



AUGUST 2020

## ICSI-NIRC 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

“Deh Shiva var mohe ihai,  
Shubha karman te kabhu na  
taron”

Oh Lord give me this blessing,  
that I may not be deterred from  
good deeds

- Sri Guru Gobind Singh



Dear Readers,

GREETINGS FROM GHAZIABAD  
CHAPTER OF NIRC OF ICSI

My greetings to all the students  
and members on occasion of  
Teacher's Day which is  
celebrated every year in memory  
of birthday of our past President  
Dr. Sarvepalli Radhakrishnan, a  
renowned scholar, noted  
educationist, a true statesman  
and above all a devoted teacher.

"Strive to still your thoughts.  
Make your mind one-pointed in  
meditation".

—The Bhagavad Gita

Your chapter is working hard to  
achieve excellence in our  
profession by keeping in pace  
with latest updates. We hosted  
webinars on Important topic  
"Benami Transactions" by CA  
Nitin Kanwar ji which was very  
insightful and meaningful.  
Presence of Hon'ble President  
ICSI Sh. Ashish Garg and  
respected Central Council  
Member CS Vineet Chaudhary  
added grace to the webinar.

Post seminar President Sir had  
interaction with members  
wherein various issues pertaining  
to Profession was discussed,  
insights given by Sir will help us  
to achieve new heights in future.



**"Thinking should become your capital asset, no matter whatever ups and downs you come across in your life." --A.P.J. Abdul Kalam**

Heartiest congratulations to President ICSI For elected as new President of corporate Secretaries International Association (CSIA) for the year 2021.

We firmly believe that under his leadership and guidance the Company Secretary Profession is sure to scale newer heights.

**"The more we give importance to Skill Development , the more competent will be our youth. "**

- Sh. Narendra Modi

We at Ghaziabad Chapter welcome your comments and suggestions in respect of our endeavors. 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 Arjunn Tyagi, Chairperson  
Ghaziabad Chapter of NIRC of ICSI**

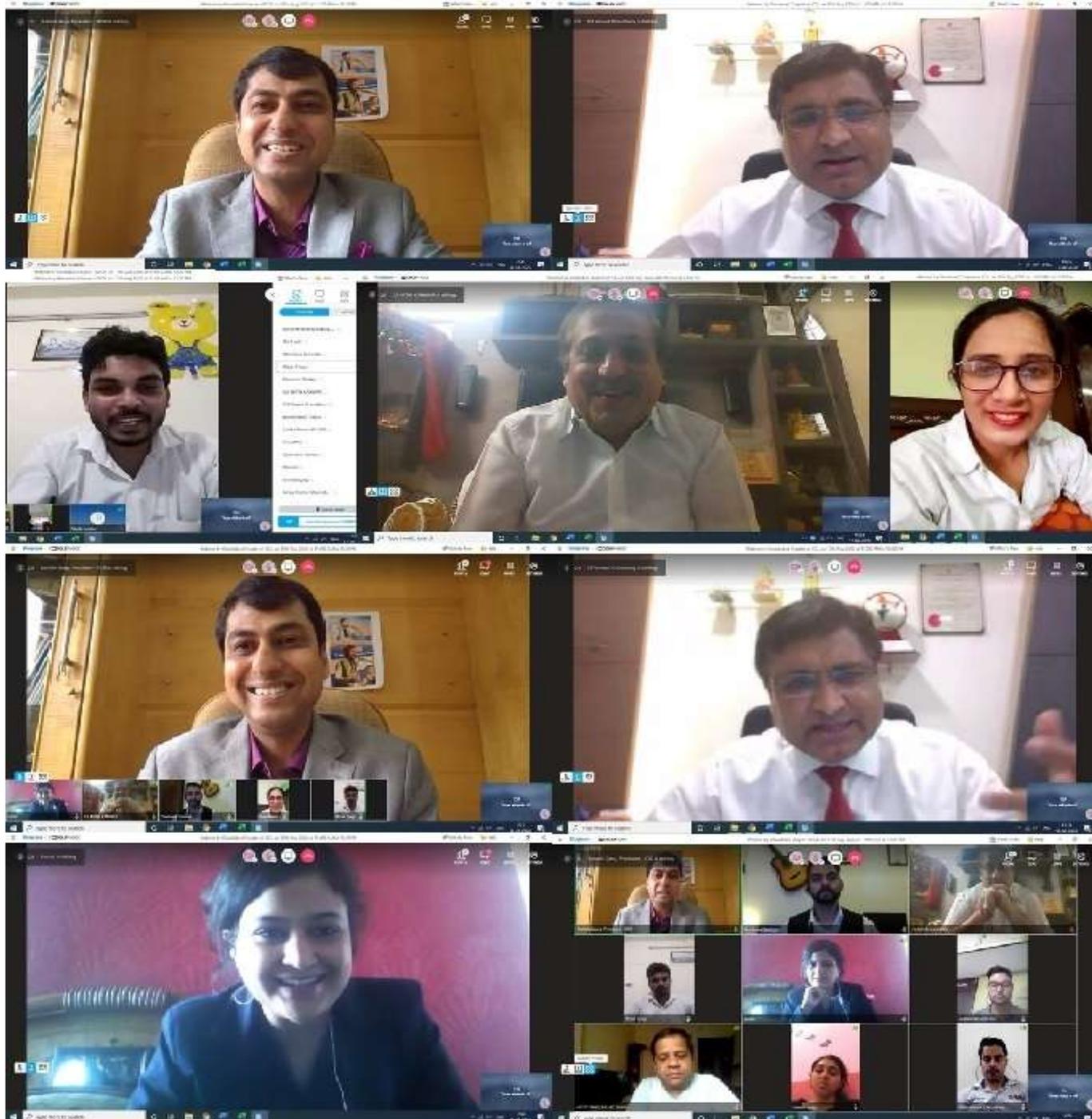
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**Webinar organized by Ghaziabad Chapter of NIRC of ICSI on “Benami Transactions” on August 17, 2020**



# Webinar organized by Ghaziabad Chapter of NIRC of ICSI on “Benami Transactions” on September 01, 2020

## Benami Property (Amended Act)

As per Section 2(8) : It means

Any property which is the subject matter of a benami transaction and also includes the proceeds from such property;



**Ghaziabad Chapter of NIRC of ICSI celebrated Independence Day at Chapter Office Premises**





**CS Kamal Nath Thakur,  
Dy. General Manager-Finance  
NTPC Ltd.**

**INTERNATIONAL COMMERCIAL TERMS(INCOTERMS)**

Incoterms, a widely-used terms of sale, are a set of 11 internationally recognized rules which define the responsibilities of sellers and buyers. Incoterms specifies who is responsible for paying for and managing the shipment, insurance, documentation, customs clearance, and other logistical activities.

The Incoterms- are a set of 11 individual rules issued by the International Chamber of Commerce (ICC) which define the responsibilities of sellers and buyers for the sale of goods in international transactions. Of primary importance is that each Incoterms rule clarifies the tasks, costs and risks to be borne by buyers and sellers in these transactions. Familiarizing yourself with Incoterms will help improve smoother transaction by clearly defining who is responsible for what and each step of the transaction.

**The Incoterms- 2020** rules are updated and grouped into two categories reflecting modes of transport. Of the **11 rules**, there are **seven for ANY mode(s)** of transport and **four for SEA or LAND or INLAND WATERWAY transport**.

**Incoterms:-(7)**

- EXW** - Ex Works (insert place of delivery)
- FCA** - Free Carrier (Insert named place of delivery)
- CPT** - Carriage Paid to (insert place of destination)
- CIP** - Carriage and Insurance Paid To (insert place of destination)
- DAP** - Delivered at Place (insert named place of destination)
- DPU** - Delivered at Place Unloaded (insert of place of destination)

**DDP** - Delivered Duty Paid (Insert place of destination).

**Incoterms for Sea and Inland Waterway Transport are:(4)**

- FAS** - Free Alongside Ship (insert name of port of loading)
- FOB** - Free on Board (insert named port of loading)
- CFR** - Cost and Freight (insert named port of destination)
- CIF** - Cost Insurance and Freight (insert named port of destination)

As noted above, Incoterms are generally incorporated in the contract of sale, however the Incoterms do not talk about following:-

1. address all the conditions of a sale;
2. identify the goods being sold nor list the contract price;
3. reference the method nor timing of payment negotiated between the seller or buyer;
4. when title, or ownership of the goods, passes from the seller to the buyer;
5. specify which documents must be provided by the seller to the buyer to facilitate the customs clearance process at the buyer's country; and
6. address liability for the failure to provide the goods in conformity with the contract of sale, delayed delivery, nor dispute resolution mechanisms.

\*\*\*\*\*



**CS Ujjwal Jindal**  
**B.Com, CA, CS**

  
**AUGUST 2020**

## **STAMP DUTY ON FINANCIAL SECURITIES FROM 1<sup>ST</sup> JULY, 2020**

**[Brief Summary:** *This article incorporates the amendments in the Indian Stamp Act, 1899 made by the Finance Act, 2019 with respect to imposition and/or uniformization of Stamp Duty on various financial securities especially Mutual Funds.*]

Stamp Duty being a State subject varies from State to State.

Our Government promised in the year 2018 that they will carry out **reforms in Stamp Duty** levied and collected on Financial Securities Transactions (Shares, Mutual Funds, Bonds, Debentures, etc.) so that an *easy, uniform and systematic mechanism* could be evolved.

On 1<sup>st</sup> February, 2019, Sh. Piyush Goyal, then Finance Minister, in the Budget Speech proposed, through the Finance Bill, 2019 necessary amendments in this regard.

As per the amendments made, **Stamp duties would now be levied on one instrument relating to one transaction and get collected at one place through the Stock Exchanges.**

The duty so collected will be shared with the State Governments (stamp duty being a state subject is passed on to the respective State Government) seamlessly on the basis of **domicile of buying client.**

The amendments so made in the Indian Stamp Act, 1899 by the Finance Act, 2019 were to take

effect from a date which was to be notified by the Central Government.

At first, the Central Government via *Notification S.O. 4419(E)* dated 10<sup>th</sup> December, 2019 appointed the 9<sup>th</sup> day of January, 2020, as the date on which the amended provisions shall come into force. On 8<sup>th</sup> January, 2020, the Central Government amended the earlier Notification dated 10<sup>th</sup> December, 2019 vide *Notification S.O. 115(E)* and extended the effective date to 1<sup>st</sup> April, 2020 (from the earlier 9<sup>th</sup> January, 2020)

Again on 30<sup>th</sup> March, 2020, via *Notification S.O. 1226(E)*, the Central Government amended the earlier Notifications and extended the effective date to **1<sup>st</sup> July, 2020** (from the earlier 1<sup>st</sup> April, 2020).

**In this article we shall be discussing the amendments made effective from 1<sup>st</sup> July, 2020 and its implications on all the securities vis. a vis. on the investors in the financial securities market.**

Let us first discuss the amendments made in the Indian Stamp Act, 1899 by the Finance Act, 2019.

### **THE AMENDMENT**

A new **Part AA** is inserted in **Chapter II of the Indian Stamp Act, 1899** after Part A relating to *“the liability of instruments of transaction in stock exchanges and depositories to duty”* which states as under:

- When the **sale of any securities** (whether delivery based or otherwise) is made **through a stock exchange**, the stamp duty on each such sale shall be collected on behalf of the State

Government **by the stock exchange** (or a clearing corporation authorised by it), from its **buyer** on the **market value** of such securities at the time of **settlement of transactions** in securities of such Buyer.

- When any **transfer of securities** for a consideration (whether delivery based or otherwise) is made by a depository (otherwise than as stated above), the stamp duty on such transfer shall be collected on behalf of the State Government by the **depository** from the **transferor** of such securities on the **consideration amount** specified therein.
- From the date of commencement of this Part, *no stamp duty shall be charged or collected by the State Government on any note or memorandum or any other document, electronic or otherwise, associated with the transactions mentioned above*
- The stock exchange (or a clearing corporation authorised by it or the depository, as the case may be), shall, within **3 weeks** of the end of each month:
  - **transfer** the stamp duty collected to the State Government where the **residence of the buyer** is located; and
  - in case the buyer is located **outside India**, to the State Government having the **registered office of the trading member or broker of such buyer**; and
  - in case where there is **no such trading member of the buyer**, to the State Government having the **registered office of the participant**.

Provided that before such transfer, the stock exchange (or the clearing corporation authorised by it or the depository) shall be entitled to **deduct** such percentage of stamp duty towards *facilitation charges* as may be specified.

- When any **issue of securities** is made by an issuer **otherwise than through a stock exchange or depository**, the stamp duty on each such issue shall be payable by the **issuer**, at the place where its **registered office is located**, on the **total market value** of the securities so issued at specified rates (in Schedule I).
- When **any sale or transfer or reissue of securities for consideration** is made **otherwise than through a stock exchange or depository**, the stamp duty on each such sale or transfer or reissue shall be payable by the **seller or transferor or issuer**, as the case may be, on the **consideration amount** specified in such instrument at specified rates (in Schedule I).
- The **market value** for calculating the stamp duty shall be, in the case of:

TYPE	MARKET VALUE CRITERION
Options in any Securities	Premium paid by the Buyer
Repo on Corporate Bonds	Interest paid by the Borrower
Swap	Only the First Leg of the Cash Flow

- **All instruments shall be chargeable with stamp duty at the rate specified as under (Schedule I):**

DEBENTURES	Rate (%)
Issue of Debenture	0.005%
Transfer and Re-Issue of Debenture	0.0001%

SECURITY OTHER THAN DEBENTURES	Rate (%)
Issue of Security	0.005%
Transfer of Security on Delivery Basis	0.015%
Transfer of Security on Non-Delivery Basis	0.003%
Derivatives – Futures (Equity and Commodity)	0.002%
Derivatives – Options (Equity and Commodity)	0.003%
Derivatives – Currency and Interest Rate Derivatives	0.0001%
Other Derivatives	0.002%
Government Securities	0%
Repo on Corporate Bonds	0.00001%

Let us now discuss the implications of the amendments so made.

**IMPLICATIONS OF THE AMENDMENT**

The stamp duty was already being levied on various financial securities viz. shares, etc. but at different rates based on location of buyer, etc. (stamp duty being state subject thus varying from state to state).

**Post amendment the rate of the duty has been made one and uniform for all the states.**

**There is now a single blanket stamp duty rate for all the respective financial securities transactions.**

**However, some financial securities/instruments have been brought under the ambit of stamp duty, post amendment.**

These securities have been made *a bit expensive for the investors*. One such security is **Mutual Funds**.



**We shall now discuss the impact of the amendment on mutual funds in detail.**

**IMPACT OF STAMP DUTY ON MUTUAL FUNDS**

**• PURCHASE OF UNITS OF MUTUAL FUNDS**

*(A stamp duty of 0.005% will now be applicable on all mutual fund purchases, but not on their redemption)*

**All mutual fund purchases will attract a 0.005% stamp duty from 1st July, 2020.**

The implementation of the stamp duty was initially slated for January (09.01.2020) but was postponed first to April (01.04.2020) and finally to July (**01.07.2020**).

The duty will apply to all mutual funds i.e. **debt** as well as **equity**.

**Stamp duty is applicable at the instance of investment i.e. buying of units and not on their redemption.** The stamp duty is just on the purchase of fresh units of mutual funds. It is similar to an **entry load** that was abolished by the market regulator (SEBI) in 2009. It will not be applied when a person is selling or redeeming his mutual fund units.

The transactions which will attract 0.005% stamp duty are:

- **Lump-Sum investment** into equity and debt mutual fund schemes;
- **Systematic Investment plans (SIP)** into any mutual fund scheme;
- **Systematic Transfer Plan (STP)** for any mutual fund scheme;
- **Dividend Reinvestment** of units;
- **Switch-in** of units between various mutual fund schemes.

It's important to note that when a person invests in a new mutual fund scheme and fresh units are issued to him, stamp duty will be **exclusive of any other charges** such as *annual maintenance fee, goods and services tax (GST), any service charge or transaction charges, etc.*

For dividend reinvestment plans, it will be applicable to the **dividend amount after deducting tax deducted at source (TDS)** [introduced by Budget, 2020]. In Dividend Reinvestment plans, *the dividend is not given but it is reinvested back into the scheme and fresh units are issued.*

**The stamp duty shall not be charged over and above the amount invested in the units of mutual fund; rather, a lesser number of units of the mutual fund, after deduction of the applicable amount stamp duty from the total amount invested, shall be allotted to the buyer/investor, based on the NAV per unit.**

Let's understand this with the help of an illustration.

**Illustration:**

Say, the **Investment amount** is **Rs. 10,00,000**

Now, **stamp duty** will be levied at **0.005%** of Rs. 10,00,000 i.e.

**Stamp Duty = Rs. 50** (Rs. 10,00,000 x 0.005%)

**Effective Investment amount = Rs. (10,00,000 – 50) = Rs. 9,99,950**

**NAV = Rs. 10** per unit.

**Units Allotted = 99,995 units** (Rs. 9,99,950 / Rs. 10)

Thus, the stamp duty would not be collected over and above the total investment amount of Rs. 10,00,000; rather, it would be automatically deducted from the total investment amount and the units of the mutual fund shall be allotted for the balance amount i.e. effective investment amount based on the NAV per unit.

The stamp duty will be applicable to the investment amount only, **exclusive of any other charges**. Let's understand this with a short example.

Say, in the above illustration, there is a transaction and allied charge of Rs. 1000 levied on purchase of units by the Mutual Fund company. The investor shall now have to pay a total amount of Rs. 10,01,000 to the Mutual Fund company for purchase of units. However, the stamp duty on this purchase transaction shall continue to be charged at the rate of 0.005% on Rs. 10,00,000 and not on Rs. 10,01,000.

Various mutual fund companies and other investment platforms may levy a separate transaction and allied charges which is generally a couple of hundreds or even more.

**We can help you choose the best suited mutual fund FREE OF COST! Contact us for any further assistance.**

#### • **TRANSFER OF UNITS OF MUTUAL FUNDS**

*(Stamp duty of 0.015% will apply on transfer of units of mutual funds)*

The **transfer of units** of mutual fund **between demat accounts** would now attract a stamp duty of **0.015%** from **1<sup>st</sup> July, 2020**.

