

WEEKLY UPDATES ON COMPANY LAW, SEBI, RBI AND IBC
Week 40 –28th September 2020 to 4th October 2020

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Companies Act 2013 during the week

Rules -2; Circulars -5; Notifications-1; Orders-0; Important Notices - 0

S. No	Date of Issue	Rules/Circular/ Notification/Order	Contents thereof	Gist thereof
1.	28-09-2020	Circular	Extension of Companies Fresh Start Scheme, 2020. https://www.mca.gov.in/Ministry/pdf/GeneralCircularNo.30_28092020.pdf	<p>The Companies Fresh Start Scheme (CFSS) was introduced on the 1st April, 2020 and was open till the 30th September, 2020. The scheme offered one-time opportunity to the defaulting companies' to file all the pending documents including the annual tiling of the company without charging higher additional fees on any delay with the Ministry.</p> <p>In view of the large scale disruption caused by the COVID-19, MCA has decided to further extend scheme till 31st December 2020.</p>
2.	28-09-2020	Circular	Extension of time- LLP Settlement Scheme, 2020. https://www.mca.gov.in/Ministry/	MCA vide Circular dated 4 th March 2020, had introduced a new scheme is known as the LLP Settlement Scheme, 2020 which was valid from 16th March 2020 to 13th June

			pdf/GeneralCircularNo.31_28092020.pdf	<p>2020 giving an opportunity for the defaulting LLPs, to make good the default without subjecting to prosecution by Registrar for such defaults. Later the scheme was extended till 30th September 2020.</p> <p>In view of the large scale disruption caused by the COVID-19, MCA has decided to further extend scheme till 31st December 2020</p>
3.	28-09-2020	Circular	<p>Extension of time - Scheme for relaxation of time for filing forms related to creation or modification of charges under the Companies Act, 2013.</p> <p>https://www.mca.gov.in/Ministry/pdf/GeneralCircularNo.32_28092020.pdf</p>	<p>MCA vide Circular dated 17th June 2020, had introduced scheme for relaxation for filing form related to Creation / modification of Charge which was effective from 17th June 2020 to 30th September 2020.</p> <p>In view of the large scale disruption caused by the COVID-19, MCA has decided to further extend scheme till 31st December 2020.</p>
4.	28-09-2020	Circular	<p>Extension of time for EGM through Video Conference (VC) or Other Audio Visual Means (OAVM)</p> <p>https://www.mca.gov.in/Ministry/pdf/GeneralCircularNo.33_28092020.pdf</p>	<p>MCA vide various circulars allowed Companies to conduct their EGMs through VC or OAVM or transact items through postal ballot upto 30th June 2020, which was later extended till 30th September 2020.</p> <p>In view of the large scale disruption caused by the COVID-19, MCA has decided to further extend the time to 31st December 2020.</p>
5.	29-09-2020	Circular	Clarification - Creation of deposit	MCA vide Circular dated 24 th March 2020 and 19 th June

			<p>repayment reserve</p> <p>https://www.mca.gov.in/Ministry/pdf/GeneralCircularNo.34_29092020.pdf</p>	<p>2020 extended the time limit to comply with the requirement under section 73(2)(c) of Companies Act, 2013 to create the deposit repayment reserve of 20% of deposits maturing during the FY 2021-21 from 30th April 2020 to 30th June 2020 and later extended to 30th September 2020.</p> <p>Due to Covid-19, MCA has decided to further extend the time to 31st December 2020.</p>
6.	29-09-2020	Notification	<p>Companies (Meeting of Boards and its powers) Third Amendment Rules 2020</p> <p>https://www.mca.gov.in/Ministry/pdf/ThirdAmendmentRules_29092020.pdf</p>	<p>Companies Act restricted certain matters to be not dealt in a Board Meeting held through video conferencing (VC) or other audio visual means (OAVM) like approval of the annual financial statements, the approval of the Board's report etc. Considering Covid 19 MCA relaxed this rule and allowed companies to consider these matters at Board Meetings held through VC/OAVM for a period upto 30th September 2020.</p> <p>MCA has now further extended the time period to 31st December 2020.</p>
7.	29-09-2020	Notification	<p>Companies (Appointment and Qualification of Directors) 4th Amdt Rules 2020</p> <p>https://www.mca.gov.in/Ministry/pdf/FourthAmendmentRules_29092020.pdf</p>	<p>MCA has further extended the last date for registration of particulars of independent directors in the Data bank for a further period of 3 months upto 31st December 2020.</p>

8.	28-09-2020	Notification – Amendment	<p>Companies (Amendment) Act, 2020</p> <p>http://www.mca.gov.in/Ministry/pdf/AmendmentAct_29092020.pdf</p>	<p>Companies (Amendment) Act, 2020 received the assent of the President on the 28th September, 2020 and was published in the official gazette. Major amendments include decriminalization of various penal provisions, permission for direct overseas listing of Indian corporates, introduction of a new chapter related to producer organisations, Reduction in penalties for certain offences, Reduction in timeline for rights issues, Relaxation in CSR compliance requirements and creation of separate benches at the National Company Law Appellate Tribunal (NCLAT) etc.,</p>
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S. No	NEWS ON MCA
1.	<p><u>DIN of disqualified company directors can be reactivated to avail the benefit of the Centre's Fresh Start Scheme: Kerala HC</u></p> <p>The Kerala High Court directed the Registrar of Companies to reactivate the cancelled Director Identification Numbers (DIN) and Digital Signatures of two disqualified directors whose DIN's were cancelled on account of failure to furnish prescribed returns.</p>

