



**JANUARY
2020**

NAVCHETNA (नवचेतना)
GHAZIABAD CHAPTER (E NEWSLETTER)

**Ghaziabad Chapter
Of NIRC Of ICSI**

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From the Desk of the Chairperson, Ghaziabad Chapter of NIRC of ICSI

If everyone is moving forward together, then success takes care of itself” - Henry Ford.

My Dear Professional Colleagues,

At this juncture of my professional journey, I find it extremely gratifying and blessed to take over charge as the Chairperson of Ghaziabad Chapter of NIRC of ICSI. The trust and confidence reposed in me by my colleagues in the committee fills me with unparalleled joy and happiness. With pride, coupled with a sense of responsibility, I pen my first communication as Chairman. It is my pride to become the Chairperson of Ghaziabad Chapter of NIRC of ICSI. This is not just a post it is Big Responsibility. I accepted this Big Responsibility with great honour with a deep sense of pride and humility and equally with a sense of determination to serve the profession.

I take this opportunity to accept my gratitude towards Past Chairperson of Ghaziabad Chapter of NIRC of ICSI. Smt. Aarti Jain who have put up her best efforts for the benefit of members and students of our region in turn to elevate Ghaziabad Chapter to greater heights and The helm and the torch of wisdom handed over to me now is my moral duty to carry it forward.



Teamwork is the ability to work together toward a common vision. The ability to direct individual accomplishment toward organizational objectives. It is the fuel that allows common people to attain uncommon results.

"Talent wins games, but teamwork and intelligence win championships." – Michael Jordan

With these thoughts, I close my address for this month and would welcome your comments and suggestions in respect of our endeavours. We also expect your continued support by way of your regular contribution in the form of articles, success stories or other areas of Interest for overall development of our readers.

Happy Reading,

Yours sincerely,

CS Arjun Tyaggi

Chairperson Ghaziabad Chapter of NIRC of ICSI.



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PAST EVENTS PHOTOGRAPHS

Ghaziabad Chapter of NIRC of ICSI organized a Half Day Seminar on “Mind is.... Power-fool, let your mind work for you not against you” on January 11, 2020



Ghaziabad Chapter of NIRC of ICSI organized a Full Day Seminar on Interactive Session on FEMA & Management Mantra based on श्रीमद् भगवत् गीता interlinked with the theme सत्यं वद ! धर्मं चर ! speak the truth abide by the law on January 18, 2020



Ghaziabad Chapter celebrated 71st Republic Day of India at Chapter Office on January 26, 2020



Ghaziabad Chapter organizing a Half Day Seminar on Latest Amendments in GST & Budget 2020 on February 02, 2020



Ghaziabad Chapter of NIRC of ICSI organized One Day Orientation Programme for Foundation & Executive Students on January 06, 2020



Ghaziabad Chapter of NIRC of ICSI organized One Day Orientation Programme for Foundation & Executive Students on January 30, 2020





CS Hitesh Kumar
Founder & Managing Partner
India C&L Law Offices

Essentials of Contract Drafting Series - 1

Introduction

Dear Friends,

Every professional is required to draft contracts/agreements on regular basis. With the kind of responsibilities and profile a company secretary (CS) has, be in practice or in employment, a CS is more often confronted with the task of preparing a contract. Thus, a CS is required to have not only the sound knowledge of the legal provisions but he/she must also possess robust drafting skills. A well drafted contract can ensure closing the deal much quickly and with greater certainty, additionally on the other hand this may also help in avoiding unwanted litigation at a later stage. Although increasing use of the technology and automation lead to the formats of contracts getting standardised, even though one has to still work on it to ensure that it is clear in its content, and more importantly, it would suit the purpose.

Now a question arises – what has to be kept in mind while drafting or even reviewing a contract so that a solid and unambiguous document comes into existence? While it largely depends on the purpose and the interest of the parties which determine the content and context for drafting an agreement, nevertheless there are certain general principles which may be kept in mind while drafting a contract. It may be noted that these general principals, as we

call them as ‘essentials of contract drafting’, are not exhaustive as the same may vary depending on the requirements and the context of a particular transaction. However, in order to discuss certain essentials of drafting a contract, the same have been divided into two series, viz.: ‘Series – 1 on Essentials of Contract Drafting’, and ‘Series – 2 on Essentials of Contract Drafting’. The ‘Series – 1 on Essentials of Contract Drafting’ would deal with certain basic yet important clauses while Series -2 would deal with relatively advanced concepts on contract drafting.

Series – 1 on Essentials of Contract Drafting:

- i. **Parties:** Parties to a contract need to be clearly and fully described which should include name, constitution, address of parties and full details of the person signing the contract and authorisation (board resolution/power of attorney). Wherever possible, copy of board resolution/POA/any other document authorising the signatory should be annexed to the contract.
- ii. **Recitals:** Recitals provide the reader with a general idea about the purpose of the contract, the brief background about the parties involved and why they are desirous of coming together. Recitals can be considered as the preamble to a contract. Often, Recitals are treated as inconsequential since they precede the operative part of a contract. However, it must be noted that when it comes to deciding questions, like, intention

of the parties or the purpose of the contract, Recitals play a very significant role many a times. Further, the purpose for which the contract is to be executed, should be clearly set out. Generally, the purpose or the rationale behind entering the contract is described in the 'Recitals' of the contract. Therefore, for these reasons it is imperative that the Recitals need to be drafted carefully and with needed clarity.

- iii. **Scope of work:** It is one of the essential requirements for effective contract drafting that the 'scope of work' (*in short "SOW"*) must be clearly specified. No ambiguity can be allowed to prevail while describing the SOW. If needed, SOW can be given by way of a schedule to the contract. SOW needs to contain the exact work to be executed, limitations or exclusions (i.e. the work not forming part of SOW). Generic or inclusive description should be avoided in SOW as otherwise this may risk enlarging its scope, for example, SOW must not state that XYZ "undertakes to*including*....". The word 'including' here would extend the limit of SOW and is prone to misuse by the other side. SOW clause must also lay down the milestone (if needed) and timeline for each phase/section of the SOW.
- iv. **Term:** The contract may state the duration for which the contract would subsist. The term of a contract is generally stated to begin from the date of signing of the contract and to end at a specified date/expiry of period or completion of obligations of the parties.
- v. **Consideration:** Like, SOW, consideration (*price*) is equally important provision in a contract. The consideration may be a lump sum amount agreed or may be 'unit' based price or otherwise, depending on the nature of the SOW. In any case, the 'consideration' must be stated both in numbers as well as in

words along with the currency (Indian Rupees or USD or otherwise). The 'consideration' clause must also indicate as to whether the amount of consideration includes applicable taxes or whether consideration is exclusive of applicable taxes. Besides, the clause must also clarify as to whether the amount to be incurred while executing the SOW (i.e., out of pocket expenses) would be payable separately, and if yes, then the cap on such expenses.

- vi. **Payment:** Payment terms are core to every contract, therefore the same should be properly defined. The payment clause should state the mode and time of tendering payment. Payment may be linked to milestone or may be agreed to be paid in lump sum. The payment clause may also include provision for penal interest in case of delayed payment. It is also a standard practice to state that the payment would be subject to applicable tax deducted at source (TDS)/withholding taxes.
- vii. **Obligations of the parties:** The contract must clearly define the role and responsibilities of the respective parties. While mentioning the respective duties of a party, it would be desirable to set the timeline for the same and their order of execution. In case, performance of a duty/obligation by a party is dependent on the performance of an obligation by the other party, then it should be clearly stated. Like SOW, care must be taken to avoid any generic wordings while describing the obligations/duties of the parties. It is also desired that a party must also convey the limitations and exclusions of obligations from its scope of duties in order to safeguard its interest.
- viii. **Notice:** Notice clause contains the address and other coordinates of the parties for communicating with each other during the execution of the SOW and thereafter. Thus, it.

is important to provide the complete details for communication including name and designation of the contact person, complete postal address, telephone, FAX, email, etc. The clause must identify the mode of communication – by hand, FAX, email, speed post or any other mode of communication which the parties wish to adopt. The clause must also clearly state the presumption of completion of delivery made by the specified modes, i.e., the period upon the expiry of which the delivery of communication effected by a particular mode would be treated complete.