The transactions which will attract 0.015% stamp duty are:

- **Buying units on Stock Exchange** through a stock -broker viz. ETFs, closed ended schemes, etc.
- **Off-market transfer of units** i.e. transfer of units from one demat account to another demat account.
- **STAMP DUTY ON UNITS OF ALTERNATIVE INVESTMENT FUNDS (AIFs):**

*(Stamp duty will also apply on issue, transfer and sale of units of AIFs)*

As per **SEBI Circular**

*(SEBI/HO/IMD/DF6/CIR/P/2020/113)* dated 30<sup>th</sup>

June, 2020, stamp duty would also be applicable to *issue, transfer and sale* of units of **Alternative Investment Funds (AIFs)** from 1<sup>st</sup> July, 2020.

Earlier, in the absence of a specific inclusion of AIF units in the definition of ‘**Securities**’ under the *Securities Contract Regulation Act, 1957*, it was not absolutely clear if the stamp duty was payable on issuance, transfer and sale of AIF units. However, with the SEBI Circular, it’s now clear that the **same will also have to be collected**.

**Registrars to an Issue and Share Transfer Agents (RTA)** appointed by AIFs would have to collect the stamp duty on issue, transfer and sale of units of AIFs. The AIFs, where RTA have not been appointed so far, shall appoint RTA, at the earliest, but not later than *15<sup>th</sup> July, 2020* to enable collection of applicable stamp duty. In case, the transactions are done through stock exchanges then the respective stock exchange (or clearing corporation) would collect the stamp duty.

### **CONCLUSION**

**The investment in financial instruments like mutual funds including Equity linked Savings**

**Scheme (ELSS), new fund offers of Mutual Fund schemes including Systematic Investment Plans (SIPs) and Systematic Transfer Plans (STPs) have become expensive as stamp duty of 0.005% is levied on all purchase transactions.**

*This duty applies to all types of mutual funds – debt and equity, both.*

Due to the impact of stamp duty, investment in instruments like ELSS, Unit Linked Insurance Plan (ULIP), National Pension Scheme (NPS), Provident Fund (PF) will also be *expensive* as these instruments invest in either debt or equity mutual fund schemes.

**For investors there would be multi-fold effect of stamp duty on their investments, as first, at the time of purchase of units of mutual funds, the duty shall be levied on the investment amount and when the fund houses will invest the amount received in various shares, bonds, units, other market instruments, etc. the duty shall be levied again.**

**Experts however claim that this amount is too little to make a significant impact for the SMALL INVESTORS.** Let’s understand this in a better way with the help of below mentioned information.

If the actual amount invested, in case of SIP is Rs. 10,000 a month, the stamp duty stand at just Rs. 0.50 on each monthly investment installment and Rs. 6.00 for the entire year.

Also, for an investor investing Rs. 1.50 lakh in an ELSS scheme, the stamp duty will stand at just Rs. 7.50 which is minimal.

Moreover, this stamp duty is applicable on the net investment amount i.e. if an investor has a monthly SIP cash outflow of Rs. 10,000 and the actual amount invested is Rs 9,995 after all the transaction costs, etc. then the stamp duty will be



applicable on Rs 9,995 and not on Rs. 10,000.

The stamp duty levy is set to have a **large impact** on **big investors, businesses and corporates** who keep their money in *short term liquid instruments*, especially for **less than 30 days**.

**For example**, in the case of a liquid fund which is generating **3.50%** returns, with a 7 day holding period, the return will now fall to **3.24%**.

Also, with a 30 day holding period, returns will stand at **3.44%** (as against the earlier 3.50%) after accounting for the stamp duty, which will diminish returns for many **big investors, businesses and corporates** who park their money in **liquid funds** for shorter time spans.

**Let's understand how the above returns (%) will get diminished by way of an illustration.**

**Illustration:**

Investment Amount (Rs.)	1,00,00,000	1,00,00,000
Stamp Duty Rate (%)	0.005%	0.005%
Stamp Duty Amount (Rs.)	500	500
Net Amount Invested (Rs.)	99,99,500	99,99,500
Return on amount invested in Mutual Fund (%)	3.50%	3.50%
Number of Days	7 days	30 days
Absolute Return (Rs.)	6,712 (99,99,500 x 3.50% x 7/365)	28,766 (99,99,500 x 3.50% x 30/365)
Market Value at Redemption (Rs.)	1,00,06,212 (99,99,500 + 6,712)	1,00,26,288 (99,99,500 + 28,766)
Actual Returns (%)	3.24% ↓	3.44% ↓

Based on the above discussion, we conclude that the imposition of **stamp duty** shall only have its **impact** in case of **churning of the portfolio**.

**On the brighter side, this move will encourage the investors to stay invested for a longer duration and not churn their portfolios for higher yields.**

Investors in overnight or liquid fund category with investment horizon of 7 days or less would definitely have a **negative impact** due to the stamp duty levied.

Also, in case of **early exit** from a mutual fund, the **impact of the stamp duty will be higher** and can only be **reduced with the increase in investment horizon** which essentially will **reduce the churning**.

**For small and medium investors**, the money they end up spending before investing in a mutual fund scheme will **increase albeit by a small amount**.

**Thus, a 0.005% duty charge on your investment is minimal and should not deter you from making a mutual fund investment.**

To know more about the **best suited mutual funds and other investment options for you**, drop in the comment section below or fire us an e-mail at [connect@ujandco.com](mailto:connect@ujandco.com)

You can also visit our website [www.ujandco.com](http://www.ujandco.com) for further information.

**Stay home, stay well and stay safe!**

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**CS Nandita Bansal**

**GIFT TO CONSUMERS: CONSUMER PROTECTION ACT 2019**

**(“Consumer was, is and will always be king”)**



**INTRODUCTION:**

The Consumer Protection Act, 2019 (New Act) received the assent of the President of India and was published in the official gazette on 9 August 2019 and has now come into force on 20<sup>th</sup> July, 2020. The Consumer Protection Act, 1986 whose sole purpose was to protect the rights of the consumers and to provide speedy redressal to them had become outdated and does not cater to the modern day consumer market challenges. Consumers dealing with online, teleshopping, product recall, unsafe contracts and misleading advertisements were facing problem in speedy redressal of their grievances. Also, consumer courts in India, are over- burdened with more than 4.3 lakh pending cases and for petty amounts consumers have to wait for years to get justice. In order to strengthen and empower consumer rights in India the Consumer Protection Bill, 2019 which is considered as a milestone in protecting the rights of the consumers has been passed by the parliament. The New Act seeks to replace the more than 3 (three) decades old Consumer Protection Act, 1986 (Act). Under this new Act, besides general rules, there are Central Consumer Protection Council Rules, Consumer Disputes

Redressal Commission Rules, Appointment of President & Members in State/District Commission Rules, Mediation Rules, Model Rules and E-Commerce Rules and Consumer Commission Procedure Regulations, Mediation Regulations and Administrative control over State Commission & District Commission Regulations.

**OBJECT:**

Protection of the interests of consumers and for the said purpose, to establish authorities for timely and effective administration and settlement of consumers' disputes and for matters connected therewith or incidental thereto.

**WHO CAN AVAIL BENEFIT OF THE ACT?**

A person who falls in the definition of "consumer" can avail the benefits of the act. A person can be termed as CONSUMER under section 2(1)(d) if (i) he buys any goods for a consideration which has been paid or promised or partly paid and partly promised, or under any system of deferred payment and includes any user of such goods other than the person who buys such goods for consideration paid or promised or partly paid or partly promised, or under any system of deferred payment, when such use is made with the approval of such person, but does not include a person who obtains such goods for resale or for any commercial purpose; or (ii) hires or avails of any service for a consideration which has been paid or promised or partly paid and partly promised, or under any system of deferred payment and includes any beneficiary of such service other than the person who hires or avails of the services for consideration paid or promised, or partly paid and partly promised, or under any

system of deferred payment, when such services are availed of with the approval of the first mentioned person, but does not include a person who avails of such service for any commercial purpose.

The New Act has widened the definition of 'consumer'. The definition now includes any person who buys any goods, whether through offline or online transactions, electronic means, teleshopping, direct selling or multi-level marketing. The earlier Act did not specifically include e-commerce transactions, and this lacuna has been addressed by the New Act.

This new Act will empower consumers and help them in protecting their rights through its various notified rules and provisions like Consumer Protection Councils, Consumer Disputes Redressal Commissions, Mediation, Product Liability and punishment for manufacture or sale of products containing adulterant / spurious goods.

#### **KEY HIGHLIGHTS OF NEW ACT:**

##### **1. ESTABLISHMENT OF AUTHORITY:**

As per section 3 of Consumer Protection Act, 2019 establishes the Central Consumer Protection Authority (CCPA) whose primary objective will be to promote, protect and enforce the rights of consumers. Central Consumer Protection authority is empowered to Conduct investigations into violations of consumer rights and institute complaints/prosecution, Order recall of unsafe goods and services, Order discontinuance of unfair trade practices and misleading advertisements, Impose penalties on manufacturers/endorsers/publishers of misleading advertisements. The CCPA will have an investigation wing, headed by a Director-General, which may conduct inquiry or investigation into consumer law violations.

##### **2. E-FILING OF COMPLAINTS**

As per section 17 of Consumer Protection Act 2019, complaint relating to violation of consumer rights or unfair trade practices or false or misleading advertisements which are prejudicial to the interests of consumers as a class, may be forwarded either in writing or in electronic mode, to any one of the authorities, namely, the District Collector or the Commissioner of regional office or the Central Authority. This new provision in the act is aimed to provide procedural ease and reduce inconvenience and harassment for the consumers.

##### **3. RULES OF E-COMMERCE:**

The Ministry of Consumer Affairs, Food, and Public Distribution, Government of India notified and made effective the provisions of the [Consumer Protection \(E-Commerce\) Rules, 2020](#) ("E-Commerce Rules") under the Consumer Protection Act, 2019 (Act) from 23 July 2020. E-Commerce Rules will be applicable to all electronic retailers (e-retailers) registered in India or abroad but offering goods and services to Indian consumers. The E-Commerce Rules apply to all e-commerce transactions involving goods or services, including e-commerce entities which are not established in India but systematically offer goods or services to consumers in India, with the only exception being individuals in certain limited circumstances. Every e-commerce entity is required to provide information relating to return, refund, exchange, warranty and guarantee, delivery and shipment, modes of payment, grievance redressal mechanism, payment methods, security of payment methods, charge-back options, etc. including country of origin which are necessary for enabling the consumer to make an informed decision at the pre-purchase stage on its platform. E-commerce platforms have to

acknowledge the receipt of any consumer complaint within forty-eight hours and redress the complaint within one month from the date of receipt under this Act.

#### **4. PRODUCT LIABILITY:**

The concept of product liability and brings within its scope, the product manufacturer, product service provider and product seller, for any claim for compensation. As per section 2(34) of the act defines Product Liability as the responsibility of a product manufacturer or product seller, of any product or service, to compensate for any harm caused to a consumer by such defective product manufactured or sold or by deficiency in services relating thereto. As per section 2(35) of the act "product liability action" means a complaint filed by a person before a District Commission or State Commission or National Commission, as the case may be, for claiming compensation for the harm caused to him. Liability of product manufacturer will be determined on the basis of Manufacturing defect, Design defect, Deviation from manufacturing specifications, not conforming to express warranty, failing to contain adequate instructions for correct use, service provided-faulty, imperfect or deficient.

#### **5. SIMPLIFIED DISPUTE RESOLUTION PROCESS**

The new Act provides for simplifying the consumer dispute adjudication process in the consumer commissions, which include, among others, empowerment of the State and District Commissions to review their own orders, enabling a consumer to file complaints electronically and file complaints in consumer Commissions that have jurisdiction over the place of his residence, videoconferencing for hearing and deemed admissibility of complaints if the question of admissibility is not decided within the specified period of 21 days.

#### **6. ALTERNATE DISPUTE RESOLUTION MECHANISM OF MEDIATION:**

A complaint will be referred by a Consumer Commission for mediation, wherever scope for early settlement exists and parties agree for it. Mediation will be held in the Mediation Cells to be established under the aegis of the Consumer Commissions. There will be no appeal against settlement through mediation. As per the Consumer Disputes Redressal Commission Rules, there will be no fee for filing cases upto ₹5 lakh. There are provisions for filing complaints electronically, credit of amount due to unidentifiable consumers to Consumer Welfare Fund (CWF). The State Commissions will furnish information to Central Government on a quarterly basis on vacancies, disposal, pendency of cases and other matters.

#### **7. CONSUMER DISPUTES REDRESSAL COMMISSION RULES**

There will be no fee for filing cases up to Rs. 5 lakh. The credit of the amount due to unidentifiable consumers will go to the Consumer Welfare Fund (CWF). State Commissions will furnish information to the Central Government on a quarterly basis on vacancies, disposal, the pendency of cases and other matters. Apart from these general rules, there are Central Consumer Protection Council Rules, provided for the constitution of the Central Consumer Protection Council (CCPC). It will be an advisory body on consumer issues, headed by the Union Minister of Consumer Affairs, Food and Public Distribution with the Minister of State as Vice Chairperson and 34 other members from different fields. It will have a three-year tenure and will have Minister-in-



**AUGUST 2020**

charge of consumer affairs from two States from each region- North, South, East, West, and North-East Region.

from the new e-commerce retailers/platforms. Hence, this Act will prove a significant tool in protecting consumer rights in the country.

**CONCLUSION:**

In earlier Consumer Protection Act, 1986 a single point access to justice was given, which was also time consuming. The new act has been introduced after many amendments to provide protection to buyers not only from traditional sellers but also

“New act has changed the proverb of BUYERS BEWARE TO SELLERS BEWARE.”

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CS Ravi Garg

CS Deepak Dhir

**NEW FORMAT OF STATUTORY AUDITS OF COMPANIES**  
**AND**  
**COMPANIES (AUDITOR'S REPORT) ORDER, 2020**

**CONTENTS OF THE ARTICLE:**

- 📌 MCA order regarding the Companies (Auditor's Report) Order, 2020
- 📌 Applicability of the Companies (Auditor's Report) Order, 2020
- 📌 Exception of applicability of the Companies (Auditor's Report) Order, 2020
- 📌 Comparison of Companies (Auditor's Report) Order, 2020 from Companies (Auditor's Report) Order, 2016

**COMPANIES (AUDITOR'S REPORT) ORDER, 2020**

The Ministry of Corporate Affairs (MCA) has announced a new format of statutory audits of companies. The MCA has issued order in supersession of the Companies (Auditor's Report) Order, 2016 as published in the Gazette of India make the Companies (Auditor's Report) Order, 2020 on dated the 25th February, 2020. CARO 2020 has included additional reporting requirements after consultations with the National Financial Reporting Authority (NFRA), an independent regulatory body for regulating the audit and accounting profession in India. The aim of CARO 2020 is to enhance the overall quality of reporting by the company auditors.

**APPLICABILITY**

Every company including a foreign company as defined in clause (42) of section 2 of the Companies Act, 2013. CARO 2020 is applicable for all statutory audits commencing on or after 1 April 2020 corresponding to the financial year 2019-20.

**EXCEPTIONS**

The Companies (Auditor's Report) Order, 2020 shall not be applicable on:

- (i) a banking company as defined in clause (c) of section 5 of the Banking Regulation Act, 1949 (10 of 1949);
- (ii) an insurance company as defined under the Insurance Act, 1938 (4 of 1938);
- (iii) a company licensed to operate under section 8 of the Companies Act;
- (iv) a One Person Company as defined in clause (62) of section 2 of the Companies Act and a small company as defined in clause (85) of section 2 of the Companies Act; and
- (v) a private limited company, not being a subsidiary or holding company of a public company, having a paid up capital and reserves and surplus not more than one crore rupees as on the balance sheet date and which does not have total borrowings exceeding one crore rupees from any bank or financial institution at any point of time during the financial year and which does not have a total revenue as disclosed in Scheduled III to the Companies Act (including revenue from discontinuing operations) exceeding ten crore rupees during the financial year as per the financial statements.

