMPORTANT NOTICES	Remarks
1		-



SEBI during the week

Act -0; Rules -0 ; Regulations-0; General Orders – 0; Guidelines- 0;

Master Circulars-0; Circulars – 2; Press Release –0; Others - 1

S.No	Date of Issue	Act/rules/circulars..	Subject & Link	Gist thereof
1	18.09.2018	Board Meeting	SEBI Board Meeting https://www.sebi.gov.in/media/press-releases/sep-2018/sebi-board-meeting_40347.html	Following points discussions were taken in SEBI Board Meeting: I. KYC requirement for FPIs II. Review of Total Expense Ratio (TER) of Mutual Fund Schemes III. Reducing the time period for listing of issues IV. Amendment of Regulations relating to Re-classification of promoter / public V. Amendments to SEBI (Delisting of Equity Shares) Regulations, 2009 VI. Review of requirement of 1% security deposit-Public issues of debt securities,

				<p>non-convertible redeemable preference shares (NCRPS) and securitised debt instruments (SDI)</p> <p>VII. Framework for Enhanced Market Borrowings by Large Corporates</p> <p>VIII. Reduction in payment of regulatory fee by stock exchanges on turnover from agricultural commodity derivatives segment</p> <p>IX. Draft framework for participation of Eligible Foreign Entities (EFEs), having actual exposure to Indian commodity markets, in the commodity derivatives market</p> <p>X. Interoperability among Clearing Corporations -Amendments to Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012</p> <p>XI. Proposed Securities and Exchange Board of India (Settlement Proceedings) Regulations, 2018amendments to SEBI (PFUTP) Regulations and SEBI (PIT) Regulations to implement recommendations of the Committee on Fair Market Conduct</p>
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				<p>XII. Common Application Form for Foreign Portfolio Investors (FPIs)</p> <p>XIII. Restrictions on Fugitive Economic Offenders</p> <p>XIV. Information Technology (IT) Roadmap of SEBI</p> <p>XV. Extending disclosure requirements pertaining to Sexual Harassment of Women to all listed companies.</p>
2	19.09.2018	<p>Circular</p> <p>SEBI/HO/MIRSD/DOS3/CIR/P/2018/130</p>	<p>Amendment to SEBI (Credit Rating Agencies) Regulations, 1999 and modification to SEBI Circular dated May 30, 2018</p>	<p>Issued guidelines in respect of the process for review of rating.</p> <p>cases of requests by an issuer for review of the rating(s) provided to its instrument(s) shall be reviewed by a rating committee of the CRA that shall consist of majority of members th-at are different from those in the Rating Committee of the CRA that assigned the earlier rating, and at east one- third of members are independent.</p>
3	21.09.2018	<p>Circular</p> <p>No.: CIR/IMD/FPIC/CIR/P/2018/132</p>	<p>Eligibility conditions for Foreign Portfolio Investors (FPIs)</p>	<p>Amendments in SEBI (FPI) Regulations, 2014 and norms for eligibility condition for FPIs in line with SEBI Board Recommendation has been made.</p>



RBI during the week

Notifications -2; 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	19.09.2018	Notification	ECB Policy Liberalisation	<p>Revision of ECB policy –</p> <p>(i) ECBs by companies in manufacturing sector: As per the extant norms, ECB up to USD 50 million or its equivalent can be raised by eligible borrowers with minimum average maturity period of 3 years. It has been decided to allow eligible ECB borrowers who are into manufacturing sector to raise ECB up to USD 50 million or its equivalent with minimum average maturity period of 1 year.</p> <p>(ii) Underwriting and market making by Indian banks for Rupee denominated bonds (RDB) issued</p>

				<p>overseas: Presently, Indian banks, subject to applicable prudential norms, can act as arranger and underwriter for RDBs issued overseas and in case of underwriting an issue, their holding cannot be more than 5 per cent of the issue size after 6 months of issue. It has now been decided to permit Indian banks to participate as arrangers/underwriters/market makers/traders in RDBs issued overseas subject to applicable prudential norms.</p>
2	21.09.2018	Notification	Co-origination of loans by Banks and NBFCs for lending to priority sector	<p>All scheduled commercial banks (excluding Regional Rural Banks and Small Finance Banks) may engage with NBFC-ND-SIs (hereinafter referred to as NBFC) to co-originate loans for the creation of priority sector assets. The arrangement should entail joint contribution of credit at the facility level, by both lenders. It should also involve sharing of risks and rewards between the bank and the NBFC for ensuring appropriate alignment of respective business objectives, as per the mutually decided agreement between the bank and the NBFC, inter-alia, covering the essential features as indicated in Annex 1.</p>



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