- ix. **Amendment:** To guard against unintended and unauthorised amendment/modification to a signed contract, the contract usually provides that any modification to the contract would not be effective unless signed in writing by both the parties.
- x. **Dispute resolution / jurisdiction:** It is necessary to provide for the dispute resolution procedure which the parties can adopt in case of a dispute between them during the course of execution of the contract. The parties are free to choose their dispute resolution procedure, however generally the parties either choose the court of civil jurisdiction or the arbitration as the dispute resolution mechanism. If the arbitration is opted as the dispute resolution mechanism, then the law governing the conduct of arbitration, composition of arbitral tribunal, seat of arbitration, mode of conducting arbitration, etc., need to be stated. In case, the parties intend to resolve their dispute through court it is highly important for the parties to mention the place of jurisdiction. This denotes the courts of the location which would have jurisdiction to deal with the issues. It is advisable that the clause provides for "exclusive" jurisdiction,

which means that **only** the courts of the specified location will have jurisdiction to hear disputes. It may also be stated that even in cases where arbitration has been agreed to as the mode of dispute resolution, the parties should still mention place of jurisdiction, subject to arbitration mechanism agreed. This would bring certainty to the place of jurisdiction in situations where the courts have to exercise supervisory jurisdiction or may have to entertain proceedings for reliefs which can't be provided by an arbitral forum.

- xi. **Governing Law:** The parties must also declare the law of which place would govern the interpretation or construction of the provisions of the contract in case of dispute or legal issues between the parties. This clause is extremely important especially when the parties are located in different countries as this would enable the parties to freeze the legal rules which would apply while interpreting the contractual provisions.

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Topic: Non-compliance with certain provisions of LODR and Standard Operating

INTRODUCTION

Qualified Company Secretaries are given immense role under **Regulation 6** of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to be appointed as Compliance Officer. Regulation 6(1) is reproduced below.

Reg 6(1) "A listed entity shall appoint a qualified company secretary as the compliance officer."

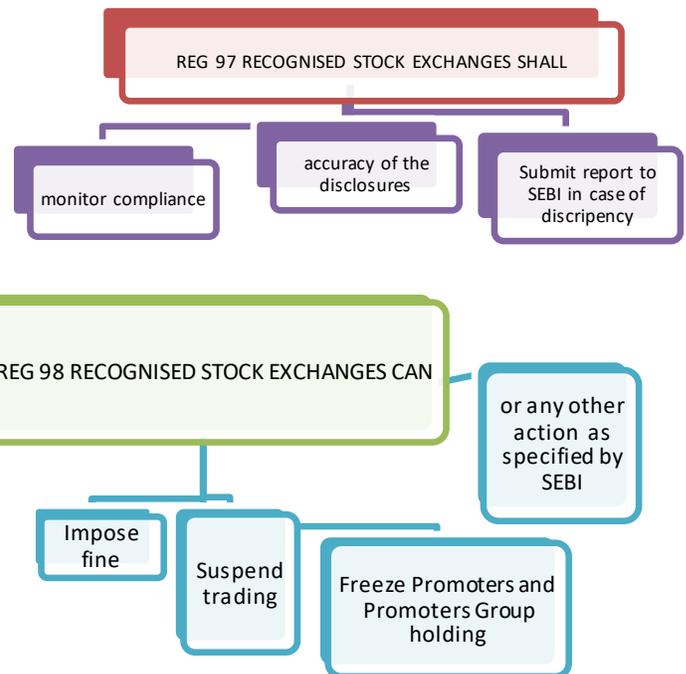
The word used is **Qualified Company Secretary**, it may happen that a listed company shall only have **compliance officer** who is **Company Secretary**. It may be on the company that whole time CS is designated as Compliance Officer and it may be not but A Compliance Officer can only be a CS.

There are certain penalties if the said regulations are not followed. This article lists out the importance aspects and consequences if the said regulations are not followed and Standard Operating Procedure (SOP) for suspension and revocation of suspension of trading of specified securities–.

POWER OF IMPOSITION OF FINE.

Reg 97(1) recognized Stock Exchanges shall monitor compliance by listed entities with the provisions of the regulations.

Reg 98(1) & 98(2) specify liability of a listed entity or any other person for contravention and actions which can be taken by the respective stock exchange and the revocation of such actions, in the manner specified by SEBI



The recognized stock exchanges disclose on their website the action/s taken against the listed entities for non-compliance(s); including the details of respective requirement, amount of fine, period of suspension, freezing of shares, etc.

Circular Date	Particulars of circular
30/11/2015 w.e.f	uniform structure for imposing fines as a first resort for non-compliance with certain provisions of the Listing Regulations and the SOP for suspension of trading in case the non-compliance is continuing and/or repetitive.
01/12/2015 (Click here for Circular)	

26/10/2016 w.e.f 26/10/2016 (Click here for Circular)	the manner of freezing of holdings of the promoter and promoter group of a listed entity that failed to pay fines levied by the stock exchange(s).
30/09/2018 w.e.f compliance periods ending on or after 30/09/2018 (Circular Link)	In supersession of circular dated 30/11/2015 & 26/10/2016 (above Two circulars) new circular was issued in order to adopt a uniform approach in the matter of levy of fines for non-compliance with certain provisions of the Listing Regulations, the manner of suspension of trading of securities of a listed entity and the manner of freezing the holdings of the promoter and promoter group of a non-compliant listed entity.
Guidance Note on SEBI circular dated May 03, 2018 (BSE NSE)	Stock Exchanges has issued guidance as follows: A. Salient Features of the circular B. Compliance with provisions of LODR C. Points to be noted
22/01/2020 w.e.f compliance periods ending on or after 31/12/2020 (Circular link)	In supersession of circular dated 30/09/2018 Pursuant to the amendments to Listing Regulations and to further streamline the SOP for dealing with non-compliances, it has been decided to issue the present Circular SOP circular dated May 03, 2018 would be applicable till the time current SoP circular comes into force.
Stock Exchange may come up with Guidance Note for circular dated January 22, 2020	

ANALYSIS OF THE SEBI CIRCULAR DATED JANUARY 22, 2020

30/11/2015 circular prescribed fine for Non submission for 4 Regulations where Fine payable for 1st non-compliance and Fine Payable for each subsequent and consecutive non-compliance viz Reg 27(2) Corporate Governance, Reg 31 Shareholding pattern ,Reg 33 Financial results, Reg 34 Annual Report was prescribed

30/05/2018 circular prescribed fine for Non submission for 24 Regulations including sub regulations where Per Day Fine and Per Instance Fine along with SOP

22/01/2020 CIRCULAR is divided into 2 parts:
(i) Action taken in case of non-compliances with the Listing Regulations and.

(ii) Follow the Standard Operating Procedure (“SOP”) for suspension and revocation of suspension of trading of specified securities

Lets talk about Action taken in case of non-compliances with the Listing Regulations.