**EFFECTIVE DATE / APPLICABILITY:**

The Companies (Auditor's Report) Order, 2020 ([Link of the Order](#)) shall come into force on the date of its publication in the Official Gazette, ie. 25th February, 2020

**COMPARISON OF COMPANIES (AUDITOR'S REPORT) ORDER, 2020 FROM COMPANIES (AUDITOR'S REPORT) ORDER, 2016**

In this write up, we are trying to compare and analyse the difference between CARO, 2020 and CARO, 2016

CARO 2016		CARO 2020		Nature of Change
Clause No	Matter	Clause No	Matter	
i (a)	Whether the company is maintaining records showing full particulars, including quantitative details and situation of fixed assets	i (a) (A)	Whether the company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;	No Change
-	-	i (a) (B)	Whether the company is maintaining proper records showing full particulars of intangible assets;	New Sub Clause Added
i (b)	Whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;	i (b)	Whether these Property, Plant and Equipment have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;	No Change
i (c)	Whether the title deeds of immovable properties are held in the name of the company. If not, provide the details thereof;	i (c)	Whether the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company, if not, provide the details thereof	Clarification given for Non Disclosure of Properties taken on Lease by the Lessee
-	-	i (d)	Whether the company has revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year and, if so, whether the revaluation is based on the valuation by a Registered Valuer; specify the amount of change, if change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment or intangible assets;	New Sub Clause Added

-	-	i (e)	Whether any proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder, if so, whether the company has appropriately disclosed the details in its financial statements;	New Sub Clause Added
	Whether physical verification of inventory has been conducted at reasonable intervals by the management and whether any material discrepancies were noticed and if so, whether they have been properly dealt with in the books of account;	ii (a)	Whether physical verification of inventory has been conducted at reasonable intervals by the management and whether, in the opinion of the auditor, the coverage and procedure of such verification by the management is appropriate; whether any discrepancies of 10% or more in the aggregate for each class of inventory were noticed and if so, whether they have been properly dealt with in the books of account;	Auditor has to specifically comment on coverage and procedure adopted. Also Materiality has been defined as 10% or more in each class of Inventory
-	-	ii (b)	Whether during any point of time of the year, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets; whether the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company, if not, give details;	New Sub Clause Added
iii	Whether the company has granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. If so,	iii	Whether during the year the company has made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties, if so,-	
-	-	(a)	whether during the year the company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity [not applicable to companies whose principal business is to give loans], if so, indicate-	New Sub Clause Added

-	-	A	The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to subsidiaries, joint ventures and associates;	New Sub Clause Added
-	-	B	The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to parties other than subsidiaries, joint ventures and associates;	New Sub Clause Added
(a)	Whether the terms and conditions of the grant of such loans are not prejudicial to the company's interest;	(b)	Whether the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest;	Investment, Guarantee & Security Given has been covered now
(b)	Whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular;	(c)	In respect of loans and advances in the nature of loans, whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular;	No Change
(c)	If the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest;	(d)	If the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest;	No Change
-	-	(e)	Whether any loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties, if so, specify the aggregate amount of such dues renewed or extended or settled by fresh loans and the percentage of the aggregate to the total loans or advances in the nature of loans granted during the year [not applicable to companies whose principal business is to give loans];	New Sub Clause Added
-	-	(f)	Whether the company has granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, if so, specify the aggregate amount, percentage thereof to the total loans granted, aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013;	New Sub Clause Added

iv	In respect of loans, investments, guarantees, and security whether provisions of section 185 and 186 of the Companies Act, 2013 have been complied with. If not, provide the details thereof.	iv	In respect of loans, investments, guarantees, and security, whether provisions of sections 185 and 186 of the Companies Act have been complied with, if not, provide the details thereof;	No Change
v	In case, the company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable, have been complied with? If not, the nature of such contraventions be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?	v	In respect of deposits accepted by the company or amounts which are deemed to be deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules made thereunder, where applicable, have been complied with, if not, the nature of such contraventions be stated; if an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not;	Reporting on Deemed Deposits covered now
vi	Whether maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and whether such accounts and records have been so made and maintained.	vi	Whether maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act and whether such accounts and records have been so made and maintained;	No Change
vii (a)	Whether the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated;	vii (a)	Whether the company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales- tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated;	No Change

vii (b)	Where dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned.	vii (b)	Where statutory dues referred to in sub-clause (a) have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned	No Change
-	-	viii	Whether any transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, if so, whether the previously unrecorded income has been properly recorded in the books of account during the year;	New Clause Added
viii	Whether the company has defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders? If yes, the period and the amount of default to be reported (in case of defaults to banks, financial institutions, and Government, lender wise details to be provided).	ix (a)	Whether the company has defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender, if yes, the period and the amount of default to be reported in the format given	Word Any Lender has been substituted in place of financial institution, bank, Government or dues to debenture holders
-	-	ix (b)	Whether the company is a declared wilful defaulter by any bank/financial Institution or other lender;	New Sub Clause Added
-	-	ix (c)	Whether term loans were applied for the purpose for which the loans were obtained; if not, the amount of loan so diverted and the purpose for which it is used may be reported;	Term Loan removed from Old Clause ix and added here in form of Sub Clause
-	-	ix (d)	Whether funds raised on short term basis have been utilised for long term purposes, if yes, the nature and amount to be indicated;	New Sub Clause Added
-	-	ix (e)	Whether the company has taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures, if so, details thereof with nature of such transactions and the amount in each case;	New Sub Clause Added

-	-	ix (f)	Whether the company has raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies, if so, give details thereof and also report if the company has defaulted in repayment of such loans raised;	New Sub Clause Added
ix	Whether moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised. If not, the details together with delays or default and subsequent rectification, if any, as may be applicable, be reported;	x (a)	Whether moneys raised by way of initial public offer or further public offer (including debt instruments) during the year were applied for the purposes for which those are raised, if not, the details together with delays or default and subsequent rectification, if any, as may be applicable, be reported;	Term Loan removed from here and covered in Para ix (c)
-	-	x (b)	Whether the company has made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and if so, whether the requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised, if not, provide details in respect of amount involved and nature of non-compliance;	Shifted from Clause xiv of CARO 2016 to Clause x(b) of CARO 2020
x	Whether any fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year; If yes, the nature and the amount involved is to be indicated;	xi (a)	Whether any fraud by the company or any fraud on the company has been noticed or reported during the year, if yes, the nature and the amount involved is to be indicated;	Word by its officers or employees has been removed
-	-	xi (b)	Whether any report under sub-section (12) of Section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;	New Sub Clause Added
-	-	xi (c)	Whether the auditor has considered whistle-blower complaints, if any, received during the year by the company;	New Sub Clause Added

xi	Whether managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act? If not, state the amount involved and steps taken by the company for securing refund of the same;	-	-	Clause Deleted
xii (a)	Whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1: 20 to meet out the liability;	xii (a)	Whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1: 20 to meet out the liability;	No Change
xii (b)	Whether the Nidhi Company is maintaining ten per cent. unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability;	xii (b)	Whether the Nidhi Company is maintaining ten per cent. unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability;	No Change
-	-	xii (c)	Whether there has been any default in payment of interest on deposits or repayment thereof for any period and if so, the details thereof;	New Sub Clause Added
xiii	Whether all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;	xiii	Whether all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable and the details have been disclosed in the financial statements, etc., as required by the applicable accounting standards;	No Change
xiv	Whether the company has made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and if so, as to whether the requirement of section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised. If not, provide the details in respect of the amount involved and nature of non-compliance;	-	-	Sh shifted to Clause x(b) of CARO 2020 from Clause xiv of CARO 2016
-	-	xiv (a)	Whether the company has an internal audit system commensurate with the size and nature of its business;	New Clause Added
-	-	xiv (b)	Whether the reports of the Internal Auditors for the period under audit were considered by the statutory auditor;	New Clause Added

xv	Whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of section 192 of Companies Act, 2013 have been complied with;	xv	Whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of section 192 of Companies Act have been complied with;	No Change
xvi	Whether the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained.	xvi (a)	Whether the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained;	No Change
-	-	xvi (b)	Whether the company has conducted any Non-Banking Financial of Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act 1934;	New Sub Clause Added
-	-	xvi (c)	Whether the company is a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, if so, whether it continues to fulfil the criteria of a CIC, and in case the company is an exempted or unregistered CIC, whether it continues to fulfil such criteria;	New Sub Clause Added
-	-	xvi (d)	Whether the Group has more than one CIC as part of the Group, if yes, indicate the number of CICs which are part of the Group;	New Sub Clause Added
-	-	xvii	Whether the company has incurred cash losses in the financial year and in the immediately preceding financial year, if so, state the amount of cash losses;	New Clause Added
-	-	xviii	Whether there has been any resignation of the statutory auditors during the year, if so, whether the auditor has taken into consideration the issues, objections or concerns raised by the outgoing auditors;	New Clause Added
-	-	xix	On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, whether the auditor is of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;	New Clause Added



-	-	xx (a)	Whether, in respect of other than ongoing projects, the company has transferred unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act;	New Clause Added
-	-	xx (b)	Whether any amount remaining unspent under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act;	New Clause Added
-	-	xxi	Whether there have been any qualifications or adverse remarks by the respective auditors in the Companies (Auditor’s Report) Order (CARO) reports of the companies included in the consolidated financial statements, if yes, indicate the details of the companies and the paragraph numbers of the CARO report containing the qualifications or adverse remarks.	New Clause Added

**Disclaimer:**

IN NO EVENT THE AUTHOR SHALL BE LIABLE FOR ANY DIRECT, INDIRECT, SPECIAL OR INCIDENTAL DAMAGE RESULTING FROM OR ARISING OUT OF OR IN CONNECTION WITH THE USE OF THIS INFORMATION.

-----THE END-----

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**Ms. Shefali Garg**  
**CS Student**

**TEACHERS DAY 2020**

In India, Teachers’ Day is celebrated annually on September 5 to mark the birthday of the country’s former President, scholar, philosopher and Bharat Ratna awardee, Dr Sarvepalli Radhakrishnan, who was born on this day in 1888. Dr Radhakrishnan said that “teachers should be the best minds in the country.”

The story behind Teachers’ Day goes that when Dr Radha Krishnan took the office of the second President of India in 1962, his students approached him to seek permission to celebrate September 5 as a special day. Dr Radhakrishnan instead made a request of them to observe September 5 as Teachers’ Day, to recognise the contribution of teachers to the society.

Teachers’ Day is a special day to thank and remember the teachers who have shaped us and show our appreciation for for them. Never forget to convey your Teachers Day wishes to the best teacher who has left a great impact on you. Choose from the following Teachers’ Day wishes, messages, and quotes to share with those revered teachers who have commanded your respect and regards.

Teacher’s Day is celebrated across schools, colleges, universities and educational institutions. Students put on performances, dances, and host elaborate shows for their most-loved teachers.

This year, owing to the Covid-19 pandemic, and schools being shut, the celebrations will be given a miss. However, virtual wishes and greetings are a perfect way to tell your teachers you remember them now and always will. Here I am trying to present my feelings through few words.

***Rarely does someone  
get to influence a person's life  
in a positive way  
for a lifetime,  
as a teacher can,  
fostering optimism and confidence,  
providing knowledge that leads to success,  
and being a good role model,  
as you have,  
and you are,  
and you will...  
forever.  
I'll remember you always.  
Thank you.***

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**PCS LALIT RAJPUT**

**CORPORATE COMPLIANCE CALENDAR**

***“Compliance” is just a subset of “governance” and not the other way around.”***

**— Pearl Zhu**

**ABOUT ARTICLE :**

This article contains various Compliance requirements under Statutory Laws. Compliance means ***“adhering to rules and regulations.”*** Compliance is a continuous process of following laws, policies, and regulations, rules to meet all the necessary governance requirements without any failure.

***“If you think compliance is expensive, try non-compliance”***

**Compliance Requirement Under**

1 Foreign Exchange Management Act, 1999 (FEMA) and Important Notifications	page no. 30
2. Income Tax Act, 1961	page no. 33
3. Goods & Services Tax Act, 2017 (GST) and Important Updates / Circulars	page no. 36
4. Other Statutory Laws and Updates	page no. 40
5. SEBI (Listing Obligations & Disclosure Requirements) (LODR) Regulations, 2015	page no. 42
6. SEBI Takeover Regulations 2011	page no. 50
7. SEBI (Prohibition of Insider Trading) Regulations, 2015	page no. 51
8. SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018	page no. 51
9. SEBI (Buyback of Securities) Regulations, 2018	page no. 52
10. SEBI (Depositories and Participants) Regulations 2018) and Circulars / Notifications	page no. 53
11. Regulatory Requirements by the trading members / clearing members / depository participants, mentioned in the SEBI circulars	page no. 53
12. Timelines for compliance with the regulatory requirements by DPS / RTAS / KRAS	page no. 54
13. SEBI Relaxations for Preferential Issues Matters	page no. 55
14. Stamp duty rates w.e.f. 1st July 2020 & AIF update	page no. 55
15. Companies Act, 2013 (MCA/ROC and LLP Compliance) and Notifications	page no. 60
16. Insolvency and Bankruptcy Board of India (IBBI) Updates	page no. 63
17. NBFC Compliance Overview	page no. 64
18. NCLT & NCLAT UPDATES	page no. 66

**1. COMPLIANCES UNDER FEMA / RBI**

Applicable Laws/Acts	Due Dates	Compliance Particulars	Forms / (Filing mode)
FEMA ACT 1999	14.08.2020  (extended)	Annual Return on Foreign liabilities and assets  The FLA return is required to be submitted by the companies who have received Foreign direct investment (FDI) and/or made Foreign direct investment abroad in the previous year(s) including the current year	FLA Return
FEMA ACT 1999	Monthly Basis	External Commercial Borrowings  Borrowers are required to report all ECB transactions to the RBI on a monthly basis through an AD Category – I Bank in the form of 'ECB 2 Return'.	ECB 2 Return
FEMA ACT 1999	Not later than 30 days from the date of issue of Capital instrument.	FC-GPR is a form filed when the Indian company receives the Foreign Direct Investment and the company allots shares to a person resident outside India.	Form FC-GPR
FEMA ACT 1999	With in 60 days of receipt/ remittance of funds or transfer of capital instruments whichever is earlier.	Reporting of transfer of shares and other eligible securities between residents and non-residents and vice-versa is to be made in Form FC-TRS.  The onus of reporting shall be on the resident transferor/ transferee.	Form FC-TRS.
FEMA ACT 1999	within 30 days from the date of receipt of the amount of consideration.	A Limited Liability Partnership receiving amount of consideration and acquisition of profit shares is required to submit a report in the Form FDI LLP-1	Form FDI LLP-I
FEMA ACT 1999	within 60 days from the date of receipt of funds in	A Limited liability Partnership shall report disinvestment/ transfer of capital contribution or profit share between a resident and a non resident (or vice versa)	Form FDI LLP-II
FEMA ACT 1999	within 30 days from the date of allotment of capital instruments	The domestic custodian shall report the issue/ transfer/ of sponsored/ unsponsored depository receipts	Downstream statement -Form DI

**IMPORTANT UPDATES:**
**A. 1. Procedure for revision of current year FLA return:**

The reporting entity need to take approval from RBI in case of revision of duly submitted current year FLA return. Visit <https://flair.rbi.org.in/fla> → Login to FLAIR → Click “Please click here to get the approval to fill revised FLA form for current year” → select “Year” → Click “Request”. After sending request to RBI through FLA portal, entities need to wait for at least one working day for approval. Entities can check the status of their request in “Multiple Year Enable Screen” under menu on the left corner. Once approved by RBI, the entity can revise FLA return for current year.

**A. RBI monetary policy key highlights**

- ✓ No change in repo rate, economic growth to contract in first half of fiscal year
- ✓ the Reserve Bank of India has already reduced the repo rate by a total of 115 basis points.
- ✓ the Reserve Bank of India (RBI) has decided to keep the repo rate unchanged at 4%
- ✓ The central bank also allowed lenders to restructure corporate and MSME loans as well as raised the limit of loans that can be availed against gold ornaments and jewellery.
- ✓ additional liquidity of Rs 10,000 crore at repo rate to NABARD and NHB
- ✓ the RBI allowed stressed MSME borrowers to restructure debt if their loans were classified as ‘standard’ as on 1 March 2020.
- ✓ the RBI has increased the permissible loan to value ratio (LTV) for loans sanctioned against pledge of gold ornaments and jewellery for non-agricultural purposes from 75 per cent to 90 per cent till 31 March 2021

**RBI CIRCULARS / NOTIFICATIONS:**

S. N.	Particulars of the Circulars	Link
1	System-based asset classification – UCBS	<a href="https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11948&amp;Mode=0">https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11948&amp;Mode=0</a>
2	Reserve Bank announces constitution of an Expert Committee	<a href="https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50182">https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50182</a>
3	Foreign Exchange Turnover Data: June 29 - July 03, 2020	<a href="https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50194">https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50194</a>
4	Results of Auctions State Development Loans of 9 State Governments / Union Territories - Full Auction Result	<a href="https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50197">https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50197</a>
5	Overseas Direct Investment for July 2020	<a href="https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50202">https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50202</a>
6	Underwriting Auction for sale of Government Securities for ₹30,000 cr on August 14, 2020	<a href="https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50205">https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50205</a>

7	Directions under Section 35 A of the Banking Regulation Act, 1949 (AACs) – Bhagyodaya Friends Urban Co-operative Bank Ltd., Warud, Distt. Amravati, Maharashtra – Extension of Period	<a href="https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50224">https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50224</a>
8	584th Meeting of Central Board of the Reserve Bank of India	<a href="https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50216">https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50216</a>
9	RBI releases framework for authorisation of pan-India Umbrella Entity for Retail Payments	<a href="https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50232">https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50232</a>
10.	Reserve Bank invites comments on the draft framework for recognition of a Self-Regulatory Organisation (SRO) for Payment System Operators	<a href="https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50233">https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50233</a>
11.	Minutes of the Monetary Policy Committee Meeting August 4 to 6, 2020	<a href="https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50240">https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50240</a>
12	New Definition of Micro, Small and Medium Enterprises – clarifications	<a href="https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50224">https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50224</a>
13	RBI Announces Special Open Market Operations (OMOs) of Simultaneous Purchase and Sale of Government of India Securities	<a href="https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50252e">https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50252e</a>
14	It is Time for Banks to Look Deeply Within: Reorienting Banking Post-Covid (Keynote Address by Shri Shaktikanta Das, Governor, Reserve Bank of India - Delivered at the Unlock BFSI 2.0 with Business Standard on Thursday, August 27, 2020)	<a href="https://www.rbi.org.in/Scripts/BS_SpeechesView.aspx?Id=1099">https://www.rbi.org.in/Scripts/BS_SpeechesView.aspx?Id=1099</a>
15	Annual Report for the year 2019-20	<a href="https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50253">https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50253</a>
16	Submission of returns under Section 31 of the Banking Regulation Act, 1949 (AACs) – Extension of time	<a href="https://www.rbi.org.in/scripts/BS_CircularIndexDisplay.aspx?Id=11953">https://www.rbi.org.in/scripts/BS_CircularIndexDisplay.aspx?Id=11953</a>
17	Ad-hoc/Short Review/Renewal of Credit Facilities	<a href="https://www.rbi.org.in/scripts/BS_CircularIndexDisplay.aspx?Id=11952">https://www.rbi.org.in/scripts/BS_CircularIndexDisplay.aspx?Id=11952</a>
18	RBI launches the September 2020 round of the Inflation Expectations Survey of Households	<a href="https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50275">https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50275</a>
19	Sovereign Gold Bond Scheme 2020-21 Series VI-Issue Price	<a href="https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50279">https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50279</a>
20	Directions issued to the Rupee Co-operative Bank Ltd., Pune, Maharashtra – Extension of Period	<a href="https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50283">https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50283</a>

## **2. COMPLIANCE REQUIREMENT UNDER INCOME TAX ACT, 1961**

Applicable Laws/Acts	Compliance Particulars	Due Dates	Revised Due Dates
Income Tax Act, 1961	Filing of original return for the Financial Year 2019-20 u/s 139 (1)	30-07-2020	30-09-2020
Income Tax Act, 1961	Filing of revised return for the Assessment Year 2019-20 u/s 139 (5)	30-06-2020	30-09-2020
Income Tax Act, 1961	Investment/ construction/ purchase for claiming roll over benefit/ deduction in respect of capital gains under sections 54 to 54GB	30-06-2020	30-09-2020
Income Tax Act, 1961	Furnishing of Form 24G by an office of the Government for the month of: <ul style="list-style-type: none"> <li>April to November 2020</li> </ul>	Within 15 days from the end of the month	31-03-2020
Income Tax Act, 1961	New procedure for registration, approval or notification entities under u/s 10(23C), 12AA, 35 and 80G	01.06.2020	01.10.2020
Income Tax Act, 1961	Tax audit report		31.10.2020
Income Tax Act, 1961	The date for commencement of operation for the SEZ units for claiming tax holiday		30.09.2020
Income Tax Act, 1961	Instalments of Advance Tax for the Assessment year 2021-22	15.09.2020	15.09.2020

### **➤ IMPORTANT UPDATES:**

#### **1. PAN-Aadhaar linking deadline FURTHER extended to beyond JUNE, 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 and further extended to 31<sup>st</sup> March, 2021 due to COVID – 19 outbreak.