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SEBI during the week

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

Master Circulars-0; Circulars –3; Press Release –0; Others -0

S. No	Date of Issue	Act/rules/circulars	Subject & Link	Gist thereof
1.	28-09-2020	Notification – Amendment	SEBI (ICDR) fourth amendment regulations, 2020 https://www.sebi.gov.in/legal/regulations/sep-2020/securities-and-exchange-board-of-india-issue-of-capital-and-disclosure-requirements-fourth-amendment-regulations-2020_47712.html	SEBI has amended SEBI (ICDR) Regulations, 2018 to rationalise eligibility criteria and disclosure requirements for Rights Issues. The key amendments interlia include <ul style="list-style-type: none"> • Detailed disclosures by entities which do not meet eligibility conditions, • Rationalisation of disclosure requirements • For rights issue below Rs. 50 Cr(earlier 10 Cr) Draft LOO not to be filed with SEBI for comments. • Entities with pending SCN wrt adjudication, prosecution proceedings and audit qualifications eligible to make fast track rights issue.

S. No	NEWS ON SEBI
1.	<p data-bbox="315 328 853 360"><u>Decisions taken at SEBI's Board Meeting</u></p> <ul data-bbox="367 373 2063 638" style="list-style-type: none"><li data-bbox="367 373 1417 405">• Amendment in SEBI regulations to strengthen the role of Debenture Trustees<li data-bbox="367 421 2063 501">• Granting exemption from the Reverse Book Building process ("RBB") for delisting of listed subsidiary, where it becomes the wholly owned subsidiary of the listed parent pursuant to a scheme of arrangement<li data-bbox="367 517 1171 549">• Setting up of a Limited Purpose Repo Clearing Corporation<li data-bbox="367 564 1155 596">• Constitution of Investment Committee for AIF companies<li data-bbox="367 612 1279 638">• Disclosure of information related to forensic audit of listed entities

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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
NIL				

S. No	NEWS ON RBI
1.	<p><u>RBI delists six PSU banks from second schedule</u></p> <p>The Reserve Bank of India (RBI) has delisted six state owned banks from its second schedule. The Central Bank of India said that the delisting has been done owing to the merger of those banks with other Public Sector Undertaking (PSU) banks. The six PSU banks being delisted from the second schedule of the RBI are — Syndicate Bank, Oriental Bank of Commerce (OBC), United Bank of India, Andhra Bank, Corporation Bank and Allahabad Bank. OBC and United Bank of India have been merged with the Punjab National Bank (PNB); Syndicate Bank with Canara Bank; Andhra Bank and Corporation Bank have been merged with Union Bank of India while Allahabad Bank has been merged with the Indian Bank. The RBI has already issued notification in this regard.</p>

4

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 IBBI
1.	<p><u>Corporate Affairs Ministry, IBBI bat for ARCs bidding on stressed assets</u></p> <p>The Corporate Affairs Ministry and the Insolvency and Bankruptcy Board of India (IBBI) have written to the Reserve Bank of India (RBI), asking the central bank to permit Asset Reconstruction Companies (ARCs) to bid for stressed assets under the Insolvency And Bankruptcy Code (IBC), according to senior government officials.</p>
2.	<p><u>Govt working on 'prepackaged' insolvency scheme to cut insolvency delays</u></p> <p>The government has started work on a so-called "prepackaged" insolvency scheme, with a view to offering more options to lenders as well as borrowers for the resolution of bad debt, sources told FE. The scheme is also meant to cut costs as well as delays in resolving toxic assets and ease the burden on the National Company Law Tribunal (NCLT).</p>

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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/ Notification/Order	Contents thereof	Gist thereof
NIL				

S. No	GENERAL NEWS
1.	<p><u>India, Denmark sign MoU on Intellectual Property cooperation</u></p> <p>To further the objectives of National IPR Policy and become a major player in global innovation, India on Saturday entered into a Memorandum of Understanding (MoU) with Denmark in the field of Intellectual Property (IP) Cooperation. To further the objectives of National IPR Policy and become a major player in global innovation, India on Saturday entered into a Memorandum of Understanding (MoU) with Denmark in the field of Intellectual Property (IP) Cooperation. To further the objectives of National IPR Policy and become a major player in global innovation, India on Saturday entered into a Memorandum of Understanding (MoU) with Denmark in the field of Intellectual Property (IP) Cooperation.</p>
2.	<p><u>Debit Card rules changed from this month: Set limit, switch it off when not in use</u></p> <p>Amid rising cases of banking frauds, the Reserve Bank of India (RBI) has recently introduced several new measures to secure debit cards and credit cards. Starting from October, all the new debit and credit cards issued by banks will only be enabled for domestic transactions at ATMs and point of sale (PoS) terminals. If the customer wants to use the card for online transactions, the cardholder would need to approach the bank. The regulator has also issued a host of new rules to curb the misuse.</p>
MSME NEWS	
NIL	



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