Circular has disclosed Fine in two manner

The same is disclosed in below table as per Sr. no (Total 28 Sr. no)

Per Day Fine			Per Instance Fine		
₹1000	₹2000	₹5000	₹1000	₹2500	₹5000
0	0	0	0	0	0
5 reg	9 reg	4 reg	6 reg	3 reg	1 reg

BELOW IS THE COMPARISION BETWEEN 30/05/2018 AND 22/01/2020 CIRCULAR

Sl. No.	REGULATION	Compliance to be Done	Per day penalty	May 30,18 Cir	Jan 22, 2020 Cir
1.	Regulation 6(1) Non-compliance with requirement to appoint a qualified company secretary as the compliance officer	<p>→ Only a CS can be appointed as a qualified Company Secretary</p> <p>→ Many companies are uploading Corporate Announcement where they draft that till new Compliance officer is appointed MD/CEO or WTD shall act as Compliance officer</p> <p>→ The Said announcement is contradictory as A listed entity shall appoint a qualified company secretary as the compliance officer.</p> <p>→ Further there is no compulsion that the Whole time CS can only act as Compliance officer. Further both can also be same person.</p>	₹ 1,000	√	√
2.	Regulation 7(1) Non-compliance with requirement to appoint share transfer agent	<p>→The listed entity shall appoint a share transfer agent →listed entity can also manage the share transfer facility in-house but as and when the total number of holders of securities of the listed entity exceeds one lakh, the listed entity shall either register with the Board as a Category II share transfer agent or appoint Registrar to an issue and share transfer agent registered with the Board.</p>	₹ 1,000	√	√
3.	Regulation 13(1) (*Refer point 2 below table) Failure to ensure that adequate steps are taken for expeditious redressal of investor complaints	<p>→ The Company Officer of the Company shall ensure that the company has good communication and receive mails from RTA and grivence ID at regular time</p> <p>→ Scores shall be cheked at regular interval of time</p> <p>→ Company Officer shall ensure that adequate steps are taken for expeditious redressal of investor complaints</p>	₹ 1,000	√	√
4.	Regulation 13(3) Non-submission of the statement on shareholder complaints within the period prescribed under this regulation or under any circular issued in respect of redressal of investor grievances	<p>→The Complaine officer shall file with the recognised stock exchange(s) on a quarterly basis, within 21 days from the end of each quarter, a statement giving the number of investor complaints pending at the beginning of the quarter, those received during the quarter, disposed of during the quarter and those remaining unresolved at the end of the quarter.</p>	₹ 1,000	√	√

					Jan 22, 2020 Cir
		<p>DULY NOTE, that the statement submitted, shall be placed on quarterly basis before the board of directors of the listed entity. In other words it shall fall part of immediate Next Board meeting and recorded in minutes there of</p> <p>→ There may be no event then the immediate board meeting would be to Fine Financial Statement under Reg 33 (quarterly basis for main board companies), the same can be noted there</p> <p>→ The Secretarial Auditor must have a pin point to see Reg 13(4) has been complied in this regards.</p>			
<p>5.</p>	<p>Regulation 32(1) Non-submission of deviations/ variations in utilization of issue proceeds</p>	<p>→ Earlier there was no specific days specified for submission only that the statement(s) on a quarterly basis for public issue, rights issue, preferential issue etc. shall be submitted</p> <p>→ So many Companies use to disclose the same below quarterly result as a foot note</p> <p>→ Now the disclosure falls under the same time line, The disclosure to the Stock Exchange(s) shall be made by listed entities on quarterly basis along with the declaration of financial results (within 45 days of end of each quarter / 60 days from the end of the last quarter of the financial year) until such funds are fully utilised or the purpose for which these proceeds were raised has been achieved</p> <p>→ Sebi Circular (Click here) dated 24/12/2019 has prescribed the Format on Statement of Deviation or Variation for proceeds of public issue, rights issue, preferential issue, Qualified Institutions Placement (QIP)</p> <p>→ The first such submission shall be made by the listed entities for the quarter ending December 31, 2019; subsequent submissions shall be quarterly</p>	<p>₹ 1,000</p>	<p>✓</p>	<p>✓</p>

Sl. No.	REGULATION	Compliance to be Done	Per day penalty	May 30,18 Cir	Jan 22, 2020 Cir
6	Regulation 39(3) Non-submission of information regarding loss of share certificates and issue of the duplicate certificates within the period prescribed under this regulation	The CS shall submit information regarding loss of share certificates and issue of the duplicate certificates, to the stock exchange within two days of its getting information.	₹ 1,000	√	× Removed
7.	Regulation 17(1A) Non-compliance with the requirements pertaining to appointment or continuation of Non-executive director who has attained the age of seventy five years	<p>→ SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, w.e.f. 1.4.2019</p> <p>→ This is the first time such provision has been brought into force</p> <p>→ As the Members are aware, pursuant to the Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “the Listing Regulations”), effective from April 1, 2019, no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five (75) years</p> <p>→ So the Directors who have attained Age after have already attained the age of seventy five (75) years. Pursuant to Regulation 17(1A) of the Listing Regulations, the Special Resolution for continuation of their directorships with effect from April 1, 2019 remaining tenure, being the date of expiry of their current term of office, will be required to be passed.</p>	₹ 2,000	×	√ Added

<p>8.</p>	<p>Regulation 18(1) Non-compliance with the constitution of the audit committee</p>	<p><u>Form Main board companies to whom Corporate Governance is applicable:</u> →The audit committee shall have minimum 3 directors as members and 2/3rd of the members of audit committee shall be independent directors Further here the chairperson of the audit committee shall be an independent director → All members of audit committee shall be financially literate and at least one member shall have accounting or related financial management expertise.</p> <p><u>Form Main board companies to whom Corporate Governance is not applicable and SME listed companies</u> →Section 177(2) of the Companies Act 2013 shall be followed which says audit committee shall have minimum 3 directors where Independent Directors shall form the majority. → Chairperson and Majority members of audit committee shall be financially literate</p>	<p>₹ 2,000</p>	<p>√</p>	<p>√</p>
<p>9.</p>	<p>Regulation 19(1)/ 19(2) Non-compliance with the constitution of nomination and remuneration committee</p>	<p>→The NRC must have at least 3 directors, all directors of the committee shall be non-executive directors; and at least 50% percent of the directors shall be independent directors. → Chairperson shall of the Company can be the member of NRC but cannot be the Chairperson of NRC → Quorum shall be 2 or 2/3rd of the members which ever is greater including at least one independent director in attendance. → The nomination and remuneration committee shall meet at least once in a year w.e.f 01/04/2019 (the same is not provided in Companies Act)</p>	<p>₹ 2,000</p>	<p>√</p>	<p>√</p>

10.	Regulation 20(2) / (2A) Non-compliance with the constitution of stakeholder relationship committee	<p>→The SRC must have at least 3 directors, atleast 1 Independent director of the committee shall be member of committee;</p> <p>→ chairperson of this committee shall be a non-executive director.</p> <p>→ The SRC shall meet at least once in a year w.e.f 01/04/2019 (the same is not provided in Companies Act)</p> <p>→ As per Section178(5) the Comany shall constitute such committee when company has 1000 or more Shareholers , deposit holders or other security holders.</p>	₹ 2,000	Reg 20(2) ✓ Reg 20(2A) ×	✓ ✓ Added
11.	Regulation 21(2) Non-compliance with the constitution of risk management committee	<p>→The provisions of this regulation shall be applicable to top 500 listed entities, determined on the basis of market capitalisation, as at the end of the immediate previous financial year.</p> <p>→ The majority of members of Risk Management Committee shall consist of members of the board of directors.</p> <p>→The Chairperson of the Risk management committee shall be a member of the board of directors and senior executives of the listed entity may be members of the committee.</p> <p>→The risk management committee shall meet at least once in a year w.e.f 01/04/2019</p>	₹ 2,000	✓	✓
12.	Regulation 24A Non-compliance with submission of secretarial compliance report	<p>→Every listed entity and its material unlisted subsidiaries incorporated in India shall undertake secretarial audit and shall annex with its annual report, a secretarial audit report, given by a company secretary in practice, in such form as may be specified with effect from the year ended March 31, 2019</p> <p>→ The Fine is introduced first time hence the scope and importance can be understood by this provisions</p> <p>→ Only Practicing Company Secretaries are given this immense responsibility to issue such report</p> <p>→Word Format Seceretaryial</p>	₹ 2000	×	✓ Added