2. In line with the circular number 13/2020, e-Verification of Return data of AY 2015-16, 2016-17, 2017-18, 2018-19 and 2019-20 has been re-enabled upto 30-September-2020 for taxpayers who could not verify the Return data within the stipulated timelines. Process to e-Verify --> Post Login --> My Account--> e-Verify Return Data of Previous Years --> Click 'e-Verify' --> Select the verification option and verify the Return Data. To view Circular 13/2020, [Click here](#)

3. ITR 1, 2, 3, 4 & 5 for AY 2020-21 is available for e-Filing.

4. This year **ITR-1 form has introduced schedule DI** to provide details of the tax-saving investments made in the extended period till July 31, 2020. To avoid payment of excessive tax, it is advisable that you should fill the information in the required columns.
4. For NRI investors, 20% plus surcharge and cess is withheld. However, tax will be assessed on the basis of documents submitted to avail tax treaty benefit under DTAA.

**4. Income tax return filing deadline for FY 2019-20 extended to Nov 30, 2020**

As per the government announcement via a press conference, "Due date for all income-tax return for FY 2019-20 will be extended from July 31, 2020, and October 31, 2020, to November 30, 2020, and tax audit from September 30, 2020 to 31st October 2020."

- ✓ The government has also reduced the TDS rates applicable for non-salaried payments.
- ✓ To provide more funds to taxpayers, TDS for non-salaried specified payments made to residents and rates of TCS for specified receipts shall be reduced by 25%.

**7. TAX REFORMS ANNOUNCED BY HON'BLE PM ON 13.08.2020**

**The 'Transparent Taxation - Honoring The Honest'** platform will initiate major tax reforms aimed at bringing transparency in income tax systems and empowering taxpayers. It has also been focussing on simplification of direct tax laws and increasing transparency in communication. A major step in this regard was the introduction of Document Identification Number (DIN) wherein every communication of the department would carry a computer generated unique document identification number.

**Key Announcements in the PM Speech**

- Taxpayers' Charter
- Faceless Assessments to be made effective from 13.08.2020
- Faceless Appeals to be made effective from 25.09.2020
- Extending Scope of SFT (notification to be issued)

**Statutory Orders to give effect of PM announcements**

- Order u/s 119 dt 13.08.2020 Power of survey u/s 133 A
- Order u/s 119 dt 13.08.2020 Faceless Assessment
- Transfer order dt 13.08.2020 wherein number of field officers transferred under NeAC

➤ **Key highlights of Faceless assessments / faceless appeals**

- Faceless assessment will be effective from 13 August 2020.
- Faceless income tax appeal will be effective from 25 September 2020.

**○ IMPORTANT NOTIFICATIONS:**

Sl. No.	Particulars of the Notification(s)	File No. / Circular No.	Notification Link(s)
1.	the Income-tax (19th Amendment) Rules, 2020	G.S.R. 499(E) Notification no. 58/2020	<a href="https://www.incometaxindia.gov.in/communications/notification/notification_58_2020.pdf">https://www.incometaxindia.gov.in/communications/notification/notification_58_2020.pdf</a>
2.	the Central Government, in consultation with the Chief Justice of the High Court of Bombay, hereby designates the following courts of Magistrates of First Class	S.O. 2682(E) Notification no. 59/2020	<a href="https://www.incometaxindia.gov.in/communications/notification/notification_59_2020.pdf">https://www.incometaxindia.gov.in/communications/notification/notification_59_2020.pdf</a>
3.	the Central Government has made the major amendments in the E-assessment Scheme, 2019	S.O. 2745 (E). Notification no. 60/2020	<a href="https://www.incometaxindia.gov.in/communications/notification/notification_60_2020.pdf">https://www.incometaxindia.gov.in/communications/notification/notification_60_2020.pdf</a>
4.	the Central Government has made amendments in the notification of the Government of India, Ministry of Finance (Department of Revenue), Central Board of Direct Taxes, published in the Gazette of India, Extraordinary, vide number S.O 3265 (E) dated the 12th September, 2019	S.O. 2746(E) Notification no. 61/2020	<a href="https://www.incometaxindia.gov.in/communications/notification/notification_60_2020.pdf">https://www.incometaxindia.gov.in/communications/notification/notification_60_2020.pdf</a>
5.	amendments in the notification of the Government of India, Ministry of Finance published in the Gazette of India, vide no. S.O. 2753 (E) dated the 22nd October, 2014	S.O. 2754(E). Notification no. 62/2020	<a href="https://www.incometaxindia.gov.in/communications/notification/notification_62_2020.pdf">https://www.incometaxindia.gov.in/communications/notification/notification_62_2020.pdf</a>
6.	amendments in the notification of the Government of India, vide S.O. 2752(E) dated the 22nd October, 2014	S.O. 2755(E) Notification no. 63/2020	<a href="https://www.incometaxindia.gov.in/communications/notification/notification_63_2020.pdf">https://www.incometaxindia.gov.in/communications/notification/notification_63_2020.pdf</a>
7.	the Income-tax Authorities of the National e-Assessment Centre	S.O. 2756(E) Notification no. 64/2020	<a href="https://www.incometaxindia.gov.in/communications/notification/notification_64_2020.pdf">https://www.incometaxindia.gov.in/communications/notification/notification_64_2020.pdf</a>
8.	the Income-tax Authorities of Regional e-Assessment Centres	S.O. 2757(E) Notification no. 65/2020	<a href="https://www.incometaxindia.gov.in/communications/notification/notification_65_2020.pdf">https://www.incometaxindia.gov.in/communications/notification/notification_65_2020.pdf</a>
9.	Various amendments by Central Board of Direct Taxes	S.O. 2758(E) Notification no. 66/2020	<a href="https://www.incometaxindia.gov.in/communications/notification/notification_66_2020.pdf">https://www.incometaxindia.gov.in/communications/notification/notification_66_2020.pdf</a>
10.	the Income-tax (20 <sup>th</sup> Amendment) Rules, 2020.	Notification No. 67/2020 F. No. 370142/ 28/2020-TPL	<a href="https://www.incometaxindia.gov.in/communications/notification/notification_67_2020.pdf">https://www.incometaxindia.gov.in/communications/notification/notification_67_2020.pdf</a>

11.	CORRIGENDUM date 27th August, 2020	Notification No. 68/2020/F. No. 187/3/2020 (ITA.-I)	<a href="https://www.incometaxindia.gov.in/communications/notification/notification_68_2020.pdf">https://www.incometaxindia.gov.in/communications/notification/notification_68_2020.pdf</a>
12.	Imposition of charge on the prescribed electronic modes under section 269SU of the Income-tax Act, 1961 - reg.	Circular no. 16, F.No .370142/35 /2019-TPL-Pt	<a href="https://www.incometaxindia.gov.in/communications/circular/circular-16-2020.pdf">https://www.incometaxindia.gov.in/communications/circular/circular-16-2020.pdf</a>

### **3. COMPLIANCE REQUIREMENT UNDER GOODS & SERVICES TAX ACT, (GST) 2017**

Keeping in view the preventive measures taken to contain the spread of Novel Coronavirus (COVID-19) and the difficulties being faced by the GST taxpayer, Ministry of Finance, Department of Revenue, Central Board of Indirect Taxes & Customs, **has extended the due date for Filing GST Returns.**

#### **GST Compliance Relaxations:**

#### **Filing of GSTR –3B**

#### **A. Taxpayers having aggregate turnover > Rs. 5 Cr. in preceding FY**

Tax period	Due Date	No interest payable till	Interest payable @ 9% from & till	Interest payable @ 18% from
August, 2020	20 <sup>th</sup> September, 2020	-	-	-

#### **B. Taxpayers having aggregate turnover upto Rs. 5 crores in preceding FY (Group A)**

Tax period	Due Date	No interest payable till	Interest payable @ 9% from & till	Interest payable @ 18% from
Feb, 2020	22nd March, 2020	30th June, 2020	1st July to 30th Sept., 2020	1st Oct., 2020
March, 2020	22nd April, 2020	3rd July, 2020	4th July to 30th Sept., 2020	1st Oct., 2020
April, 2020	22nd May, 2020	6th July, 2020	7th July to 30th Sept., 2020	1st Oct., 2020
May, 2020	12th July, 2020 (extended date for filing)	12th Sept., 2020	13th Sept to 30th Sept., 2020	1st Oct., 2020
June, 2020	22nd July, 2020	23rd Sept., 2020	24th Sept to 30th Sept., 2020	1st Oct., 2020
July, 2020	22 <sup>nd</sup> August, 2020	27 <sup>th</sup> Sept, 2020	28 Sep-30 Sep 2020	01.10.2020 to till actual date of deposit of Tax
August, 2020	22 <sup>nd</sup> September, 2020	-	-	-

Group A States: Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana, Andhra Pradesh, Daman & Diu and Dadra & Nagar Haveli, Puducherry, Andaman and Nicobar Islands, Lakshadweep



**C. Taxpayers having aggregate turnover upto Rs. 5 crores in preceding FY (Group B)**

Tax period	Due Date	No interest payable till	Interest payable @ 9% from & till	Interest payable @ 18% from
Feb, 2020	24th March, 2020	30th June, 2020	1st July to 30th Sept., 2020	1st Oct., 2020
March, 2020	24th April, 2020	5th July, 2020	6th July to 30th Sept., 2020	1st Oct., 2020
April, 2020	24th May, 2020	9th July, 2020	10th July to 30th Sept., 2020	1st Oct., 2020
May, 2020	14th July, 2020 (extended date for filing)	15th Sep, 2020	16th Sept to 30th Sept., 2020	1st Oct., 2020
June, 2020	24th July, 2020	25th Sep, 2020	26th Sept to 30th Sept., 2020	1st Oct., 2020
July, 2020	24 <sup>th</sup> August, 2020	29th Sep, 2020	30th Sept., 2020	1st Oct., 2020
August, 2020	24 <sup>th</sup> September, 2020	-	-	-

Group B States: Himachal Pradesh, Punjab, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand, Odisha, Jammu and Kashmir, Ladakh, Chandigarh, Delhi

**D. Late Fee Relief to Normal Taxpayers filing Form GSTR-3B**

**i) Taxpayers having aggregate turnover > Rs. 5 Cr. in preceding FY**

Tax period	Late fees waived if return filed on or before
May, 2020	30th September, 2020 ( <i>Interest is NIL for the first 15 days, 9% after 15 days till 24th June and 18% thereafter</i> )
June, 2020	
July, 2020	

**ii) Taxpayers having aggregate turnover upto Rs. 5 crores in preceding FY**

Tax period	Late fees waived if return filed on or before (For Group A States)*	Late fees waived if return filed on or before (For Group B States)*
May, 2020	12th Sept., 2020	15th Sept., 2020
June, 2020	23rd Sept., 2020	25th Sept., 2020
July, 2020	27th Sept., 2020	29th Sept., 2020
States	<b>Group A-</b> Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana, Andhra Pradesh, Daman & Diu and Dadra & Nagar Haveli, Puducherry, Andaman and Nicobar Islands, Lakshadweep	<b>Group B-</b> Himachal Pradesh, Punjab, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand, Odisha, Jammu and Kashmir, Ladakh, Chandigarh, Delhi

**Kindly note:**

Taxpayers who are yet to file Form GSTR-3B for any month(s) from July, 2017 till Jan., 2020, can now file Form GSTR-3B from 1st July, 2020 till 30th Sept., 2020, without any late feex, for those months in which they did not have any tax liability. However, for the months they had a tax liability, their late fee is capped at Rs 500 per return.

**iii) Filing Form GSTR-1:**

Tax period	Due Date	Remarks
July to September, 2020 Quarterly return	31.10.2020	Taxpayers having an aggregate turnover of Up to than Rs. 1.50 Crores (< Rs 1.50 Cr) or opted to file Quarterly Return
Monthly return	11.09.2020	Taxpayers having an aggregate turnover of More than Rs. 1.50 Crores (> Rs 1.50 Cr) or opted to file Monthly Return

**E. Compliances for Composition taxpayers**

Form No.	Compliance Particulars	Due Date (New)
GST CMP-08	2nd Quarter – July to September 2020	18.10.2020
GSTR-4	The yearly return for 2019-20 shall be required to be filed in Form GSTR 4	31.10.2020

**F. Non Resident Tax Payers, ISD, TDS & TCS Taxpayers**

Form No.	Compliance Particulars	Timeline	Due Date
GSTR-5 & 5A	Non-resident ODIAR services provider file Monthly GST Return	20th of succeeding month	20.09.2020
GSTR -6	Every Input Service Distributor (ISD)	13th of succeeding month	13.09.2020
GSTR -7	Return for Tax Deducted at source to be filed by Tax Deductor	10th of succeeding month	10.09.2020
GSTR -8	E-Commerce operator registered under GST liable to TCS	10th of succeeding month	10.09.2020

**G. GST Annual Returns**

Form No.	Compliance Particulars	Due Date (New)
GSTR-9A (2018-19)	Annual return	30.09.2020
GSTR-9 (2018-19)	Taxpayers having an aggregate turnover of more than Rs. 2 Crores or opted to file Annual Return.	30.09.2020
GSTR-9C (2018-19)	Reconciliation Statement/ Audit Report for Taxpayers having a Turnover of more than Rs. 5 crores.	30.09.2020

○ **KEY UPDATE(s):**

**1. Facility for filing refund application for July 2017 has been restored on the portal. Inconvenience caused in the past is regretted**

**2. Downloading document-wise details of Table 8A of Form GSTR-9**

A facility has been provided to the taxpayers to download document wise details of Table 8A of Form GSTR-9, from the portal in excel format. This can be done by using a new option of 'Document wise Details of Table 8A' given on the GSTR-9 dashboard, from Financial Year 2018-19 onwards. This will help the taxpayer in reconciling the values appearing in Table 8A of Form GSTR 9, thus facilitate filling the Form GSTR 9.

**Steps to Download:** To download, navigate to Services > Returns > Annual Return > Form GSTR-9 (PREPARE ONLINE) > DOWNLOAD TABLE 8A DOCUMENT DETAILS option.

For more info: <https://www.gst.gov.in/newsandupdates/read/393>

**3. Provision for Aadhar Authentication in GST Registration**

Aadhaar Authentication process has been introduced, for the persons applying for GST registration as Normal Taxpayer/ Composition/ Casual Taxable Person/ Input Service Distributor (ISD)/ SEZ Developer/ SEZ Unit etc, in Form GST REG 01 (refer Notification No 62/2020-CT dt 20.08.2020 ).

**For Link :** <https://www.cbic.gov.in/resources/htdocs-cbec/gst/notfctn-62-central-tax-english-2020.pdf>

**4. Letter of Undertaking (LUT):** Due date for filing of LUT for the financial year 2020-21 is extended to 31st August, 2020 as per Notification No. 55/2020 dated 27.06.2020.

**5. Amendment In Export Policy Of Ventilators:**

Notification No.53 dated 24.03.2020 is amended to the extent that all ventilators including any artificial respiratory apparatus or oxygen therapy apparatus or any other breathing appliance/device are made "free" for export.

**(Notification No.23/2015-2020 dated 04.08.2020)**

**6. GST Department has released notification on Using Offline Tool to prepare Form GSTR-4 Annual Return by Composition Taxpayers**

An EXCEL based offline tool has been provided on GST portal for composition taxpayers to prepare their GSTR-4 Annual Return. (Click here for more info)

**Click here for User Manual & FAQ:** <https://tutorial.gst.gov.in/downloads/gstr4annualofflineutility.pdf>

**7. Functionality to file Revocation Application under Removal of Difficulty.**

In view of the Removal of Difficulty Order No. 01/2020 dated 25.06.2020, the restriction on filing revocation application, in case it was rejected, has been removed. Aggrieved taxpayers can file application for revocation of cancellation of registration once again.



**AUGUST 2020**

Further, those taxpayers who have filed Appeal against rejection of the Revocation Application and the decision is still pending, they may also file the Revocation of Cancellation.

Taxpayer is required to login and navigate to Services> Registration> Application for Revocation to file the application for revocation.

