

WEEKLY UPDATES ON COMPANY LAW, SEBI, RBI AND IBC

Week 43 - October 21 to October 27, 2019

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Companies Act 2013 during the week

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

S. No	Date of Issue	Rules/Circular/ Notification/Order	Contents thereof	Gist thereof
1	22.10.2019	Rules	Companies(Accounts) Amendment Rules, 2019	The amendments are made in Rule 8 of the Companies (Accounts) Rules, 2014 related to “matters to be included in Board’s report”, a new clause Rule 8(5)(iiia) has been inserted stating that a statement regarding opinion of the Board with regard to integrity, expertise and experience (including the proficiency) of the independent directors appointed during the year.
2	22.10.2019	Rules	Companies (Creation and Maintenance of Databank of Independent Directors) Rules, 2019	1. The institute shall create and maintain a databank of persons willing and eligible to be appointed as independent directors, and such databank shall be an online databank which shall be placed on the website of the institute.

				<ol style="list-style-type: none">2. The data bank referred to in sub-rule (1) shall contain the certain details in respect of each person included in the data bank to be eligible and willing to be appointed as independent director3. The information available in the data bank shall be provided only to companies required to appoint independent director after paying a reasonable fees to the institute.4. A person whose name is included in the data bank, may restrict his personal information to the institute, to be disclosed in the data bank.5. Any individual whose name appears in the data bank, shall make changes in his particulars within thirty days of such change through web based framework made available by the institute for this purpose.6. A disclaimer shall be conspicuously displayed on the website hosting the data bank that a company must carry out its own due diligence before appointment of any person as an independent director.7. The institute, shall with the prior approval of the Central Government, fix a reasonable fee to be charged.
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3	22.10.2019	Rules	Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019	<p>Compliances required by a person eligible and willing to be appointed as an independent director.—</p> <p>(1) Every individual –</p> <p>a. who has been appointed as an independent director in a company, on the date of commencement of the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019, shall within a period of three months from such commencement; or</p> <p>b. who intends to get appointed as an independent director in a company after such commencement, shall before such appointment,</p> <p>apply online to the institute for inclusion of his name in the data bank for a period of one year or five years or for his life-time, and from time to time take steps as specified in sub-rule (2), till he continues to hold the office of an independent director in any company:</p> <p>Provided that any individual, including an individual not having DIN, may voluntarily apply to the institute for inclusion of his name in the data bank.</p> <p>(2) Every individual whose name has been so included in the data bank shall file an application for renewal</p>
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				<p>key managerial personnel in a listed public company or in an unlisted public company having a paid-up share capital of rupees ten crore or more shall not be required to pass the online proficiency self-assessment test:</p> <p>Provided further that for the purpose of calculation of the period of ten years referred to in the first proviso, any period during which an individual was acting as a director or as a key managerial personnel in two or more companies at the same time shall be counted only once.</p>
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S. No	NEWS ON MINISTRY OF CORPORATE AFFAIRS
1	<p>MCA has issued Circular in relation to extension for filing of</p> <p>a) Form CRA-4 without additional fees upto 31/12/2019.</p> <p>b) Form IEPF-1A without additional fees upto 31/12/2019.</p> <p>c) Form IEPF-2 without additional fees upto 30/11/2019.</p>



SEBI during the week

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

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

S. No	Date of Issue	Act/rules/circulars....	Subject & Link	Gist thereof
1	22.10.2019	Circular	Framework for listing of Commercial Paper	<p>For listing of CPs, issuers and stock exchanges shall comply at the time of listing and on a continuous basis with the following:</p> <ol style="list-style-type: none"> a. An issuer who desires to list its CP shall forward an application for listing along with the disclosures specified in Annexure I to the concerned stock exchange(s). b. On approval of the listing application by the concerned stock exchange(s), the disclosures so provided along with the application for listing, shall be made available on the website of the concerned stock exchange(s). c. Postlisting, the issuer shall make disclosures, as specified in Annexure II, during the tenure of the CP(s) to the