Sl. No.			Per day penalty	May 30,18 Cir	Jan 22, 2020 Cir
		Compliance Report Format <u>(CLICK HERE)</u> →Further As par ICSI Council meeting 04-05 May 19 <u>(Announcement)</u> 1. Secretarial Audit / Annual Secretarial Compliance Report under SEBI (LODR) of Top 100 companies as per market capitalisation to be undertaken only by Peer Reviewed PCS w.e.f. April 1, 2020; 2. Secretarial Audit / Annual Secretarial Compliance Report under SEBI (LODR) of Top 500 companies as per market capitalisation to be undertaken only by Peer Reviewed PCS w.e.f. April 1, 2021; Secretarial Audit / Annual Secretarial Compliance Report under SEBI (LODR) of all listed companies to be undertaken only by Peer Reviewed PCS w.e.f. April 1, 2022			
13.	Regulation 27(2) Non-submission of the Corporate governance compliance report within the period provided under this regulation	→ The listed entity shall submit a quarterly compliance report on corporate governance in the format as specified by the Board from time to time to the recognised stock exchange(s) within 15 days from close of the quarter. →This is not applicable to SME listed companies and Main board companies which have paid up equity share capital not exceeding rupees 10 crore and net worth not exceeding rupees 25 crore, as on the last day of the previous financial year	₹ 2,000	√	√

14.	Regulation 31 Non-submission of shareholding pattern within the period prescribed	<p>→ The listed entity shall submit to the stock exchange(s) on quarterly basis shareholding pattern within 21 days of end of each quarter shareholding pattern</p> <p>→ For SME Companies this shall be applicable half yearly</p> <p>→ Further shareholding pattern shall be submitted one day prior to listing of its securities on the stock exchange(s), within ten days of any capital restructuring</p>	₹ 2,000	√	√
15.	Regulation 34 Non-submission of the Annual Report within the period prescribed under this regulation	<p>→ a Copy of the annual report sent to the shareholders along with the notice of the Annual General Meeting not later than the day of commencement of dispatch to its shareholders;</p> <p>→ in the event of any changes to the annual report, the revised copy along with the details of and explanation for the changes shall be sent not later than 48 hours after the annual general meeting.</p>	₹ 2,000	√	√
16.	Regulation 17(1) Non-compliance with the requirements pertaining to the composition of the Board including failure to appoint woman director	<p>The Board of directors of the top 500 listed entities shall have at least one independent woman director by April 1, 2019 and the Board of directors of the top 1000 listed entities shall have at least one independent woman director by April 1, 2020;</p> <p>→ The top 500 and 1000 entities shall be determined on the basis of market capitalisation, as at the end of the immediate previous financial year.</p>	₹ 5,000	√	√

17.	Regulation 23 (9) Non-compliance with disclosure of related party transactions on consolidated basis.	<p>→ Applicable where Corporate Governance is applicable</p> <p>→ The listed entity shall submit within 30 days from the date of publication of its standalone and consolidated financial results for the half year, disclosures of related party transactions on a consolidated basis, in the format specified in the relevant accounting standards (AS-18) for annual results to the stock exchanges and publish the same on its website.</p> <p>Report of the Working Group on Related Party Transactions (CLICK HERE)</p> <p>→ In November 2019, the markets watchdog constituted a Working Group to review the policy space pertaining to RPTs under the chairmanship of Ramesh Srinivasan, Managing Director and CEO of Kotak Mahindra Capital Company.</p> <p>→ On January 22, the group submitted its 61-page report to the regulator.</p> <p>→ Public comments have been sought on the committee's recommendations by February 27.</p> <p>→ Appendix - II of report Prescribed Disclosure Format : Prescribed Format for disclosure of related party transactions every 6 months (Refer Attachment link- https://www.sebi.gov.in/sebi_data/commomdocs/jan-2020/WrkingGrp_p.xlsx)</p>	₹ 5,000	×	√ Added
18.	Regulation 31A(3)(a) Non-compliance pertaining to delay in submission of reclassification application to stock exchanges	<p>→ Relevant SE checklist is also to be followed along with Regulation Circular for Reclassification</p> <p>→ BSE Checklist NSE Checklist</p>	₹ 5,000	×	√ Added

19.	Regulation 33 Non-submission of the financial results within the period prescribed under this regulation	→ This circular has added Levy of fine is in addition to the requirement of providing reasons for non-submission of the financial result as per circular no. CIR/CFD/CMD-1/142/2018 dated November 19, 2018.)	₹ 5,000	√	√ Added Disclosure of reasons for delay in submission of financial results by listed entities is required to be disclosed
Sl. No.	REGULATION		Per Instance	30/05/2018 CIRCULAR	22/01/2020 CIRCULAR
20.	Regulation 17(2) Non-compliance with the requirements pertaining to the number of Board meetings	The board of directors shall meet at least 4 times a year, with a maximum time gap of 120 days between any 2 meetings.	₹ 10,000	×	√ Added
21.	Regulation 17(2A) Non-compliance with the requirements pertaining to quorum of Board meetings.	→ The quorum for every meeting of the board of directors of the top 1000 listed entities wef April 1, 2019 and of the top 2000 listed entities with effect from April 1, 2020 shall be 1/3rd of its total strength or 3 directors, whichever is higher, including at least 1 independent director. → The participation of the directors by video conferencing or by other audio-visual means shall also be counted for the purposes of such quorum. → The top 1000 and 2000 entities shall be determined on the basis of market capitalisation, as at the end of the immediate previous financial year	₹ 10,000	×	√ Added
22.	Regulation 29(2)/29(3) Delay in furnishing prior intimation about the meeting of the board of directors	The Company Secretary must ensure and differentiate between Working days, days and also follow excluding the date of the intimation and date of meeting wherever applicable	₹ 10,000 per instance of non-compliance per item	√	√

23.	<p>Regulation 42(2)/42(3)/42(4)/42(5) Delay in/ non-disclosure of record date/ dividend declaration or non-compliance with ensuring the prescribed time gap between two record dates/ book closure dates</p>	<p>→ The date of intimation and the record date in all cases → The listed entity shall give notice in advance of at least 7 working days stock exchange(s) of record date specifying the purpose of the record date: → For rights issues, the listed entity shall give notice in advance of at least 3 working days → The listed entity shall recommend or declare all dividend and/or cash bonuses at least 5 working days → The listed entity shall ensure the time gap of at least 30 days between two record dates → For Physical Shareholders book closure shall be followed and Section 91 of the Companies Act must be followed and ensure that there is a time gap of at least thirty days between two dates of closure of its transfer books → In case all shareholders are in demat no need for Book closure</p>	₹ 10,000 per instance of non-compliance per item	√	√
24.	<p>Regulation 44(3) Non-submission of the voting results within the period provided under this regulation</p>	<p>The listed entity shall submit to the stock exchange, within 48 hours of conclusion of its General Meeting, details regarding the voting results in the format (CLICK HERE) specified by the Board</p>	₹ 10,000 per instance of non-compliance	√	√