(<https://www.gst.gov.in/newsandupdates/read/390>)

○ **GST UPDATES AS FROM 01.08.2020 TO 31.08.2020**

Sl. No.	Notification(s)	Notification No.	Link(s)
1.	Seeks to make Tenth amendment (2020) to CGST Rules	62/2020-Central Tax dated 20.08.2020	<a href="https://www.cbic.gov.in/resources/htdocs-cbec/gst/notfctn-62-central-tax-english-2020.pdf">https://www.cbic.gov.in/resources/htdocs-cbec/gst/notfctn-62-central-tax-english-2020.pdf</a>
2.	In exercise of the powers conferred by section 146 of the Delhi Goods and Services Tax Act 2017 03 of 2017 read with sub rule 4 of rule 48 of the Delhi Goods and Services Tax Rules 2017	Gazette ID SG-DL-E-21082020-221265	<a href="http://egazette.nic.in/WriteReadData/2020/221265.pdf">http://egazette.nic.in/WriteReadData/2020/221265.pdf</a>
3.	GST Revenue collection for July 2020 - ₹ 87,422 crore gross GST revenue collected in July	Press Release ID: 1642870	<a href="https://www.pib.gov.in/PressReleaseDetail.aspx?PRID=1642870">https://www.pib.gov.in/PressReleaseDetail.aspx?PRID=1642870</a>
4.	ITC Statement Form GSTR-2B, made available on GST Portal for taxpayers	Notification no. 396	<a href="https://www.gst.gov.in/newsandupdates/read/396">https://www.gst.gov.in/newsandupdates/read/396</a>
5.	Seeks to notify the provisions of section 100 of the Finance (No. 2) Act, 2019 to amend section 50 of the CGST Act, 2017 w.e.f. 01.09.2020	63/2020-Central Tax dated 25.08.2020	<a href="https://www.cbic.gov.in/resources/htdocs-cbec/gst/notfctn-63-central-tax-english-2020.pdf">https://www.cbic.gov.in/resources/htdocs-cbec/gst/notfctn-63-central-tax-english-2020.pdf</a>

**4. COMPLIANCE UNDER OTHER STATUTORY LAWS**

Applicable Laws/Acts	Due Dates	Compliance Particulars	Forms / (Filing mode)
EPF (The Employees' Provident Funds And Miscellaneous Provisions Act, 1952)	15.09.2020	PF Payment	ECR
ESIC (Employees' State Insurance Act, 1948)	15.09.2020	ESIC Payment	ESI CHALLAN

Contract Labour (Regulation & Abolition) Act, 1970	Within 15 Days of commencement/ completion of contract work	Return/Notice within 15 days of commencement/ completion of each contract by the Principal employer	Form VI-B
Contract Labour (Regulation & Abolition) Act, 1970	Within 15 Days of commencement/completi on of contract work	Notice of commencement/ completion of contract work by the Contractor within 15 days	Form VI-A
Payment of Gratuity Rule	Within 30 Days of applicability of the Act & any change	Notice of applicability of the Act & any change	Form A or B

### **Key Update:**

1. EPFO operationalizes Pradhan Mantri Garib Kalyan Package for Low Wage Earning EPF Member and EPF covered Establishments with upto 100 Employees:
  - Relief available for 6 months from March – August, 2020
  - ECR with declaration to be filed to avail benefits of eligible employees and establishments.
  - Eligible Establishments remitting for March, 2020 prior to PMGKY ECR Facility have to update Bank details in Form 5A to get re-imburement.
2. Committee on Labour suggests unemployment insurance for unorganised sector workers  
The committee has pulled up the government for not declaring the indicated expenditure and source of revenue for running the social security scheme while urging them to include unemployment insurance as part of the code for the unorganised workers so that unprecedented labour market situations can be well taken care of.
3. Labour reforms: After Centre's push, states explore ways to house migrants better  
Gujarat's new industrial policy launched talks about dormitory housing for migrant workers near industrial zones under state and central urban housing schemes, while some others including Haryana, Tamil Nadu and Karnataka are working on similar policies, people aware of the development.

### **❖ UPDATES TRACKER UNDER LABOUR LAWS:**

Sl. No	Particulars	Link
1	Relaxation in eligibility criteria and enhancement in the payment of unemployment benefit under Atal Bimit Vyakti Kalyan yojana of ESIC	<a href="https://www.pib.gov.in/PressReleaseDetail.aspx?PRID=1647516">https://www.pib.gov.in/PressReleaseDetail.aspx?PRID=1647516</a>
2	EPFO Makes Significant Progress in Updating KYC of its Subscribers During July- 2020 Despite Covid Pandemic	<a href="https://www.pib.gov.in/PressReleaseDetail.aspx?PRID=1647883">https://www.pib.gov.in/PressReleaseDetail.aspx?PRID=1647883</a>
3	Implications of AI on the Indian Economy	<a href="https://www.epfindia.gov.in/site_docs/PDFs/Circulars/Y2020-2021/PDNASS_AI_26082020.pdf">https://www.epfindia.gov.in/site_docs/PDFs/Circulars/Y2020-2021/PDNASS_AI_26082020.pdf</a>

4	Employees' Provident Fund Organisation (Personal Assistant) Recruitment Rules, 2020	<a href="http://egazette.nic.in/WriteReadData/20/221285.pdf">http://egazette.nic.in/WriteReadData/20/221285.pdf</a>
5	the Central Government is of the opinion that public interest requires the extension of the public utility service status to the said industries for a further period of six months;	<a href="http://egazette.nic.in/WriteReadData/20/221347.pdf">http://egazette.nic.in/WriteReadData/20/221347.pdf</a>

## **5. SEBI – SECURITIES EXCHANGE BOARD OF INDIA**

### **SEBI MEASURES IN REPOSNSE TO COVID 19**

#### **COMPLIANCE REQUIREMENT UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) (LODR) REGULATIONS, 2015**

##### **FILING MODE(s) :**

- For BSE : BSE LISTING CENTRE
- For NSE : NEAPS Portal

##### **❖ Half Yearly Compliances**

Sl. No	Regulation No.	Compliance Particular	Compliance Period (Due Date)	Revised Due Date
1.	Regulation 33	Quarterly / Annually Relating to Financial Results	Un audited Financial Results within 45 days & Audited finance within 60 days Q. 15.05.2020 A. 30.05.2020	15.09.2020

##### **❖ Annual Compliance**

Sl. No.	Regulation No.	Compliance Particular	Compliance Period (Due Date)
1	Regulation 24A	Secretarial Audit  Due date Extended to 31.07.2020	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. (within 60 days from the Closure of FY)

COMPLIANCE ON IMPACT OF COVID 19:Reg 4(2)(e),30,33,51

Advisory on disclosure of material impact of COVID-19 pandemic on listed entities under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015: [https://www.sebi.gov.in/legal/circulars/may-2020/advisory-on-disclosure-of-material-impact-of-covid-19-pandemic-on-listed-entities-under-sebi-listing-obligations-and-disclosure-requirements-regulations-2015\\_46688.html](https://www.sebi.gov.in/legal/circulars/may-2020/advisory-on-disclosure-of-material-impact-of-covid-19-pandemic-on-listed-entities-under-sebi-listing-obligations-and-disclosure-requirements-regulations-2015_46688.html)

**❖ Event based Compliances**

Sl. No.	Regulation No.	Compliance Particular	Compliance Period (Due Date)
1.	Regulation 7 (5)	Intimation of appointment / Change of Share Transfer Agent.	Within 7 days of Agreement with RTA.
2.	Regulation 17(2)	Meeting of Board of Directors	COVID-19 Relaxation: The board of directors and Audit Committee of the listed entity are exempted from observing the maximum stipulated time gap between two meetings.
3.	Regulation 18(2)	Meeting of the audit committee	<u>Extension of maximum time gap between two board/Audit Committee meetings as provided by circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/38 dated March 19, 2020 is further extended till July 31, 2020.</u>  However the board of directors / Audit Committee shall ensure that they meet at least four times a year, as stipulated under regulations 17(2) and 18(2)(a) of the LODR.
4.	Regulation 29	Notice for Board Meeting to consider the prescribed matters.	COVID19 Relaxation Board meetings in all cases – 2 days in respect of Board Meetings held till AUGUST 31, 2020.
5	Regulation 30	Outcome of Board Meeting (Schedule III Part A- (4)	within 30 minutes of the closure of the meeting
6.	Regulation 39 (3)	Intimation to Stock Exchanges regarding loss of share certificates and issue of the duplicate certificates - within 2 days of its getting information	Extension granted: No penalty for delay in intimation made between March 1 to May 31, 2020
7.	Regulation 40	Transfer or transmission or transposition of securities	After due verification of the documents, the Listed Company shall register transfers of its securities in the name of the transferee(s) and issue certificates or receipts or advices, as applicable, of transfers; or issue any valid objection or intimation to the transferee or transferor, as the case may be, within a period of 15 days from the date of such receipt of request for transfer: Transmission requests are processed for securities held in dematerialized mode and physical mode within 7 days and 21 days respectively, after receipt of the specified documents

8.	Regulation 43	Declaration of Dividend	The company has to declare and disclose the dividend on per share basis only.
9.	Regulation 46	Company Website: Listed entity shall disseminate the information as stated in Regulation 46 (2)	Shall update any change in the content of its website within 2 working days from the date of such change in content.
10.	Regulation 50	Intimation to stock exchange(s).	Listed Company shall give prior intimation at least 11 working days before the date on and from which the interest on debentures and bonds, and redemption amount of redeemable shares or of debentures and bonds shall be payable.
11.	Regulation 57	Other submissions to stock exchange(s).	Listed Company shall submit a certificate to the stock exchange within 2 days of the interest or principal or both becoming due that it has made timely payment of interests or principal obligations or both in respect of the non convertible debt securities.
12.	Regulation 82	Intimation and filings with stock exchange(s).	Intention to issue new securitized debt instruments either through a public issue or on private placement basis :  <u>Reg. 82(2)</u> : Intimation of Meeting at least 2 working days in advance, excluding the date of the intimation and date of the meeting, regarding the meeting of its board of trustees, at which the recommendation or declaration of issue of securitized debt instruments or any other matter affecting the rights or interests of holders of securitized debt instruments is proposed to be considered
13.	SCHEDULE III PART A: DISCLOSURES OF EVENTS OR INFORMATION: SPECIFIED SECURITIES	Events which shall be disclosed without any application of the guidelines for materiality as specified in sub-regulation (4) of regulation (30)	(7B) In case of resignation of an independent director of the listed entity, within 7 days from the date of resignation, the following disclosures shall be made to the stock exchanges by the listed entities as mentioned in 7B (i), 7B(ii) & 7B(iii).
14.	Regulation 106J	Period of subscription and issue of allotment letter.	A rights issue shall be open for subscription in India for a period as applicable under the laws of its home country but in no case less than 10 days.
15.	Regulation 108	Application for Listing.	The issuer / the issuing company, shall, make an application for listing, within 20 days from the date of allotment, to one or more recognized stock exchange(s) along with the documents specified by stock exchange(s) from time to time.

16.	Regulation 23	Corporate governance requirements with respect to subsidiary of listed entity	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 for annual results to the stock exchanges and publish the same on its website.
17	Regulation 23(9)	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.	Disclosure Of Related Party Transactions Pursuant To Regulation 23(9) Of The SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 WITHIN 30 days from the date of publication of Financial Results (for half year
18.	Regulation 30 (6) read with Para A of Part A of Schedule III (except sub para 4 of with Para A of Part A of Schedule III	The listed entity shall first disclose to stock exchange(s) of all events, as specified in Part A of Schedule III, or information as soon as reasonably possible and not later than twenty four hours from the occurrence of event or information:  Provided that in case the disclosure is made after twenty four hours of occurrence of the event or information, the listed entity shall, along with such disclosures provide explanation for delay Example : Proceedings of Annual and extraordinary general meetings of the listed entity.	24 hours of Occurrence of event
19.	SCHEDULE III PARTA A (SUB CLAUSE 7A)	In case of resignation of the auditor of the listed entity, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the listed entities to the stock exchanges as soon as possible but not later than twenty four hours of receipt of such reasons from the auditor	24 hours of Occurrence of event
20.	SCHEDULE III PARTA A (SUB CLAUSE 7B)	In case of resignation of an independent director of the listed entity, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges by the listed entities	within 7 days from the date of resignation



21.	Regulation 37(1)	Draft Scheme of Arrangement & Scheme of Arrangement before for obtaining Observation Letter or No-objection letter, before filing such scheme with any Court or Tribunal, in terms of requirements specified by the Board or stock exchange(s) from time to time.	Before filling the same with any court or tribunal
22.	Regulation 37(1) read with Section 31 of the Insolvency Code,	No need to follow Regulation 37 & 94 if <u>restructuring proposal approved as part of a resolution plan by the Tribunal under section 31 of the Insolvency Code, subject to the details being disclosed to the recognized stock exchanges within one day of the resolution plan being approved</u>	within one day of the resolution plan being approved
23.	Regulation 42(2)	The listed entity shall give notice in advance of at least seven working days (excluding the date of intimation and the record date) to stock exchange(s) of record date specifying the purpose of the record date. (Refer 42(1) Record date)	7 working days (excluding the date of intimation and the record date)
24.	Regulation 44(3)	The listed entity shall submit to the stock exchange, within forty eight hours of conclusion of its General Meeting, details regarding the voting results in the format specified by the Board.	within 48 hours of conclusion of its General Meeting
25.	Regulation 31A	Re-classification of status of a promoter/ person belonging to promoter group to public  an application for re-classification to the stock exchanges has been made by the listed entity consequent to the following procedures and not later than thirty days from the date of approval by shareholders in general meeting.	Not later than 30 days of general Meeting
26.	Regulation 50(1) (Debt OR Non-Convertible Redeemable Preference Shares Or Both)	Intimation to stock exchange(s). Listed Company shall give prior intimation at least 11 working days before the date on and from which the interest on debentures and bonds, and redemption amount of redeemable shares or of debentures and bonds shall be payable.	at least 11 working days
27.	Regulation 50(3) (Debt OR Non-Convertible Redeemable Preference Shares Or Both)	The listed entity shall intimate to the stock exchange(s), at least two working days in advance, excluding the date of the intimation and date of the meeting, regarding the meeting of its board of directors, at which the recommendation or declaration of issue of non convertible debt securities or any other matter affecting the rights or interests of holders of non convertible debt securities or non convertible redeemable preference shares is proposed to be considered.	at least 2 working days in advance, excluding the date of the intimation and date of the meeting



28.	Regulation 52(5) (Debt OR Non-Convertible Redeemable Preference Shares Or Both)	The listed entity shall, within seven working days from the date of submission of the information required under sub- regulation (4),ie information submitted with Financial Results submit to stock exchange(s), a certificate signed by debenture trustee that it has taken note of the contents.	7 working days of FR
29.	Regulation 57 (Debt OR Non-Convertible Redeemable Preference Shares Or Both)	Other submissions to stock exchange(s). Listed Company shall submit a certificate to the stock exchange within 2 days of the interest or principal or both becoming due that it has made timely payment of interests or principal obligations or both in respect of the non convertible debt securities.	within 2 days
30.	Regulation 60(2) (Debt OR Non-Convertible Redeemable Preference Shares Or Both)	The listed entity shall give notice in advance of atleast seven working days (excluding the date of intimation and the record date) to stock exchange(s) of record date specifying the purpose of the record date. (Refer 60(1) Record date)	7 working days (excluding the date of intimation and the record date)
31.	Regulation 78(2) (Obligations of listed entity which has listed its indian depository receipts)	Record date The listed entity shall give notice in advance of at least four working days to the recognised stock exchange(s) of record date specifying the purpose of the record date.	at least 4 working days
32.	Regulation 82 (Obligations Of Listed Entity Which Has Listed Its Securitised Debt Instruments)	Intimation and filings with stock exchange(s). Intention to issue new securitized debt instruments either through a public issue or on private placement basis.	At least 2 working days in advance
33.	Regulation 87(2) (Obligations of listed entity which has listed its Indian depository receipts)	Record date The listed entity shall give notice in advance of atleast seven working days (excluding the date of intimation and the record date) to the recognised stock exchange(s) of the record date or of as many days as the Stock Exchange may agree to or require specifying the purpose of the record date.	at least 7 working days(excluding the date of intimation and the record date)
34.	Regulation 87B (Obligations Of Listed Entity Which Has Listed Its Security Receipts)	The listed entity shall first disclose to stock exchange(s) of all events or information, as specified in Part E of Schedule III, as soon as reasonably possible but not later than twenty four hours from occurrence of the event or information: Provided that in case the disclosure is made after twenty four hours of occurrence of the event or information, the listed entity shall, along with such disclosures provide explanation for the delay.	24 hours of Occurrence of event

**Few More SEBI (LODR) Relaxations:**

Sl. No	Compliance Particulars	Due Date	Extended Due Date
1	Regulation 44(5) relating to holding of AGM by top 100 listed entities by market capitalization for FY 19-20 Relaxations on holding AGM by top 100 listed entities vide circular dated April 23, 2020	31.08.2020	30.09.2020
2.	Regulation 19(3A) The nomination and remuneration committee shall meet at least once in a year Regulation 20(3A) The Stakeholders Relationship committee shall meet at least once in a year.  Regulation 21(3A) The Risk Management Committee shall meet at least once in a year.	31.03.2020	30.06.2020  Nomination and Remuneration Committee, Stakeholder Relationship Committee and Risk Management Committee shall meet atleast once in a year extended by 3 months i.e. June 30, 2020
3.	Regulation 47: Publication of advertisements in the newspapers	It has been decided to exempt publication of advertisements in newspapers as required under regulation 47 for all events. No advertisement publication in newspaper required for events taking place up to June 30, 2020	
4	Regulation 52 (1) and (2) relating to Financial Results  a) 45 days from the end of the Half Year b) 60 days from the end of Financial Year for Annual Financial Results	15.05.2020  30.05.2020	31.07.2020
5.	Regulation 44(5) holding of Annual General Meeting (AGM) by top 100 listed entities by market capitalization, due to the COVID –19 pandemic	31.08.2020	30.09.2020
6.	Regulation 36 (1)(b) & (c) ; Regulation 58 (1)(b) &(c) Hard copy of the statement containing salient features of all the documents, as prescribed in Section 136 of the Companies Act, 2013 to the shareholders who have not registered their email addresses and hard copies of full annual reports to those shareholders, who request for the same	SEBI has dispensed with the requirement of dispatch of hard copies for all listed entities who conduct their AGM <u>till December 31, 2020</u>	



7.	Regulation 44(4) Proxy for general meetings	SEBI has dispensed with this requirement temporarily for all listed entities who conduct their AGM through electronic mode only till 31 <sup>st</sup> December, 2020	
8.	Regulation 12 Dividend warrants of cheques	SEBI has clarified that this requirement shall apply only once postal services resume normal operations. Where email addresses of shareholders are available, listed entities shall endeavour to obtain their bank account details and use the electronic modes of payment specified in Schedule I of the SEBI (LODR), Regulations, 2015.	
9.	Regulation 52(8) Newspaper publication of financial results	Within 2 calendar days of the conclusion of the meeting of the board of directors	No advertisement publication in newspaper required for events taking place up to June 30, 2020
10.	Regulation 33(3)(b) All listed entities having subsidiaries must submit quarterly/year-to-date consolidated financial results on a quarterly basis. The Companies (Indian Accounting Standards) Rules, 2015 provide for the phased adoption of Ind AS is currently applicable to all listed entities except entities in the banking and insurance sectors	Considering the challenges faced in preparing consolidated financial results due to different accounting standards being followed, listed entities that are in or have subsidiaries in the banking or insurance sectors may submit consolidated financials for the quarter ended June 30, 2020 voluntarily. Entities that choose to publish only standalone results must provide reasons for doing so. however, such entities must continue to submit quarterly/year-to-date standalone financial results.	
11.	Clarification regarding the use of digital signatures	Authentication /certification of any filing /submission made to stock exchanges under LODR may be done using digital signature certifications until June 30, 2020	

## **6. SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011**

Securities and Exchange Board of India (SEBI) vide notification / Circular No. SEBI/HO/CFD/DCR1/CIR/P/2020/49 issued and published dated 27th March 2020, has published Relaxation from compliance with certain provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 due to the COVID-19 pandemic."