				concerned stock exchange(s), which in turn shall disseminate the same on its website.
2	25.10.2019	Master circular	Master Circular for Stock Exchanges and Clearing Corporations	<p>This Master Circular is a compilation of the relevant circulars/communications issued by SEBI up to March 31, 2019 and shall come into force from the date of its issue. References in the circular to the Statutes/Regulations which now stand repealed, have been suitably updated.</p> <p>The Master Circular is a compilation of all the existing/applicable circulars issued by Market Regulation Department of SEBI pertaining to Stock Exchanges and Clearing Corporations. Efforts have been made to incorporate applicable provisions of existing circulars issued by other Departments of SEBI relevant to Stock Exchanges and Clearing Corporations.</p> <p>In case of any inconsistency between the Master Circular and the applicable circulars, the content of the relevant circular shall prevail.</p>
3	25.10.2019	Master circular	Master Circular for Depositories	<p>This Master Circular is a compilation of the relevant circulars/communications issued by SEBI up to March 31, 2019 and shall come into force from the date of its issue. References in the circular to</p>

			<p>the Statutes/Regulations which now stand repealed, have been suitably updated.</p> <p>The Master Circular is a compilation of all the existing/applicable circulars issued by Market Regulation Department of SEBI pertaining to Depositories. Efforts have been made to incorporate applicable provisions of existing circulars issued by other Departments of SEBI relevant to Depositories.</p> <p>In case of any inconsistency between the Master Circular and the applicable circulars, the content of the relevant circular shall prevail.</p>
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S. No	NEWS ON SECURITIES EXCHANGE BOARD OF INDIA
1	US market regulator Securities and Exchange Commission (SEC) to seek SEBI's cooperation into whistle blower allegations against Infosys.

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RBI during the week

Notifications - 1; 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				



IBC 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	GENERAL NEWS
1	The Indian Banks’ Association (IBA) has formally declined a request from employee unions to keep bank branches open for five days a week, while also expressing inability to hike wages by more than its proposal of 12 per cent. It has not agreed to the suggestion following views of some “important stakeholders”, according to a circular issued by the staff unions, under the umbrella of the United Forum of Bank Unions (UFBU). The unions have to agree to the IBA’s decision for it to be implemented.
2	Government accorded 'Maharatna' status to state-owned Hindustan Petroleum and Power Grid Corporation, thus giving them greater operational and financial autonomy. Two separate orders to this effect were issued by the Department of Public Enterprises, under the Ministry of Heavy Industry and Public Enterprises. The grant of Maharatna status to the PSUs will impart enhanced
3	Google India, the arm of the technology giant operating in the country, reported a 56 per cent fall in revenue in the year ended

	<p>March 31, 2019. The fall was attributed to a new accounting standard, according to regulatory filings sourced from business intelligence firm Tofler. The changes have happened because of changes in accounting standards from IND AS 18 to IND AS 115, according to the filing.</p>
4	<p>Supreme Court (SC) transferred all the petitions related to linking of Aadhaar to social media profiles, pending in various high courts to itself. The case will be next heard in January next year, after the central government finalises its rules to prevent misuse of social media.</p> <p>All the cases pending in various high courts will now be transferred to the SC to be placed before an appropriate Bench, a two-judge Bench of Justice Deepak Gupta and Justice Aniruddha Bose said.</p>
5	<p>Banks will have to change the way they chase retail loans. The Reserve Bank of India has banned the use of direct selling agents (DSAs) to source retail loans and carry out physical verification of documents of borrowers. This was communicated by the central bank in a response to queries raised by the banking industry,</p> <p>While the regulatory decision is aimed at reducing incidents of data theft and minimising operational risk for banks, high-street lenders fear this could slow down the growth in consumer loans and credit cards. Banks are planning to take up the matter with the regulator and the government.</p>



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