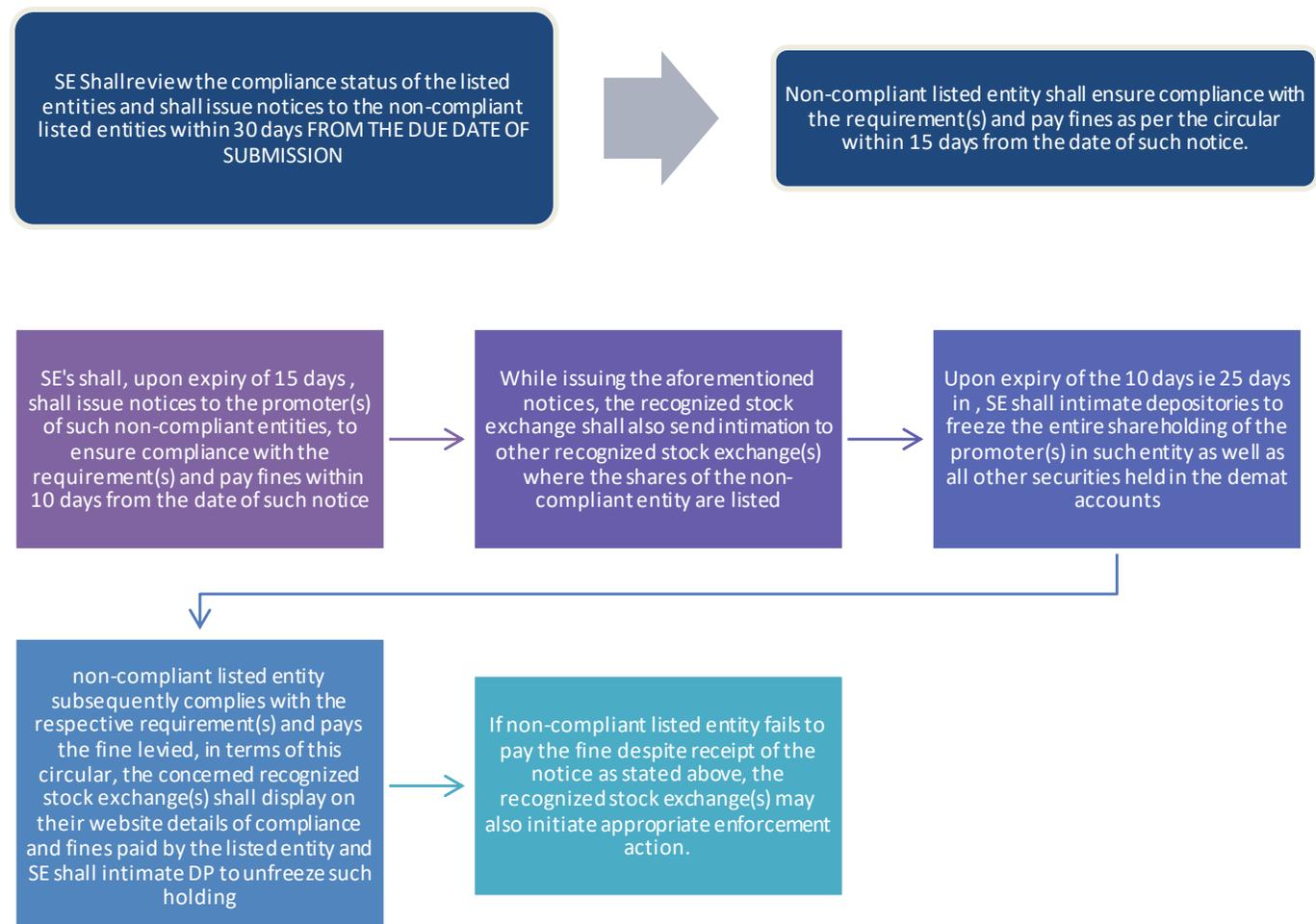
25.	Regulation 46 Non-compliance with norms pertaining to functional website	<p>→ The company must have a functional website containing the basic information about the listed entity under a separate section on its website and CS shall ensure that the contents of the website are correct.</p> <p>→ Any change in the content of its website within 2 working days from the date of such change in content</p> <p>→ Advisory/warning letter per instance of non-compliance per item ₹ 10,000 per instance for every additional advisory/warning letter exceeding the four advisory/warning letters in a financial year</p>	₹ 10,000 per instance of non-compliance as per Advisory/warning letter	✓	✓
26	Regulation 43A Non-disclosure of Dividend Distribution Policy in the Annual Report and on the websites of the entity.	The top 500 listed entities based on market capitalization (calculated as on March 31 of every financial year) shall formulate a dividend distribution policy which shall be disclosed in their annual reports and on their websites.	₹ 25,000 per instance	×	✓ Added
27.	Regulation 44(5) Non-convening of annual general meeting within a period of five months from the close of financial year.	The top 100 listed entities by market capitalization, determined as on March 31st of every financial year, shall hold their AGM within a period of 5 months from the date of closing of the financial year (till August 30 if FY closes 31 march)	₹ 25,000 per instance	×	✓ Added
28.	Regulation 45(3) Non-obtaining approval of stock exchange(s) before filing request for change of name with Registrar of Companies.	→ Change in name of the listed entity. → NSE CHECKLIST BSE CHECKLIST	₹ 25,000 per instance	×	✓ Added
29.	Regulation 28 (1) Non-compliance with obtaining in-principle approval of stock exchange(s) before issuance of securities.	→ NECESSARY obtaining in-principle approval of stock exchange(s) → Further SEBI CIRCULAR 19/08/2019 shall be followed as Apart	₹ 50,000 per instance	×	✓ Added

		<p>Apart from penalty in LODR for 50,000, ICDR has specified ₹ 20,000 fine for each instance like bonus shares allotment delay , trading approval delay by 7days, completing the conversion of convertible securities and allotting the shares, within 18 months from the date of allotment of convertible securities</p>			
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From above table we can conclude that

1. Regulation 39(3) penalty is removed in 22/01/2020 Circular.
2. *Regulation 13(1) has been added with instruction that during suspension period for non-compliance of regulation 13(1), the modalities of **the same would be dealt as part of a separate circular**
3. Regulation 33 , reference has been given to circular Nov 19, 2018 to disclose the reason for non submission of Financial Result
4. Regulation 17(1A), 17(2), 17(2A), 23(9), 24A, 28(1), 31A(3)(a), 34, 43A, 44(5) and 45(3) have been added

PROCESS OF FINE AND FREEZING DEMAT ACCOUNT



SOP

ANNEXURE II OF January 22, 2020 circular disclosed STANDARD OPERATING PROCEDURE (SOP) wherein Standard operating procedure for moving the scrip to "Z" Category , Standard operating procedure for suspending the trading is disclosed and Standard operating procedure for revocation of suspension of trading is disclosed

DISCLAIMER: The above article is made to the best of my knowledge and [hyperlinks links are provided wherever needed. This article is open for discussion in case of any mistake or modification you can contact on the details provided.](#)

SEBI LODR COMPLIANCE CALENDER 2020

January							February							March							April						
Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1	2	3	4						1	1	2	3	4	5	6	7				1	2	3	4	
5	6	7	8	9	10	11	2	3	4	5	6	7	8	8	9	10	11	12	13	14	5	6	7	8	9	10	11
12	13	14	15	16	17	18	9	10	11	12	13	14	15	15	16	17	18	19	20	21	12	13	14	15	16	17	18
19	20	21	22	23	24	25	16	17	18	19	20	21	22	22	23	24	25	26	27	28	19	20	21	22	23	24	25
26	27	28	29	30	31	23	24	25	26	27	28	29	29	30	31	26	27	28	29	30							

May							June							July							August							
Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Sat	
					1	2	1	2	3	4	5	6				1	2	3	4						1			
3	4	5	6	7	8	9	7	8	9	10	11	12	13	5	6	7	8	9	10	11	2	3	4	5	6	7	8	
10	11	12	13	14	15	16	14	15	16	17	18	19	20	12	13	14	15	16	17	18	9	10	11	12	13	14	15	
17	18	19	20	21	22	23	21	22	23	24	25	26	27	19	20	21	22	23	24	25	16	17	18	19	20	21	22	
24	25	26	27	28	29	30	28	29	30	26	27	28	29	30	31	26	27	28	29	30	31	23	24	25	26	27	28	29
31																					30	31						

September							October							November							December							
Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Sat	
			1	2	3	4	5				1	2	3	1	2	3	4	5	6	7				1	2	3	4	5
6	7	8	9	10	11	12	4	5	6	7	8	9	10	8	9	10	11	12	13	14	6	7	8	9	10	11	12	
13	14	15	16	17	18	19	11	12	13	14	15	16	17	15	16	17	18	19	20	21	13	14	15	16	17	18	19	
20	21	22	23	24	25	26	18	19	20	21	22	23	24	22	23	24	25	26	27	28	20	21	22	23	24	25	26	
27	28	29	30	25	26	27	28	29	30	31	29	30	27	28	29	30	31											

REGULATION 13 (3)
REGULATION 31 (HALF YEARLY FOR SME)