Sl. No.	Regulation No.	Compliance Particular	Compliance Period (Due Date)
1	Regulation 30(1)	Every person, who together with persons acting in concert with him, holds shares or voting rights entitling him to exercise 25% or more of the voting rights in a target company, shall disclose their aggregate shareholding and voting rights as of the 31 <sup>st</sup> day of March, in such target company in such form as may be specified.	Report as per the 2020 calendar are required to be filed by April 15, 2020  <u>Due Date Extended</u>
2	Regulation 30(2)	The promoter of every target company shall together with persons acting in concert with him, disclose their aggregate shareholding and voting rights as of the thirty-first day of March, in such target company in such form as may	It has been decided by SEBI to extend the due date of filing disclosures, in terms of Regulations 30(1), 30(2) and 31(4) of the SAST Regulations for the financial year ending March 31, 2020 to June 01, 2020.
3.	Regulation 31(1) read with Regulation 28(3) of Takeover Regulations AUGUST 7, 2019 CIRCULAR <a href="https://www.sebi.gov.in/legal/circulars/aug-2019/disclosure-of-reasons-for-encumbrance-by-promoter-of-listed-companies_43837.html">https://www.sebi.gov.in/legal/circulars/aug-2019/disclosure-of-reasons-for-encumbrance-by-promoter-of-listed-companies_43837.html</a>	The promoter of every listed company shall specifically disclose detailed reasons for encumbrance if the combined encumbrance by the promoter along with PACs with him equals or exceeds: a) 50% of their shareholding in the company; or b) 20% of the total share capital of the company,	within 2 (two) working days
4.	Regulation 31(4)	Disclosure of encumbered shares	Promoter of every target company shall together with persons acting in concert with him, disclose their aggregate shareholding and voting rights as of the 31 <sup>st</sup> March, in such target company in such form as may be specified

**7. SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015**

Sl. No.	Regulation No.	Compliance Particular	Compliance Period (Due Date)
1	Regulation 7(2) “Continual Disclosures”	Every promoter, employee and director of every company shall disclose to the company the number of such securities acquired or disposed of within two trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of ten lakh rupees (10,00,000/-) or such other value as may be specified;	Every company shall notify; within two trading days of receipt of the disclosure or from becoming aware of such information

**8. SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018**

Sl. No	Regulation No.	Compliance Particular	Compliance Period (Due Date)
1	Schedule XIX - Para (2) of ICDR Read with Reg 108 of SEBI LODR	“The issuer shall make an application for listing from the date of allotment, within such period as may be specified by the Board from time to time, to one or more recognized stock exchange(s)”. In regard to above, it is specified that Issuer shall make an application to the exchange/s for listing in case of further issue of equity shares from the date of allotment within 20 days (unless otherwise specified).	Within 20 days from the date of allotment
2	Regulation 162	The tenure of the convertible securities of the issuer shall not exceed eighteen months from the date of their allotment.	Within 18 months from date of allotment
3	SEBI CIRCULAR Aug 19, 2019 <a href="https://www.sebi.gov.in/legal/circulars/aug-2019/non-compliance-with-certain-provisions-of-sebi-issue-of-capital-and-disclosure-requirements-regulations-2018-icdr-regulations-43941.html">https://www.sebi.gov.in/legal/circulars/aug-2019/non-compliance-with-certain-provisions-of-sebi-issue-of-capital-and-disclosure-requirements-regulations-2018-icdr-regulations-43941.html</a>	Application for trading approval to the stock exchange Listed entities shall make an application for trading approval to the stock exchange/s within 7 working days from the date of grant of listing approval by the stock exchange/s.	Within 7 working days from grant of date of listing approval
4	Regulation 76 Application for rights issue	The issuer along with lead managers and other parties related to the issue shall constitute an optional mechanism (non-cash mode only) to accept the applications of the shareholders to apply to rights issue subject to ensuring that no third-party payments shall be allowed in respect of any application	

5.	Regulation 77 Service of Documents	In case if the company fails to adhere to modes of dispatch through registered post or speed post or courier services due to Covid-19 conditions it will not be treated as non-compliance during the said period. The issuers shall publish required & necessary documents on the websites of the company, registrar, stock exchanges and the lead managers to the rights issue
6	Regulation 84 Advertisement	Issuer has the flexibility to publish the advertisement in additional newspapers above those required in Regulation 84. The advertisement should also be made available on:  A. Website of the Issuer, Registrar, Lead Managers, and Stock Exchanges. B. Television channels, radio, the internet, etc. to spread information related to the process.
7.	All offer documents filed until July 31, 2020	A. Authentication/ certification for offer documents can be done through DSC. B. The issuer shall provide a procedure to inspect documents electronically

### **9. SEBI (BUYBACK OF SECURITIES) REGULATIONS, 2018 (BUYBACK REGULATIONS)**

Sl. No	Regulation No.	Compliance Particular	Compliance Period (Due Date)
1	Regulation 11 and 24(iv)	Extinguishment of equity shares in connection with Buyback The particulars of the security certificates extinguished and destroyed shall be furnished by the company to the stock exchanges where the shares or other specified securities of the company are listed within seven days of extinguishment and destruction of the certificates	7 days of extinguishment and destruction of the certificates
2	Regulation 24(i) (f)	Minimum time between buy back and raising of funds	Temporary relaxation in the period of restriction provided in Regulation 24(i)(f) from “one year” to “six months” <u>Applicable up to December 31, 2020 only</u>

**10. SEBI (DEPOSITORIES AND PARTICIPANTS) REGULATIONS 2018)**

Sl. No.	Compliance Particulars	Due Date	Extended Due Date
1.	Regulation 76 Reconciliation of Shares and Capital Audit	30.04.2020	Equivalent period of lock down declared by Government of India i.e. <u>21 days, over and above the prescribed time limits</u>
2.	Regulation 74 (5) Certificate Received from Registrar		

**11. REGULATORY REQUIREMENTS BY THE TRADING MEMBERS / CLEARING MEMBERS / DEPOSITORY PARTICIPANTS, MENTIONED IN THE SEBI CIRCULARS, AS UNDER:**

Compliance requirements for which timelines were extended vide SEBI circular SEBI/HO/MIRSD/DOP/CIR/P/2020/61 dated April 16, 2020.	S. Nos. for which timeline is extended	Extended timeline / Period of exclusion
Client Funding Reporting for the months of June and July 2020.	I	Till 30.09.2020
Reporting for Artificial Intelligence (AI) and Machine Learning (ML) applications for the quarter ended on June 30, 2020.	II	
Compliance certificate for Margin Trading for CM Segment for the half year ended (HYE) on March 31, 2020.	III	
Risk based supervision for the year ended March 31, 2020.	IV	
Internal Audit Report for HYE March 31, 2020.	V	
System Audit Report (Algo) for HYE March 31, 2020.	VI	
Annual System Audit Report for the year ended March 31, 2020.	VII	
Net worth certificate in Margin Trading for CM Segment for HYE March 31, 2020.	VIII	
Net worth certificate for all members for HYE March 31, 2020.	IX	
Maintaining call recordings of orders/instructions received from clients.	XI	
Compliance requirements for which timelines were extended vide SEBI circular SEBI/HO/MIRSD/DOP/CIR/P/2020/62 dated April 16, 2020.	S. Nos. for which timeline is extended	Extended timeline/ Period of exclusion
KYC application form and supporting documents of the clients to be uploaded on system of KRA within 10 working days.	III	Period of exclusion shall be from March 23, 2020 till September 30, 2020.

Submission towards weekly monitoring of client funds under the provisions of Enhanced Supervision.	I	Till 30.09.2020
Submission of data on monthly basis towards clients' and fund balance under the provisions of Enhanced Supervision.	II	
Daily margin trading reporting.	III	
Update in Income Tax Permanent Account Number of Key Management Personnel / Directors.	IV	5 months from the due date
Issue of Annual Global Statement to clients.	V	
<b>NEW RELAXATION (NOT INCLUDED IN ABOVE SEBI CIRCULARS)</b>		
Cyber Security & Cyber Resilience Audit for the year ended March 31, 2020.	-	Till 30.09.2020

## **12. TIMELINES FOR COMPLIANCE WITH THE REGULATORY REQUIREMENTS BY DPS / RTAS / KRAS**

Compliance requirements for which timelines were extended vide SEBI circular No. SEBI/HO/MIRSD/DOP/CIR/P/2020/62 dated April 16, 2020.	S. Nos. for which timeline is extended	Extended timeline/ Period of exclusion
Processing of the demat request form by Issuer / RTA.	I	Period of exclusion shall be from 23.03.2020 till 30.09.2020.  A 15day time period after 30.09.2020 is allowed to Depository / DPs, to clear the back log.
Processing of the demat request form by the Participants	II	
KYC application form and supporting documents of the clients to be uploaded on system of KRA within 10 working days.	III	
Compliance requirements for which timelines were extended vide SEBI circular No. SEBI/HO/MIRSD/DOP/CIR/P/2020/72 dated April 24, 2020.	S. Nos. for which timeline is extended	Extended timeline/ Period of exclusion
Submission of half yearly Internal Audit Report (IAR) by DPs for half year ended March 31, 2020.	II	30.09.2020
Redressal of investor grievances.	III	Period of exclusion shall be from 23.03.2020 till 30.09.2020.  A 15day time period after 30.09.2020 is allowed to Depository / DPs, to clear the back log.
Transmission of securities.	IV	
Closure of demat account.	V	
Systems audit on annual basis.	VI	30.09.2020 for the financial year ended on 31.03.2020

### **13. SEBI RELAXATIONS FOR PREFERENTIAL ISSUES MATTERS**

Securities Exchange Board of India (SEBI) vide Press Release no. PR No.35/2020 dated 23rd June, 2020 has come out with Relaxations for Listed Companies having stressed assets aimed at helping stressed companies raise capital through timely financial intervention, at the same time protecting the interest of shareholders.

**Relaxations are divided into two main parts:**

- Relaxations in the pricing methodology for preferential issues
- exempt allottees of preferential issues from open offer obligations

**What are the relaxations:**

Pricing of their preferential allotments	Exempted from making an open offer
not less than the average of the weekly high and low of the volume weighted average prices of the related equity shares during the two weeks preceding the relevant date.	if the acquisition is beyond the prescribed threshold or if the open offer is warranted due to change in control, in terms of Takeover Regulations.

**Read full at :** [https://www.sebi.gov.in/media/press-releases/jun-2020/relaxations-for-listed-companies-having-stressed-assets\\_46910.html](https://www.sebi.gov.in/media/press-releases/jun-2020/relaxations-for-listed-companies-having-stressed-assets_46910.html)

### **14. STAMP DUTY RATES W.E.F. 1ST JULY 2020 & AIF UPDATE**

The amended provisions of the Indian Stamp Act, 1899 brought through Finance Act, 2019 and Rules made thereunder shall come into force w.e.f 1st July, 2020. The stamp duty rates being implemented through the Amended Indian Stamp Act w.e.f 01/07/2020 are:

Instruments	Rate
Issue of Debenture	0.005%
Transfer and Re-issue of debenture	0.0001%
Issue of security other than debenture	0.005%
Transfer of security other than debenture on delivery basis;	0.015%
Transfer of security other than debenture on non-delivery basis	0.003%
Derivatives–	
(i) Futures (Equity and Commodity)	0.002%
(ii) Options (Equity and Commodity)	0.003%
(iii) Currency and Interest Rate Derivatives	0.0001%
(iv) Other Derivatives	0.002%
Government Securities	0%
Repo on Corporate Bonds	0.00001%

**REFER FAQ ON STAMP DUTY:** [https://www.sebi.gov.in/sebi\\_data/faqfiles/jun-2020/1593534237938.pdf](https://www.sebi.gov.in/sebi_data/faqfiles/jun-2020/1593534237938.pdf)

AIFS, WHERE RTA HAVE NOT BEEN APPOINTED SO FAR, SHALL APPOINT RTA, AT THE EARLIEST, BUT NOT LATER THAN JULY 15, 2020 TO ENABLE COLLECTION OF APPLICABLE STAMP DUTY ON ISSUE, TRANSFER AND SALE OF UNITS OF AIFS IN COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE INDIAN STAMP ACT, 1899 AND THE RULES MADE THEREUNDER: CIRCULAR : [https://www.sebi.gov.in/legal/circulars/jun-2020/collection-of-stamp-duty-on-issue-transfer-and-sale-of-units-of-aifs\\_46983.html](https://www.sebi.gov.in/legal/circulars/jun-2020/collection-of-stamp-duty-on-issue-transfer-and-sale-of-units-of-aifs_46983.html)

SEBI Circulars Tracker: 01.08.2020 to 31.08.2020

Sl. No.	Particulars	Link
1	Processing status - Scheme of Arrangement.	<a href="https://www.sebi.gov.in/filings/processing-status/aug-2020/processing-status-scheme-of-arrangement_32683.html">https://www.sebi.gov.in/filings/processing-status/aug-2020/processing-status-scheme-of-arrangement_32683.html</a>
2	Remittance order of attached amount under AP No. 1236 of 2014 in Recovery Certificate No. 349 of 2014 against M/s Finline Mercantile Co. Pvt. Ltd.	<a href="https://www.sebi.gov.in/enforcement/recovery-proceedings/aug-2020/remittance-order-of-attached-amount-under-ap-no-1236-of-2014-in-recovery-certificate-no-349-of-2014-against-m-s-finline-mercantile-co-pvt-ltd_47280.html">https://www.sebi.gov.in/enforcement/recovery-proceedings/aug-2020/remittance-order-of-attached-amount-under-ap-no-1236-of-2014-in-recovery-certificate-no-349-of-2014-against-m-s-finline-mercantile-co-pvt-ltd_47280.html</a>
3	SEBI (International Financial Services Centres) Guidelines, 2015 - Amendment	<a href="https://www.sebi.gov.in/legal/circulars/aug-2020/sebi-international-financial-services-centres-guidelines-2015-amendment_47281.html">https://www.sebi.gov.in/legal/circulars/aug-2020/sebi-international-financial-services-centres-guidelines-2015-amendment_47281.html</a>
4	Release Order of Basmati Securities Pvt. Ltd. in the matter of CAT Technologies Ltd.	<a href="https://www.sebi.gov.in/enforcement/recovery-proceedings/aug-2020/release-order-of-basmati-securities-pvt-ltd-in-the-matter-of-cat-technologies-ltd_47282.html">https://www.sebi.gov.in/enforcement/recovery-proceedings/aug-2020/release-order-of-basmati-securities-pvt-ltd-in-the-matter-of-cat-technologies-ltd_47282.html</a>
5	Rights Issues : Final Letters of Offer filed with Stock Exchanges Satin Creditcare Network Ltd	<a href="https://www.sebi.gov.in/filings/rights-issues/aug-2020/satin-creditcare-network-ltd_47285.html">https://www.sebi.gov.in/filings/rights-issues/aug-2020/satin-creditcare-network-ltd_47285.html</a>
6.	Interim Order dated August 7, 2020, In the matter of Front Running Trading activity of Dealers of Reliance Securities Ltd. and other connected entities	<a href="https://www.sebi.gov.in/enforcement/orders/aug-2020/interim-order-dated-august-7-2020-in-the-matter-of-front-running-trading-activity-of-dealers-of-reliance-securities-ltd-and-other-connected-entities_47293.html">https://www.sebi.gov.in/enforcement/orders/aug-2020/interim-order-dated-august-7-2020-in-the-matter-of-front-running-trading-activity-of-dealers-of-reliance-securities-ltd-and-other-connected-entities_47293.html</a>
7.	Amrit Corp Ltd. - Post Buyback Public Announcement	<a href="https://www.sebi.gov.in/filings/buybacks/aug-2020/amrit-corp-ltd-post-buyback-public-announcement_47287.html">https://www.sebi.gov.in/filings/buybacks/aug-2020/amrit-corp-ltd-post-buyback-public-announcement_47287.html</a>

8.	Adjudication Order in respect of Bhawani Ferrous Private Limited in the matter of its dealing in Illiquid Stock Options at BSE	<a href="https://www.sebi.gov.in/enforcement/orders/aug-2020/adjudication-order-in-respect-of-bhawani-ferrous-private-limited-in-the-matter-of-its-dealing-in-illiquid-stock-options-at-bse_47290.html">https://www.sebi.gov.in/enforcement/orders/aug-2020/adjudication-order-in-respect-of-bhawani-ferrous-private-limited-in-the-matter-of-its-dealing-in-illiquid-stock-options-at-bse_47290.html</a>
9.	Resources for Trustees of Mutual Funds	<a href="https://www.sebi.gov.in/legal/circulars/aug-2020/resources-for-trustees-of-mutual-funds_47291.html">https://www.sebi.gov.in/legal/circulars/aug-2020/resources-for-trustees-of-mutual-funds_47291.html</a>
10.	Adjudication Order in respect of Siddarth Businesses Limited (currently known as Shivamshree Businesses Limited) in the matter of Siddarth Businesses Limited (currently known as Shivamshree Businesses Limited)	<a href="https://www.sebi.gov.in/enforcement/orders/aug-2020/adjudication-order-in-respect-of-siddarth-businesses-limited-currently-known-as-shivamshree-businesses-limited-in-the-matter-of-siddarth-businesses-limited-currently-known-as-shivamshree-businesse-47296.html">https://www.sebi.gov.in/enforcement/orders/aug-2020/adjudication-order-in-respect-of-siddarth-businesses-limited-currently-known-as-shivamshree-businesses-limited-in-the-matter-of-siddarth-businesses-limited-currently-known-as-shivamshree-businesse-47296.html</a>
11.	Remittance order of attached amount under Attachment Proceedings Nos. 5336 & 5337 of 2019 in Recovery Certificate No. 2532 of 2019 against Mr. Anil Bagaria	<a href="https://www.sebi.gov.in/enforcement/recovery-proceedings/aug-2020/remittance-order-of-attached-amount-under-attachment-proceedings-nos-5336-and-5337-of-2019-in-recovery-certificate-no-2532-of-2019-against-mr-anil-bagaria_47298.html">https://www.sebi.gov.in/enforcement/recovery-proceedings/aug-2020/remittance-order-of-attached-amount-under-attachment-proceedings-nos-5336-and-5337-of-2019-in-recovery-certificate-no-2532-of-2019-against-mr-anil-bagaria_47298.html</a>
12.	Public notice for Processing of Complaints only through SCORES	<a href="https://www.sebi.gov.in/media/public-notices/aug-2020/public-notice-for-processing-of-complaints-only-through-scores_47309.html">https://www.sebi.gov.in/media/public-notices/aug-2020/public-notice-for-processing-of-complaints-only-through-scores_47309.html</a>
13.	Adjudication order in respect of Yochana Vyapaar Private Limited in the matter of Dealing in Illiquid Stock Options at BSE	<a href="https://www.sebi.gov.in/enforcement/orders/aug-2020/adjudication-order-in-respect-of-yochana-vyapaar-private-limited-in-the-matter-of-dealing-in-illiquid-stock-options-at-bse_47314.html">https://www.sebi.gov.in/enforcement/orders/aug-2020/adjudication-order-in-respect-of-yochana-vyapaar-private-limited-in-the-matter-of-dealing-in-illiquid-stock-options-at-bse_47314.html</a>
14.	Takeovers : Letter of Offer International Conveyors Limited	<a href="https://www.sebi.gov.in/filings/takeovers/aug-2020/international-conveyors-limited_47320.html">https://www.sebi.gov.in/filings/takeovers/aug-2020/international-conveyors-limited_47320.html</a>
15.	Orders : Orders of Chairman/Members Togo Retail Marketing Limited (Earlier Known as "M/s Multi-Ex Marketing & Communications Limited")	<a href="https://www.sebi.gov.in/enforcement/recovery-proceedings/aug-2020/remittance-order-of-attached-amount-under-attachment-proceedings-nos-5336-and-5337-of-2019-in-recovery-certificate-no-2532-of-2019-against-mr-anil-bagaria_47298.html">https://www.sebi.gov.in/enforcement/recovery-proceedings/aug-2020/remittance-order-of-attached-amount-under-attachment-proceedings-nos-5336-and-5337-of-2019-in-recovery-certificate-no-2532-of-2019-against-mr-anil-bagaria_47298.html</a>
16.	Orders : Orders of Chairman/Members Final Order in the matter of Trading activities of certain entities in Castor Seeds at NCDEX	<a href="https://www.sebi.gov.in/enforcement/orders/aug-2020/final-order-in-the-matter-of-trading-activities-of-certain-entities-in-castor-seeds-at-ncdex_47324.html">https://www.sebi.gov.in/enforcement/orders/aug-2020/final-order-in-the-matter-of-trading-activities-of-certain-entities-in-castor-seeds-at-ncdex_47324.html</a>

17	Processing status - Scheme of Arrangement.	<a href="https://www.sebi.gov.in/filings/processing-status/aug-2020/processing-status-scheme-of-arrangement-32683.html">https://www.sebi.gov.in/filings/processing-status/aug-2020/processing-status-scheme-of-arrangement-32683.html</a>
18	Processing Status: Takeovers	<a href="https://www.sebi.gov.in/filings/processing-status/aug-2020/processing-status-takeovers_20204.html">https://www.sebi.gov.in/filings/processing-status/aug-2020/processing-status-takeovers_20204.html</a>
19	Adjudication Order in respect of State Bank of India	<a href="https://www.sebi.gov.in/enforcement/orders/aug-2020/adjudication-order-in-respect-of-state-bank-of-india_47333.html">https://www.sebi.gov.in/enforcement/orders/aug-2020/adjudication-order-in-respect-of-state-bank-of-india_47333.html</a>
20	Adjudication Order in respect of LIC of India	<a href="https://www.sebi.gov.in/enforcement/orders/aug-2020/adjudication-order-in-respect-of-life-insurance-corporation-of-india_47334.html">https://www.sebi.gov.in/enforcement/orders/aug-2020/adjudication-order-in-respect-of-life-insurance-corporation-of-india_47334.html</a>
21	Shri G P Garg takes charge as Executive Director, SEBI	<a href="https://www.sebi.gov.in/media/press-releases/aug-2020/shri-g-p-garg-takes-charge-as-executive-director-sebi_47337.html">https://www.sebi.gov.in/media/press-releases/aug-2020/shri-g-p-garg-takes-charge-as-executive-director-sebi_47337.html</a>
22	Triveni Engineering & Industries Limited - Draft Letter of Offer	<a href="https://www.sebi.gov.in/filings/buybacks/aug-2020/triveni-engineering-and-industries-limited-draft-letter-of-offer_47341.html">https://www.sebi.gov.in/filings/buybacks/aug-2020/triveni-engineering-and-industries-limited-draft-letter-of-offer_47341.html</a>
23	Remittance Advice to Banks/Mutual Funds – Abhayraj Rampher Shukla	<a href="https://www.sebi.gov.in/enforcement/recovery-proceedings/aug-2020/remittance-advice-to-banks-mutual-funds-abhayraj-rampher-shukla_47343.html">https://www.sebi.gov.in/enforcement/recovery-proceedings/aug-2020/remittance-advice-to-banks-mutual-funds-abhayraj-rampher-shukla_47343.html</a>
24	Corrigendum to Master Circular for Depositories dated October 25, 2019 on preservation of records	<a href="https://www.sebi.gov.in/legal/circulars/aug-2020/corrigendum-to-master-circular-for-depositories-dated-october-25-2019-on-preservation-of-records_47344.html">https://www.sebi.gov.in/legal/circulars/aug-2020/corrigendum-to-master-circular-for-depositories-dated-october-25-2019-on-preservation-of-records_47344.html</a>
25	Consultation Paper on the format for Business Responsibility and Sustainability Reporting	<a href="https://www.sebi.gov.in/legal/circulars/aug-2020/resources-for-trustees-of-mutual-funds_47291.html">https://www.sebi.gov.in/legal/circulars/aug-2020/resources-for-trustees-of-mutual-funds_47291.html</a>
26	Attachment Proceedings Order Nos. 5882 & 5883 of 2020 to Certificate No. 2889 of 2020 against Jigar Dilip Shah in the matter of Finalysis Credit & Guarantee Company Limited	<a href="https://www.sebi.gov.in/enforcement/recovery-proceedings/aug-2020/attachment-proceedings-order-nos-5882-and-5883-of-2020-to-certificate-no-2889-of-2020-against-jigar-dilip-shah-in-the-matter-of-finalysis-credit-and-guarantee-company-limited_47346.html">https://www.sebi.gov.in/enforcement/recovery-proceedings/aug-2020/attachment-proceedings-order-nos-5882-and-5883-of-2020-to-certificate-no-2889-of-2020-against-jigar-dilip-shah-in-the-matter-of-finalysis-credit-and-guarantee-company-limited_47346.html</a>
27	Adjudication Order in respect of Goldcrest Jute Fibre Limited in the matter of SCORES Authentication	<a href="https://www.sebi.gov.in/enforcement/orders/aug-2020/adjudication-order-in-respect-of-goldcrest-jute-fibre-limited-in-the-matter-of-scores-authentication_47349.html">https://www.sebi.gov.in/enforcement/orders/aug-2020/adjudication-order-in-respect-of-goldcrest-jute-fibre-limited-in-the-matter-of-scores-authentication_47349.html</a>
28	Recalibration of threshold for Minimum Public Shareholding norms, enhanced disclosures in Corporate Insolvency Resolution Process (CIRP) cases	<a href="https://www.sebi.gov.in/reports-and-statistics/reports/aug-2020/recalibration-of-threshold-for-minimum-public-shareholding-norms-enhanced-disclosures-in-corporate-insolvency-resolution-process-cirp-cases_47360.html">https://www.sebi.gov.in/reports-and-statistics/reports/aug-2020/recalibration-of-threshold-for-minimum-public-shareholding-norms-enhanced-disclosures-in-corporate-insolvency-resolution-process-cirp-cases_47360.html</a>

29	Adjudication Order in respect of Balaji Infrasoftware Pvt. Ltd. in the matter of its dealing in Illiquid Stock Options at BSE	<a href="https://www.sebi.gov.in/enforcement/orders/aug-2020/adjudication-order-in-respect-of-balaji-infrasoftware-pvt-ltd-in-the-matter-of-its-dealing-in-illiquid-stock-options-at-bse_47361.html">https://www.sebi.gov.in/enforcement/orders/aug-2020/adjudication-order-in-respect-of-balaji-infrasoftware-pvt-ltd-in-the-matter-of-its-dealing-in-illiquid-stock-options-at-bse_47361.html</a>
30	Adjudication Order in the matter of The Orissa Minerals Development Co. Ltd.	<a href="https://www.sebi.gov.in/enforcement/orders/aug-2020/adjudication-order-in-the-matter-of-the-orissa-minerals-development-co-ltd-47370.html">https://www.sebi.gov.in/enforcement/orders/aug-2020/adjudication-order-in-the-matter-of-the-orissa-minerals-development-co-ltd-47370.html</a>
31	Processing status - Scheme of Arrangement.	<a href="https://www.sebi.gov.in/filings/processing-status/aug-2020/processing-status-scheme-of-arrangement-32683.html">https://www.sebi.gov.in/filings/processing-status/aug-2020/processing-status-scheme-of-arrangement-32683.html</a>
32	MPS Limited - Draft Letter of Offer	<a href="https://www.sebi.gov.in/filings/buybacks/aug-2020/mps-limited-draft-letter-of-offer-47372.html">https://www.sebi.gov.in/filings/buybacks/aug-2020/mps-limited-draft-letter-of-offer-47372.html</a>
33	Adjudication order in the matter of Maxima Systems Private Ltd.	<a href="https://www.sebi.gov.in/enforcement/orders/aug-2020/adjudication-order-in-the-matter-of-maxima-systems-private-ltd-47373.html">https://www.sebi.gov.in/enforcement/orders/aug-2020/adjudication-order-in-the-matter-of-maxima-systems-private-ltd-47373.html</a>
34	Securities and Exchange Board of India (International Financial Services Centres) Guidelines, 2015- Amendments	<a href="https://www.sebi.gov.in/legal/circulars/aug-2020/securities-and-exchange-board-of-india-international-financial-services-centres-guidelines-2015-amendments-47374.html">https://www.sebi.gov.in/legal/circulars/aug-2020/securities-and-exchange-board-of-india-international-financial-services-centres-guidelines-2015-amendments-47374.html</a>
35	Securities and Exchange Board of India (International Financial Services Centres) Guidelines, 2015 - Amendments	<a href="https://www.sebi.gov.in/legal/circulars/aug-2020/securities-and-exchange-board-of-india-international-financial-services-centres-guidelines-2015-amendments-47375.html">https://www.sebi.gov.in/legal/circulars/aug-2020/securities-and-exchange-board-of-india-international-financial-services-centres-guidelines-2015-amendments-47375.html</a>
36	Adjudication Order in the matter of Ravi Kumar Distilleries Ltd	<a href="https://www.sebi.gov.in/enforcement/orders/aug-2020/adjudication-order-in-the-matter-of-ravi-kumar-distilleries-ltd-47376.html">https://www.sebi.gov.in/enforcement/orders/aug-2020/adjudication-order-in-the-matter-of-ravi-kumar-distilleries-ltd-47376.html</a>
37	Attachment Proceeding No. 5894 and 5895 in Recovery Certificate 2845 of 2020 - Shri Arvind Babulal Goyal	<a href="https://www.sebi.gov.in/enforcement/recovery-proceedings/aug-2020/attachment-proceeding-no-5894-and-5895-in-recovery-certificate-2845-of-2020-shri-arvind-babulal-goyal-47378.html">https://www.sebi.gov.in/enforcement/recovery-proceedings/aug-2020/attachment-proceeding-no-5894-and-5895-in-recovery-certificate-2845-of-2020-shri-arvind-babulal-goyal-47378.html</a>
38	Adjudication Order in respect of MCS Share Transfer Agent Limited In the matter of Inspection/Audit of Books of MCS Share Transfer Agent Limited	<a href="https://www.sebi.gov.in/enforcement/orders/aug-2020/adjudication-order-in-respect-of-mcs-share-transfer-agent-limited-in-the-matter-of-inspection-audit-of-books-of-mcs-share-transfer-agent-limited-47379.html">https://www.sebi.gov.in/enforcement/orders/aug-2020/adjudication-order-in-respect-of-mcs-share-transfer-agent-limited-in-the-matter-of-inspection-audit-of-books-of-mcs-share-transfer-agent-limited-47379.html</a>
39	Master Circular for Mutual Funds	<a href="https://www.sebi.gov.in/legal/circulars/aug-2020/resources-for-trustees-of-mutual-funds-47291.html">https://www.sebi.gov.in/legal/circulars/aug-2020/resources-for-trustees-of-mutual-funds-47291.html</a>
40	In the matter of KP Capital Advisors Private Ltd. under SEBI (Prohibition of Insider Trading) Regulations, 2015	<a href="https://www.sebi.gov.in/enforcement/informal-guidance/aug-2020/in-the-matter-of-kp-capital-advisors-private-ltd-under-sebi-prohibition-of-insider-trading-regulations-2015-47389.html">https://www.sebi.gov.in/enforcement/informal-guidance/aug-2020/in-the-matter-of-kp-capital-advisors-private-ltd-under-sebi-prohibition-of-insider-trading-regulations-2015-47389.html</a>
41	Addendum cum Corrigendum to the Rights Issue of Minda Industries Limited	<a href="https://www.sebi.gov.in/filings/rights-issues/aug-2020/addendum-cum-corrigendum-to-the-rights-issue-of-minda-industries-limited-47392.html">https://www.sebi.gov.in/filings/rights-issues/aug-2020/addendum-cum-corrigendum-to-the-rights-issue-of-minda-industries-limited-47392.html</a>

42	Adjudication Order in the matter of National Stock Exchange of India Limited	<a href="https://www.sebi.gov.in/enforcement/orders/aug-2020/adjudication-order-in-the-matter-of-national-stock-exchange-of-india-limited_47395.html">https://www.sebi.gov.in/enforcement/orders/aug-2020/adjudication-order-in-the-matter-of-national-stock-exchange-of-india-limited_47395.html</a>
43	FAQ- Portfolio Managers	<a href="https://www.sebi.gov.in/otherentry/aug-2020/faq-portfolio-managers_47397.html">https://www.sebi.gov.in/otherentry/aug-2020/faq-portfolio-managers_47397.html</a>
44	Regulatory measures to continue	<a href="https://www.sebi.gov.in/media/press-releases/aug-2020/regulatory-measures-to-continue_47408.html">https://www.sebi.gov.in/media/press-releases/aug-2020/regulatory-measures-to-continue_47408.html</a>
45	Temporary relaxation in processing of documents pertaining to FPIs due to COVID-19	<a href="https://www.sebi.gov.in/legal/circulars/aug-2020/temporary-relaxation-in-processing-of-documents-pertaining-to-fpis-due-to-covid-19_47446.html">https://www.sebi.gov.in/legal/circulars/aug-2020/temporary-relaxation-in-processing-of-documents-pertaining-to-fpis-due-to-covid-19_47446.html</a>
46	Relaxation from default recognition due to restructuring of debt	<a href="https://www.sebi.gov.in/legal/circulars/aug-2020/relaxation-from-default-recognition-due-to-restructuring-of-debt_47447.html">https://www.sebi.gov.in/legal/circulars/aug-2020/relaxation-from-default-recognition-due-to-restructuring-of-debt_47447.html</a>

**LIST OF BSE CIRCULARS:**

<a href="#">Grievance Resolution between listed entities and proxy advisers' – Extension of timeline for implementation</a>	August 28, 2020
<a href="#">Updated Frequently Asked Questions (FAQs) on SEBI (Buy-back of Securities) Regulations, 2018</a>	August 18, 2020
<a href="#">Investor grievances redressal mechanism-Handling of SCORES complaints by stock exchanges and Standard Operating Procedure for non-redressal of grievances by listed companies</a>	August 18, 2020
<a href="#">Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2020</a>	August 6, 2020
<a href="#">Grievance Resolution between listed entities and proxy advisers.</a>	August 4, 2020

**15. COMPLIANCE REQUIREMENT UNDER COMPANIES ACT, 2013 AND RULES MADE THEREUNDER;**

Applicable Laws/Acts	Due Dates	Compliance Particulars	Forms / Filing mode
Companies Act, 2013	Within 180 Days From The Date Of Incorporation Of The Company + An additional time of 6 months shall be allowed by MCA (6+6 months)	As per Section 10 A (Commencement of Business) of the Companies Act, 2013, inserted vide the Companies (Amendment) Ordinance, 2018 w.e.f. 2nd November, 2018, a Company incorporated after the ordinance and having share capital shall not commence its business or exercise any borrowing powers unless a declaration is filed by the Director within 180 days from the date of Incorporation of the Company with the ROC. <a href="http://www.mca.gov.in/Ministry/pdf/CompaniesFourthAmendmentRules_19122018.pdf">http://www.mca.gov.in/Ministry/pdf/CompaniesFourthAmendmentRules_19122018.pdf</a>	MCA E- Form INC 20A (one time compliance)