REGULATION 69
REGULATION 27 (2)
(APPLICABLE AS PER REG 15)
REGULATION 29(1)(A)
(HALF YEARLY FOR SME)

REGULATION 23(9)

REGULATION 32
REGULATION 33 (HALF YEARLY FOR SME)

REGULATION 24A

REGULATION 7(3)
REGULATION 40(10)
INITIAL DISCLOSURE TO BE MADE BY AN
ENTITY IDENTIFIED AS A LARGE

WITHIN 21 DAYS FROM THE QUARTER END.
21 JANUARY, 21 APRIL, 21 JULY, 21 OCTOBER

WITHIN 15 DAYS FROM QUARTER END.
15 JANUARY, 15 APRIL, 15 JULY, 15 OCTOBER
**AT LEAST 5 DAYS FOR FINANCIAL RESULT
AS PER REGULATION 29 1 (A) (EXCLUDING
THE DATE OF THE INTIMATION AND DATE
OF THE MEETING)**
8 FEBRUARY, 24 MAY, 8 AUGUST, 8
NOVEMBER

**30 DAYS FROM THE DATE OF PUBLICATION
OF FR (FOR HALF YEAR)**
30 JUNE, 14 DECEMBER

45 DAYS OF EACH QUARTER
60 DAYS FOR LAST QUARTER
**14 FEBRUARY, 30 MAY, 14 AUGUST, 14
NOVEMBER**

30 MAY

30 APRIL, 30 OCTOBER

30 APRIL

REGULATION 30(1) & (2)
(SAST)
REGULATION 76 (DP
REGULATION 2018)

8 APRIL

**30 JANUARY, 30 APRIL, 30
JULY, 30 OCTOBER**



PCS LALIT RAJPUT

LLP COMPLIANCE CALENDAR

This article covers the Mandatory Compliances to be followed by a LLP under Registrar of Companies (ROC), Ministry of Corporate Affairs (MCA), mentioned under LLP Act, 2008 and Income Tax Act, 1961 including Tax audit provisions. Some key points are also given regarding LLP at the end.

• **Definition(s)**

Define Limited Liability Partnership (LLP) u/s 2(n) of LLP Act 2008:

"Limited Liability Partnership" means a partnership formed and registered under Limited Liability Partnership Act, 2008.

Define Foreign Limited Liability Partnership (FLLP) u/s 2(m) of LLP Act 2008:

"Foreign Limited Liability Partnership" means a limited liability partnership formed, incorporated or registered outside India which establishes a place of business within India;

In general terms, LLP is a Corporate entity and governed by the laws and regulation prescribed by the Limited Liability Partnership Act, 2008 (LLP Act, 2008).

"Any two or more persons associating for carrying on a lawful business with a view to profit may set up an LLP."

• **Regulatory Authority:**

Registrar of Companies (ROC), Ministry of Corporate Affairs (MCA)

• **Mandatory Compliances for an LLP**

Registered LLPs with the Ministry of Corporate Affairs (MCA) needs to file the following mandatory compliance requirements :

- I. Filing of Annual Return – **LLP Form-11**
- II. Filing Statement of Account & Solvency - **LLP Form-8**
(Statement of Statement of the Accounts/Financial Statements)
- III. Filing of Income Tax Returns

• **Brief Overview of the Mandatory Compliances:**

1. Filing LLP Annual Return

Annual Return or Form 11 is a summary of an LLP's Partners and indication of change in the management.

Every LLP is required to file Annual Return in Form 11 to the Registrar within 60 days of closer of financial year i.e. has to be filed on or before 30th May every year.

2. Filing of Statement of Account & Solvency

(Filing of Annual Accounts/ Statement of Accounts/ Financial Statements/ P&L & Balance Sheet)

a) LLP must maintain proper books of account. The accounts may be on cash basis or accrual basis.

b) Statement of Solvency (Accounts) needs to be prepared every year ending on 31st March.

c) LLP Form - 8 should be filed with the Registrar of Companies on or before 30th October every year.

d) It should be noted that LLPs / FLLPs whose annual turnover exceeds Rs. 40 lakh or partner's obligation of contribution exceeds Rs. 25 lakh are required to get their accounts audited by auditor of the LLP/ FLLP mandatorily.

Tabular classification of Mandatory ROC Return of LLP

<u>Sl. No.</u>	<u>E-Form</u>	<u>Due Date</u>
1.	Annual Return (Form 11)	within 60 days of closer of financial year <i>(For F.Y. 2018-19 due date is 30-05-2019)</i>
2.	Statement of Account & Solvency (Form 8)	on or before 30th October every year <i>(For F.Y. 2018-19 due date is 30-10-2019)</i>

3. Filing of Income Tax Return

LLP can file its return of income in ITR 5. it is mandatory for LLP to file return of income electronically under digital signature if its accounts are required to be audited under section 44AB.

<u>Sl. No</u>	<u>Income Tax Return Particulars</u>	<u>Due Date</u>
1.	In case Audit is not required <i>(Those LLPs whose annual turnover does not exceeds Rs. 40 lakh or partner's obligation of contribution exceeds Rs. 25 lakh are required to file their Income Tax. They are not required to get their accounts audited by their Auditor)</i>	31 st July of every year
2.	In Case Audit is required <i>(Those LLPs whose annual turnover exceeds Rs. 40 lakh or partner's obligation of contribution exceeds Rs. 25 lakh are required to file their Income Tax. They are required to get their books audited under the Income Tax Act.)</i>	30 th September of every year
3.	LLPs Involved in International Transaction <i>(LLPs that entered into an international transaction with associated enterprises or undertook certain Specified Domestic Transactions are required to file Form 3CEB. Form 3CEB must be certified by a Chartered Accountant.)</i>	30 th November of every year

Tax Structure of LLP for F.Y. 2018-19 & A. Y. 2019-20

The Income Tax rate for LLPs is 30% (flat):

a) Surcharge: The amount of income-tax shall be increased by a surcharge at the rate of 12% of such tax, where total income exceeds Rs. 1 crore rupees. However, the surcharge shall be subject to marginal relief (where income exceeds Ra. 1 crore rupees, the total amount payable as income-tax and surcharge shall not exceed total amount payable as income-tax on total income of Rs. 1 crore rupees by more than the amount of income that exceeds Rs. 1 crore rupees).

b) Health and Education Cess: The amount of income-tax and the applicable surcharge, shall be further increased by health and education cess calculated at the rate of 4% of such income-tax and surcharge

Alternate Minimum Tax:

Tax payable by LLP cannot be less than 18.5% (increased by Surcharge and HEC) of "adjusted total income" as per [section 115JC](#).

Penalty or Consequences for not filing Form 11 and Form 8

1. For LLP per day penalty of Rs. 100 till the filing is completed. (Separately for both forms)

So for example: If the Form 11/ Form 8 of your LLP is not filed within the due dates and suppose the delay is of 10 days for each form then the Government penalty fees will be Rs. 2000 in total i.e.:

"Rs. 1,000 (i.e. @ Rs. 100 per day for 10 Days) for Form 11 & Rs. 1,000 (i.e. @ Rs. 100 per day for 10 Days) for Form 8"

2. For Designated Partner: From Rs. 10,000 to Rs. 100,000 Penalty

3. ROC can issue Notice to LLP and initiate legal proceedings (like strike off).

Privileges for LLP in comparison to a Private Limited company :

1. Exemptions from maintenance of Minutes book, Statutory Registers, and flexible tax rates etc.
2. No, AGM is not required for an LLP. AGM is a once in a year meeting for Shareholders of the Company. As there is no concept of shareholding in an LLP, no AGM is to be held.
3. Board meeting is generally associated with a Board of Directors meeting. There are no directors involved in an LLP, instead designated Partners run the business and are held responsible for compliances. Hence, Board of Partners meeting is suggested in case of an LLP firm.
4. There is no limit on maximum number of partners.

voluntarily file the same.

ROC – Filing: The charge details i.e. creation, modification or satisfaction of charge, can be filed through **Appendix to e-Form 8 (Interim)**.