Companies Act, 2013	First declaration within 90 days from the date of notification Dt. 08.02.2019	<p>A person having Significant beneficial owner shall file a declaration to the reporting company  <a href="http://www.mca.gov.in/Ministry/pdf/CompaniesOwnersAmendmentRules_08020219.pdf">http://www.mca.gov.in/Ministry/pdf/CompaniesOwnersAmendmentRules_08020219.pdf</a>                      i.e. within 90 days of the commencement of the Companies (Significant Beneficial Owners) Amendment Rules, 2019 i.e. 08.02.2019</p> <p>In case Subsequent Acquisition of the title of Significant Beneficial Owner / Any Change therein a declaration in Form No. BEN-1 required to be filed to the reporting company, within 30 days of acquiring such significant beneficial ownership or any change therein.</p>	Form BEN-1 Draft Format available at <a href="https://enlightengovernance.blogspot.com/2019/07/draft-format-for-ben-1-sbo-rules-2018.html">https://enlightengovernance.blogspot.com/2019/07/draft-format-for-ben-1-sbo-rules-2018.html</a>
Companies Act, 2013	30.09.2020  (Due Date Extended as covered under CFSS 2020 Scheme)	<p>Filing of form BEN-2 under the Companies (Significant Beneficial Owners) Rules, 2018.                      (Within 30 days from deployment of the E –form (earlier the date of receipt of declaration in BEN-1 )  <a href="http://www.mca.gov.in/Ministry/pdf/GeneralCircular_24092019.pdf">http://www.mca.gov.in/Ministry/pdf/GeneralCircular_24092019.pdf</a>                      BEN -2 due date extended till 31.03.2020                      Circulars Link:  <a href="http://www.mca.gov.in/Ministry/pdf/Circular1_01012020.pdf">http://www.mca.gov.in/Ministry/pdf/Circular1_01012020.pdf</a></p>	Form BEN – 2 (e-form deployed by Ministry (ROC)) on 01.07.2019
Companies Act, 2013	File between 1st April, 2020 to 30th September, 2020 without any Additional filing fee (Rs. 10,000/-)	<p>Filing of the particulars of the Company &amp; its registered office.                      (by every company incorporated on or before the 31.12.2017.)                      Due date extended- Link :  <a href="http://www.mca.gov.in/Ministry/pdf/CompaniesRegistrationOfficesFeesRule_25042019.pdf">http://www.mca.gov.in/Ministry/pdf/CompaniesRegistrationOfficesFeesRule_25042019.pdf</a></p>	Active Form INC -22A
Companies Act, 2013	File between 1st April, 2020 to 30th September, 2020 without any Additional filing fee (Rs. 5,000/-)	<p>*DIN KYC through DIR 3 KYC Form is an Annual Exercise.                      Last date for filing DIR-3 KYC for Financial year 2018-19 has been extended till 14th November 2019  <a href="http://www.mca.gov.in/Ministry/pdf/Companies5thAmendRules_30092019.pdf">http://www.mca.gov.in/Ministry/pdf/Companies5thAmendRules_30092019.pdf</a>  <a href="http://www.mca.gov.in/Ministry/pdf/Companies4thAmendRules_30092019.pdf">http://www.mca.gov.in/Ministry/pdf/Companies4thAmendRules_30092019.pdf</a>                      Annual Exercise:  <a href="http://www.mca.gov.in/Ministry/pdf/DIR3KYCcompleteMessage_13042019.pdf">http://www.mca.gov.in/Ministry/pdf/DIR3KYCcompleteMessage_13042019.pdf</a>                      Penalty after due date is Rs. 5000/-(one time)</p>	E-Form DIR – 3 KYC (Web Based and E-form)

Companies Act, 2013	within 60 days from the date of deployment of this form on the website of the Ministry.	Reconciliation of Share Capital Audit Report (Half-yearly) Pursuant to sub-rule Rule 9A (8) of Companies (Prospectus and Allotment of Securities) Rules, 2014 To be filed all unlisted companies, deemed public companies Till further clarification to be filled in GNL-2 <u>Applicable w.e.f. 30.09.2019</u> <u>Extension Notification:</u>	E-Form PAS – 6 Available w.e.f. 15.07.2020
Companies Act, 2013	Within 270 days from the date of deployment of this Form	Annual Return To Be Filed By Auditor With The National Financial Reporting Authority <a href="http://www.mca.gov.in/Ministry/pdf/Circular_06032020.pdf">http://www.mca.gov.in/Ministry/pdf/Circular_06032020.pdf</a> <a href="http://www.mca.gov.in/Ministry/pdf/Circular19_30042020.pdf">http://www.mca.gov.in/Ministry/pdf/Circular19_30042020.pdf</a> <a href="http://www.mca.gov.in/Ministry/pdf/GeneralCircularNo.26_06072020.pdf">http://www.mca.gov.in/Ministry/pdf/GeneralCircularNo.26_06072020.pdf</a>  Note on NFRA -2 <a href="https://enlightengovernance.blogspot.com/2020/06/note-on-form-nfra-2-auditors-return.html">https://enlightengovernance.blogspot.com/2020/06/note-on-form-nfra-2-auditors-return.html</a>	NFRA-2 (NFRA-2 e-Form live since 9th December 2019.)
Companies Act, 2013	Due date was 30.06.2020 and can be filed till 30.09.2020 under Moratorium period / CFSS	DPT 3 is a return of deposits that companies must file to furnish information about deposits and/or outstanding receipt of loan or money other than deposits.  Company can file Form DPT-3 upto 30.09.2020 without any additional fee	DPT-3

## Important Updates

### 1. MCA update on Extract on Annual Return (MGT – 9)

Ministry of Corporate Affairs (MCA) vide Gazette ID CG-DL-E-28082020-221419 dated 28<sup>th</sup> day of August 2020 has issued and published the Companies (Management and Administration) Amendment Rules, 2020, In exercise of the powers conferred under sub-section (3) of section 92, read with sub-sections (1) and (2) of section 469 of the Companies Act, 2013 (18 of 2013), the Central Government hereby makes the following rules further to amend the Companies (Management and Administration) Rules, 2014.

Applicable w.e.f. from 28<sup>th</sup> day of August, 2020.

#### Crux of this notification:

*“Provided that a **company shall not be required to attach the extract of the annual return with the Board’s report in Form No. MGT.9, in case the web link of such annual return has been disclosed in the Board’s report in accordance with sub-section (3) of section 92 of the Companies Act, 2013.**”*

For circular, <http://egazette.nic.in/WriteReadData/2020/221419.pdf>

○ **MCA MONTHLY UPDATE CALENDAR: AUGUST 2020**

Sl. No.	Particulars of the Circulars	Link
1	Report of the Committee on Business Responsibility Reporting	<a href="http://www.mca.gov.in/Ministry/pdf/BRR_11082020.pdf">http://www.mca.gov.in/Ministry/pdf/BRR_11082020.pdf</a>
2	The timeline for receiving the proposals for Research studies on Corporate Governance has expired. It will be informed when applications are being accepted again.	<a href="http://www.mca.gov.in/MinistryV2/homepage.html">http://www.mca.gov.in/MinistryV2/homepage.html</a>
3	Shri Keshav Chandra, IAS (AGMUT: 1995) has been appointed as Director in the Serious Fraud Investigation Office (SFIO) under Ministry of Corporate Affairs, with effect from the forenoon of 03.08.2020, for an overall tenure of five years up to 17.12.2022 or until further orders, whichever is earlier.	<a href="http://egazette.nic.in/WriteReadData/2020/221072.pdf">http://egazette.nic.in/WriteReadData/2020/221072.pdf</a>
4	Filling up the posts of Joint Registrar, Deputy Registrar, Assistant Registrar, Programmer, Court Officer, Private Secretary, Senior Legal Assistant, Assistant Library Information Officer, etc. on deputation basis in National Company Law Tribunal (NCLT) Benches. - Last date of receipt of applications is 19.10.2020.	<a href="http://www.mca.gov.in/Ministry/pdf/BRR_11082020.pdf">http://www.mca.gov.in/Ministry/pdf/BRR_11082020.pdf</a>
5.	Clarification on Extension of Annual General Meeting (AGM) for the financial year ended 31.03.2020, Companies Act, 2013	<a href="http://www.mca.gov.in/Ministry/pdf/vacancy_19082020.pdf">http://www.mca.gov.in/Ministry/pdf/vacancy_19082020.pdf</a>
6	NFRA issues Audit Quality Review Report of the Statutory Audit for FY 2017-18 of IL&FS Financial Services Limited	<a href="https://www.pib.gov.in/PressReleaseDetail.aspx?PRID=1646410">https://www.pib.gov.in/PressReleaseDetail.aspx?PRID=1646410</a>
7	Amendment of item no. (ix) in the Schedule VII of the Companies Act, 2013	<a href="http://www.mca.gov.in/Ministry/pdf/NotificationCompAct_26082020.pdf">http://www.mca.gov.in/Ministry/pdf/NotificationCompAct_26082020.pdf</a>
8	Amendment of the Companies (CSR Policy) Rules, 2014 of the Companies Act, 2013	<a href="http://www.mca.gov.in/Ministry/pdf/csr_26082020.pdf">http://www.mca.gov.in/Ministry/pdf/csr_26082020.pdf</a>
9	The timeline for receiving the proposals for Research studies on Corporate Governance has expired. It will be informed when applications are being accepted again.	<a href="http://www.mca.gov.in/">http://www.mca.gov.in/</a>

**16. IBBI UPDATES {INSOLVENCY AND BANKRUPTCY BOARD OF INDIA}**

Due to the emerging financial distress faced by most companies it has been decided to raise the threshold of default under section 4 of the IBC 2016 to Rs 1 crore (from the existing threshold of Rs 1 lakh). This will by and large prevent triggering of insolvency proceedings against MSMEs.

**❑ Important Notifications and Circulars Tracker**

Sl. No.	Notification(s)	Link(s)
1.	IBBI amends the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016	<a href="https://www.pib.gov.in/PressReleaseDetail.aspx?PRID=1644173">https://www.pib.gov.in/PressReleaseDetail.aspx?PRID=1644173</a>
2.	IBBI amends the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017	<a href="https://www.pib.gov.in/PressReleaseDetail.aspx?PRID=1644145">https://www.pib.gov.in/PressReleaseDetail.aspx?PRID=1644145</a>
3	Judgment dated 14th August, 2020 of the Hon'ble Supreme Court of India in the matter of Babulal Vardharji Gurjar Vs. Veer Gurjar Aluminium Industries Private Limited & Anr. [Civil Appeal No. 6347 of 2019]	<a href="https://www.ibbi.gov.in/uploads/legalframework/1ed59832c87f9e13834576ea2422825a.pdf">https://www.ibbi.gov.in/uploads/legalframework/1ed59832c87f9e13834576ea2422825a.pdf</a>
4	In the matter of Babulal Vardharji Gurjar Vs. Veer Gurjar Aluminium Industries Pvt. Ltd. & Anr., Civil Appeal No. 6347 of 2019	<a href="https://www.ibbi.gov.in/uploads/order/320634f0a711d9ce38341c894f27d5ef.pdf">https://www.ibbi.gov.in/uploads/order/320634f0a711d9ce38341c894f27d5ef.pdf</a>
5	In the matter of Univalue Projects Pvt. Ltd. vs. The Union of India & Ors. W. P. No. 5595 (W) of 2020 With C.A.N. 3347 of 2020 and others petitions	<a href="https://www.ibbi.gov.in/uploads/order/c2408a81f80576fadd8d0b4220955f58.pdf">https://www.ibbi.gov.in/uploads/order/c2408a81f80576fadd8d0b4220955f58.pdf</a>
6	In the matter of RV Registration	<a href="https://www.ibbi.gov.in/uploads/order/6d4da9fa42b1f6210bece7c997059634.pdf">https://www.ibbi.gov.in/uploads/order/6d4da9fa42b1f6210bece7c997059634.pdf</a>
7	In the matter of State Bank of India Vs. Anil Dhirajlal Ambani in IA No. 1009 of 2020 in CP(IB) 916 (MB) of 2020 & IA No. 1010 of 2020 in CP(IB) 917 (MB) of 2020	<a href="https://www.ibbi.gov.in/uploads/legalframework/1ed59832c87f9e13834576ea2422825a.pdf">https://www.ibbi.gov.in/uploads/legalframework/1ed59832c87f9e13834576ea2422825a.pdf</a>
8	In the matter of Mr. Rajneesh Singhvi, Insolvency Professional	<a href="https://www.ibbi.gov.in/uploads/order/3c503855080125570a2b64658bbb4dd1.pdf">https://www.ibbi.gov.in/uploads/order/3c503855080125570a2b64658bbb4dd1.pdf</a>
9	Invitation of Public comments: Discussion Paper on Corporate Liquidation Process	<a href="https://www.ibbi.gov.in/uploads/whatsnew/2020-08-26-184542-x70yo-1bc5a2ba5d43fda2a51fa372bf5bc76c.pdf">https://www.ibbi.gov.in/uploads/whatsnew/2020-08-26-184542-x70yo-1bc5a2ba5d43fda2a51fa372bf5bc76c.pdf</a>

**17. NBFC COMPLIANCE OVERVIEW**

Non-Banking Financial Companies (NBFCs) is a Company registered under the Companies Act 2013 engaged in the businesses) of providing financial services including loans & advances, leasing, hire purchase etc. They provide loans and advances and other credit facilities to business people or budding entrepreneur where Bank/Financial Institution are not comfortable, or say it is an alternative source of finance to businessman.

NBFCs are regulated by the Reserve Bank of India (RBI) within the framework of the Chapter IIIB of the Reserve Bank of India Act, 1934 and any rules made thereunder or any directions issued by it under the Act.

**A. NBFC MONTHLY COMPLIANCES SUBMITTED BY ALL NON-DEPOSIT TAKING NBFCs**

NAME	PURPOSE OF THE FORM	DEPARTMENT
Monthly Return	Monthly Return on NBFC--ND-SI with asset size of Rs.100 CR. & above	RBI
NBS_ALM-1	Statement of Short term dynamic liquidity to be filed within 10 days of the closer month	RBI
To be submitted by all deposit-taking NBFC's having asset size above Rs. 100 crores or public deposits of Rs. 20 crores and above		
NBS-6	Monthly Return stating Exposure to Capital Market	RBI

**B. NBFC QUARTERLY COMPLIANCES**

NAME	PURPOSE OF THE FORM	DEPT.
To be submitted by all deposit-taking NBFC's except residuary NBFC		
NBS-1	Quarterly Return on Material Financial Parameters of Deposit Taking NBFCs	RBI
NBS-2	Quarterly Statement of Capital Funds, Risk Assets/ Exposures and risk assets Ratio.	RBI
NBS 2: CA & CEO Cert.	Certifying NBS 2	RBI
NBS 3	Quarterly Return on Statutory Liquid Assets	RBI
To be submitted by all residuary non-banking companies		
NBS 3A	Quarterly Return on Statutory Liquid Assets	RBI
Quarterly Return on Non-Deposit Taking NBFCs	Return of investments	RBI
NBS -7	Quarterly Statement of Capital Funds, Risk-Weighted Assets and risk assets Ratio etc.	RBI
NBS-7: SA & CEO Cert.	Certifying NBS -7	RBI
Submitted by NBFCs having an asset size between 50 to 100 cr.		
Quarterly Return	Quarterly Return by NBFC-ND with asset size of Rs.50 to 100 Cr.	RBI
Submitted by all securitization and reconstruction company		
SCRC	Quarterly statement of assets acquired/ securitized/ reconstructed	RBI



**C. NBFC COMPLIANCE UNDER COMPANIES ACT, 2013**

FORM NAME	PURPOSE OF THE FORM	DEPARTMENT
E--Form MGT--7	Annual Return (Within 60 days of conclusion AGM)	ROC
E--Form AOC--4	Filing of annual financials i.e. Balance Sheet & Profit & Loss statement (Within 30 days of conclusion of AGM)	ROC
E-Form DIR-12	If there is any change in Directors (Within 30 days of the date of that change)	ROC

And any other Event based Compliance like DIR 3 KYC, ADT-1 etc.

**18. NCLT & NCLAT UPDATES**

Sl. No.	Particulars	Link
1	Constitution of Special Bench NCLT Kolkata from 24.8.2020 to 26.8.2020	<a href="https://nclt.gov.in/sites/default/files/August/circulars/Constitution_of_Special_Bench_NCLT_Kolkata_from_24.8.2020_to_26.8.2020.pdf">https://nclt.gov.in/sites/default/files/August/circulars/Constitution_of_Special_Bench_NCLT_Kolkata_from_24.8.2020_to_26.8.2020.pdf</a>
2	Constitution of Bench at NCLT Hyderabad on 28.8.2020 & 31.8.2020	<a href="https://nclt.gov.in/sites/default/files/August/circulars/Constitution_of_Bench_at_NCLT_Hyderabad_on_28.8.2020_%26_31.8.2020.pdf">https://nclt.gov.in/sites/default/files/August/circulars/Constitution_of_Bench_at_NCLT_Hyderabad_on_28.8.2020_%26_31.8.2020.pdf</a>
3	Corrigendum to advertisement issued vide O.M. No. 10/57/2016-NCLT (Pt.III) dated 17.08.2020 regarding Filling up various posts on deputation basis in NCLT	<a href="https://nclt.gov.in/sites/default/files/August/circulars/Corrigendum.pdf">https://nclt.gov.in/sites/default/files/August/circulars/Corrigendum.pdf</a>
4	Take notice that the matter listed on 25.08.2020 in the Court of Chairperson will not be taken up due to non-availability of the Bench. The next date of hearing will be notified later.	<a href="https://nclat.nic.in/Useradmin/upload/15939967095f3ff57657ed3.pdf">https://nclat.nic.in/Useradmin/upload/15939967095f3ff57657ed3.pdf</a>
5.	Take notice that the matter adjourned on 17.08.2020 in the Court - II will be listed	<a href="https://nclat.nic.in/Useradmin/upload/18120680085f3ff594094ad.pdf">https://nclat.nic.in/Useradmin/upload/18120680085f3ff594094ad.pdf</a>
6.	Filing of default record from Information Utility in petitions filed U/s 7 of IBC.	<a href="https://nclt.gov.in/sites/default/files/August/circulars/img20200813_14215869.pdf">https://nclt.gov.in/sites/default/files/August/circulars/img20200813_14215869.pdf</a>

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**This article is updated till 31<sup>st</sup> August, 2020 with all Laws / Regulations and their respective amendments.**

-----**THE END**-----

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AUGUST 2020

# Ghaziabad Chapter of NIRC of ICSI organizing a webinar on “Practical aspects of Nidhi Companies” on September 16, 2020



Ghaziabad  
Chapter

**THE INSTITUTE OF  
Company Secretaries of India**  
**भारतीय कम्पनी सचिव संस्थान**  
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## Practical aspects of Nidhi Companies

Wednesday, 16<sup>th</sup> September, 2020

11:00 AM to 12:30 PM

CHAIRMAN

EMINENT SPEAKER

SPECIAL INVITEE



CS Arjunn Kr. Tyagi  
Chairperson,  
Ghaziabad Chapter



CS Pawan G.  
Chandak, FCS MLL  
& LW, B. Com



CS Turab Chintawala

Registration Link:

<https://forms.gle/EzwNWP3oYJi6SRjE8>

Please Note:

1. Registration is only first-cum-first registration basis.
2. Only for members having Professional address at Ghaziabad.
3. Only up to first 70 valid registrations will accepted.
4. Credit hours will be awarded to only those members who join the complete webinar.
5. For any queries you may contact at [ghaziabad@icsi.edu](mailto:ghaziabad@icsi.edu)

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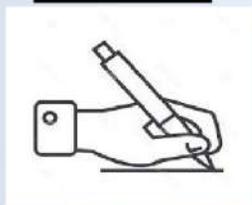
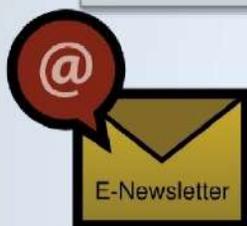
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