Some Key points about LLP:

1. Can an existing partnership firm be converted to LLP?

Yes, an existing partnership firm can be converted into LLP by complying with the Provisions of clause 58 and Schedule II of the LLP Act.

ROC - Filings: Form 17 needs to be filed along with **Form 2** for such conversion and incorporation of LLP.

2. Can an existing company be converted to LLP?

Yes, any existing private company or existing unlisted public company can be converted into LLP by complying with the Provisions of clause 58 and Schedule III and IV of the LLP Act.

ROC- Filings: Form 18 needs to be filed with the registrar along with **Form 2** for such conversion.

3. Can an existing company be converted to LLP?

No, only private / unlisted public company can be converted into LLP.

4. Financial Year of LLP

Every LLP has to maintain uniform financial year **(April to March) ending on 31st March of a year.**

5. Is it mandatory to file the charge details to the registrar office?

it is not mandatory to file the charge details with the office of Registrar but the stakeholders can

Income Tax Act, 1961	14.02.2020	Due date for issue of TDS Certificate for tax deducted under section 194-IB in the month of December, 2019	TDS Certificate u/s 194-IB
Income Tax Act, 1961	14.02.2020	Due date for issue of TDS Certificate for tax deducted under section 194M in the month of December, 2019	TDS Certificate u/s 194M
Income Tax Act, 1961	15.02.2020	Due date for furnishing of Form 24G by an office of the Government where TDS/TCS for the month of January, 2020 has been paid without the production of a challan	Form 24G
Income Tax Act, 1961	15.02.2020	Quarterly TDS certificate (in respect of tax deducted for payments other than salary) for the quarter ending December 31, 2019	Quarterly TDS certificate

NOTE:

1. PAN-AADHAAR LINKING DEADLINE EXTENDED TO MARCH, 2020

The due date for linking of PAN with Aadhaar as specified under sub-section 2 of Section 139AA of the Income-tax Act, 1961 has been extended from 31st December, 2019 to 31st March, 2020. (Notification no.107 of 2019 dated 30/12/2019 issued by CBDT.)

Source:

https://www.incometaxindia.gov.in/communications/notification/notification_107_2019.pdf

2. AMENDMENT OF RULE 10DA AND RULE 10DB REGARDING FURNISHING OF INFORMATION AND MAINTENANCE OF DOCUMENTS BY CONSTITUENT ENTITY OF AN INTERNATIONAL GROUP

Short title and commencement:

- These rules may be called the Income-tax (2nd Amendment) Rules, 2020.
- they shall come into force on the date of their publication in the Official Gazette

Link: https://www.incometaxindia.gov.in/news/notification_3_2020.pdf



Cs Sonika Bharati

Overview of FEMA

Introduction

Foreign Exchange Management Act, 1999 (FEMA) came into effect on 1st June, 2000. FEMA was introduced with a view to consolidate the forex laws, and to promote the inflow of foreign exchange. FEMA replaced the earlier Foreign Exchange Regulation Act, 1973. FERA being strict and conservative, was not suitable for the new liberal economy of India. FEMA is soft, liberal and simplified. It aims at boosting the foreign trade investments and is more in tune with the new economic era of the country.

The objectives of FEMA are as under-

- To consolidate the law relating to foreign exchange
- Facilitating external trade and payments
- Promoting the orderly development and maintenance of foreign exchange market in India
- Promotion of foreign exchange markets

Some of the salient features of FEMA are-

- Forex transactions categorised as – Current account and Capital account.
- All current account transactions are free and do not require any approval except a small negative list that are either prohibited or regulated.
- RBI has the authority to control the capital account transactions
- FEMA provisions are applicable as per the residential status

- Residential status on the basis of stay (182 days) as well as purpose
- It is a Civil Law, violation of FEMA is a civil offence
- No arrest
- Prosecution to prove charges against accused
- Investigation and adjudication segregated
- Compounding of contravention, within 180 days
- Reserve Bank of India (RBI) has been delegated the power to administer FEMA.
- Dealing in forex is through 'Authorised Persons' like Authorised Dealer Banks, Money changers, Offshore Banking Unit.

Jurisdiction-

FEMA is applicable to whole of India. It also applies to all branches, offices and agencies outside India owned and controlled by a person resident in India.

Types of Forex Transactions-

There are two types of transactions under FEMA,

- Current Account Transactions and
- Capital Account Transactions

Current Account: All current account transactions are free under FEMA and no prior approval is required except for a few regulated / prohibited transactions. Reasonable restriction can be imposed by Government by issuing rules. The rule of the current account transaction is that the transactions which are not prohibited are permitted.

Capital Account: Capital accounts transactions are permitted by RBI. RBI issued regulations in this regard permitting the extent of the capital account transaction.

Authorised Person

Foreign exchange transactions are done through authorised persons. The authorised persons can be Authorised Dealer Bank, Money Changer or an offshore banking unit. The authorised persons are authorised by RBI. They are required to follow the general or special directions issued by the RBI.

Authorised Dealer Banks (AD Banks) have been categorised as under-

▪ AD Category – I

- Commercial Banks
- State Co-op Banks
- Urban Co-op Banks

▪ AD Category – II

- Up Graded FFMCS
- Co-op. Banks
- RRB-Regional Rural bank

- Others

- Select Financial and other Institutions
FFMCs(Full Fledge Money Changer)

ENFORCEMENT AND FUNCTIONING UNDER FEMA

RBI has the overall control over foreign exchange transactions, however FEMA is enforced through 'Directorate of Enforcement'.

RBI authorizes Authorises Persons to deal in foreign exchange. The authorized persons deal in foreign exchange as per the directions issued by RBI from time to time. These directors are issued through AP (DIR) circulars.

RBI is the guardian and custodian of foreign exchange of India. The responsibilities of RBI under FEMA are as under-

- Giving general and special permission for dealing in foreign exchange.
- No restriction can be imposed by RBI in current account dealings, this can be imposed by Central Government in consultation with RBI.
- To specify conditions for payment for capital account transactions.

- To regulate transfer or issue of foreign security.
- To regulate borrowing and lending in foreign exchange.
- To regulate the transfer of immovable properties outside India.
- To regulate giving guarantee or surety involving foreign exchange transaction.
- To regulate export or import of currency or currency notes.
- To specify period and manner in which foreign exchange due from export of goods and services should be received.
- To grant authorisation to Authorised Person to deal in foreign exchange, to give direction to them, and to inspect them.
- To make regulations

Directions issued by RBI has statutory force and is considered as the law in force. RBI exercises control through its Foreign Exchange Department (FED) at its central office in Mumbai. It has its regional offices at the state level known as Exchange Control Department. The website of RBI is www.rbi.org.in where all the rules, regulation, directions, all the prescribed forms, FAQs on various matters can be found. (My next topic on FEMA is - an introduction to dealings in foreign exchange and concept of resident and non-resident Indian.)

Disclaimer: This article has been prepared in good faith on the basis of information available on the date of publication without any independent verification. The Author does not guarantee or warrant the accuracy, reliability, completeness or currency of the information in this publication nor its usefulness in achieving any purpose. The Author will not be liable for any loss, damage, cost or expenses incurred or arising by reason of any person using or relying on information in this publication. Readers are requested to consult a professional before taking any action.

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**CS ANJALI KANSAL
MEMBER**



**SHWETA DWIVED
STUDENT**

UPDATES FROM MINISTRY OF CORPORATE AFFAIRS

1. The Ministry vide its **notification S.O. 484(E) dated 31-01-2020** has clarified that till the operationalization of Indore Bench of NCLT, the jurisdiction of state of Madhya Pradesh will be exercised by Ahmadabad Bench of NCLT. ***(Notification No. S.O. 484(E) dated 31-01-2020)***
2. The Ministry vide its notification **G.S.R. 59(E) dated 30-01-2020** has directed that the provisions under Section 460 of Companies Act, 2013 (Condonation of Delay) shall be applicable to Limited Liability Partnership as well w.e.f. 01-02-2020. ***(Notification No. G.S.R. 59(E) dated 30-01-2020)***
3. The Ministry vide its **notification dated 30-01-2020** has inserted the new forms i.e. AOC-4 NBFC (for standalone) and AOC-4 CFS NBFC (for consolidated financials) for filing the financials by those NBFCs who are required to prepare their financials in terms of Ind AS.
4. The Ministry vide its **notification G.S.R. 46(E) dated 24-01-2020** has amended the Companies (Winding Up) Rules, 2020 in which the ministry has prescribed a detailed procedure of winding up of a company through application to the Tribunal along with necessary forms. ***(Notification No. G.S.R. 46(E) dated 24-01-2020)***
5. The Ministry has amended its earlier notification G.S.R. 875(E), dated 12-09-18 vide its **notification G.S.R. 13(E) dated 03-01-2020** in which the paid-up capital requirement for the appointment of whole time Company Secretary in a private company has changed from 5 crores to 10 crores. Also, has changed the requirement to conduct the Secretarial Audit in which now every company having outstanding loans or borrowings from banks or public financial institutions of one hundred crore rupees or more has to compulsory annex a Secretarial Audit Report along with its Board Report. ***(Notification No. G.S.R. 13(E) dated 03-01-2020)***

UPDATES FROM SEBI CIRCULARS

6. The Board vide its **circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated 22-01-2020** has streamlined the procedure of issuance of Right Shares by listed entity in terms of disclosures made to Stock Exchanges and has introduced a new concept i.e. **Dematerialized Rights Entitlements (REs)** where the holders of right shares can trade in Rights Entitlements (REs) through secondary market platform of Stock Exchange. ***(Circular No. SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated 22-01-2020)***

7. The Board in supersession of SEBI/HO/CFD/CMD/CIR/P/2018/77 dated May 3, 2018 vide its **circular SEBI/HO/CFD/DIL2/CIR/P/2020/12 dated 22-01-2020** has further streamlined the Standard Operating Procedure in dealing with non-compliances, in terms of fines levied upon the company upon failure in complying with different regulation of SEBI. [\(Circular No. SEBI/HO/CFD/DIL2/CIR/P/2020/12 dated 22-01-2020\)](#)

8. The Board vide its **circular SEBI/HO/DDHS/DDHS/CIR/P/2020/10 dated 17-01-2020** has issued guidelines and the conditions for issuance of Right Shares by a listed Infrastructure Investment Trust (InvIT). [\(Circular No. SEBI/HO/DDHS/DDHS/CIR/P/2020/10 dated 17-01-2020\)](#)

9. The Board vide its **circular SEBI/HO/DDHS/DDHS/CIR/P/2020/09 dated 17-01-2020** has issued guidelines and the conditions for issuance of Right Shares by a listed Real Estate Investment Trust (REIT). [\(Circular No. SEBI/HO/DDHS/DDHS/CIR/P/2020/09 dated 17-01-2020\)](#)

10. The Board vide its **circular SEBI/HO/IMD/DF1/CIR/P/2020/04 dated 09-01-2020** has issued guidelines for investment advisors in International Financial Services Centre in relation to eligibility, qualification, experience and registration requirements etc. [\(Circular No. SEBI/HO/IMD/DF1/CIR/P/2020/04 dated 09-01-2020\)](#)

HEALTH INITIATIVES BY GHAZIABAD CHAPTER



THE INSTITUTE OF Company Secretaries of India
भारतीय कम्पनी सचिव संस्थान
 IN PURSUIT OF PROFESSIONAL EXCELLENCE
 Statutory body under an Act of Parliament
 (Under the jurisdiction of Ministry of Corporate Affairs)

Ghaziabad Chapter

Special Discounted Rates for the members of Ghaziabad Chapter of NIRC of ICSI

For details please visit Ghaziabad Chapter Child Portal Page at:
<https://icsi.edu/ghaziabad/health-initiatives/>



30% Discount



30% Discount



CGHS Rates



25% discount on OPD
20% discount on Investigation
10 % discount on Surgical Procedures



CGHS Rates



CGHS Rates
10% discount on OPD
15% discount on Optical Services



CGHS Rates
15% discount on OPD & IPD

Note: To avail the facilities one needs to carry their valid ICSI id card and in case of dependent they must need to present their valid relationship proof/dependency proof prior to OPD billing and IPD admission.

Team Ghaziabad Chapter of NIRC of ICSI

Vision "To be a global leader in promoting good corporate governance"
Motto सत्यं वद। धर्मं चर। speak the truth, abide by the law
Mission "To develop high calibre professionals facilitating good corporate governance"

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 IN PURSUIT OF PROFESSIONAL EXCELLENCE
 Statutory body under an Act of Parliament
 (Under the jurisdiction of Ministry of Corporate Affairs)

Ghaziabad Chapter

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Ghaziabad Chapter

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Key Benefits

1. An exclusive additional 5% discount to ICSI members and their immediate family members on the purchase of steel safety doors and any steel product from Bethliving.com.
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PKA CONSULTANTS, NOIDA
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A Special Discount of 20% to all Members of ICSI Ghaziabad Chapter on their purchase of Pakkabil™ Invoice Utility And Mailx1communication Utility

Note:

1. To avail the discount, One needs to verify their membership number at the time of placing the order.
2. To book your Pakkabil™ Invoice Utility or any other product range, either write at info@pakkabill.com or contact at 9811710274.

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For further queries please call @ +91-9870190422

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Ghaziabad Chapter is pleased to announce start of Oral Coaching Classes at Nehru Nagar
Kaushmabi for June and December 2020 attempt
Classes starting from February 15, 2020

Free Trial Classes

Structure:

Foundation Programme Rs. 10,000/- for all subject.

Executive Programme Per Module Rs. 12000/- for all subject.

Professional Programme Per Module Rs. 12000/- for all subject.

Contact Person: Anil Upadhyay

Contact number: 0120-4559681, 7217648735

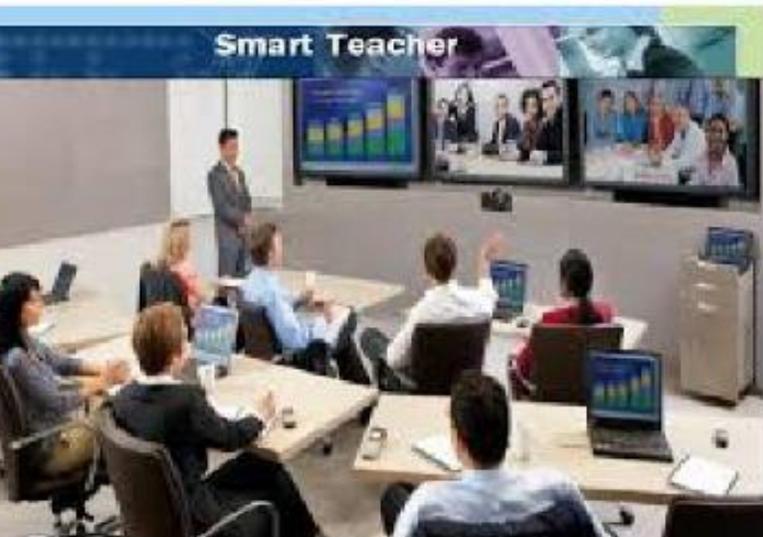
Location for Classes: Nehru Nagar and Kaushambi at below mentioned addresses:

1. Address: 23-B Nehru Apartments Nehru Nagar, Ghaziabad 201001

2. Address: Vaishali Ghaziabad

Facilities:

Air-Conditioned Classroom
Reading Facilities in the Library
Exam oriented Teaching



Teaching & Faculty:

- Experienced and qualified Faculty Team
- Low student to Faculty ratio
- Solving past question paper & Model Test
- Completion of Syllabus 2 months prior to exam
- Special doubt clearing sessions at regular intervals

Special Privileges:

Facilities to students for Online registration and guidance in filling up Examination Form,