



CS NEWS
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Statutes

2018



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2018 – “Year of Ethics”. To Preach or Practice
Initiative by J Sundharesan

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“Governance is being moral; not amoral”

SIGNIFICANT BENEFICIAL OWNER

“**Significant Beneficial Owner**” means an individual referred to in sub-section (1) of section 90 (holding ultimate beneficial interest of not less than ten per cent.) read with sub-section (10) of section 89, but whose name is not entered in the register of members of a company as the holder of such shares, and the term ‘significant beneficial ownership’ shall be construed accordingly;

Explanation I. - *For the purpose of this clause, the significant beneficial ownership, in case of persons other than individuals or natural persons, shall be determined as under–*

(i) where the member is a company, the significant beneficial owner is the natural person, who, whether acting alone or together with other natural persons, or through one or more other persons or trusts, holds not less than ten per cent. share capital of the company or who exercises significant influence or control in the company through other means;

(ii) where the member is a partnership firm, the significant beneficial owner is the natural person, who, whether acting alone or together with other natural persons, or through one or more other persons or trusts, holds not less than ten per cent. of capital or has entitlement of not less than ten per cent. of profits of the partnership;

(iii) where no natural person is identified under (i) or (ii), the significant beneficial owner is the relevant natural person who holds the position of senior managing official; (iv) where the member is a trust (through trustee), the identification of beneficial owner(s) shall include identification of the author of the trust, the trustee, the beneficiaries with not less than ten per cent. interest in the trust and any other natural person exercising ultimate effective control over the trust through a chain of control or ownership;

Explanation II. - *It is hereby clarified that instruments in the form of global depository receipts, compulsorily convertible preference shares or compulsorily convertible debentures shall be treated as ‘shares’ for the purpose of this clause;*

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1. Declaration of significant beneficial ownership in shares under Section 90.-

- Every significant beneficial owner shall file a declaration in Form No. BEN-1 to the company in which he holds the significant beneficial ownership on the date of commencement of these rules within ninety days from such commencement and within thirty days in case of any change in his significant beneficial ownership.
- Every individual, who, after the commencement of these rules, acquires significant beneficial ownership in a company, shall file a declaration in Form No. BEN-1 to the company, within thirty days of acquiring such significant beneficial ownership or in case of any change in such ownership.

2. Return of significant beneficial owners in shares. –

Where any declaration under rule 3 is received by the company, it shall file a return in Form No. BEN-2 with the Registrar in respect of such declaration, within a period of thirty days from the date of receipt of declaration by it, along with the fees as prescribed in Companies (Registration offices and fees) Rules, 2014.

3. Register of significant beneficial owners. –

- The company shall maintain a register of significant beneficial owners in Form No. BEN-3.
- The register shall be open for inspection during business hours, at such reasonable time of not less than two hours, on every working day as the board may decide, by any member of the company on payment of such fee as may be specified by the company but not exceeding fifty rupees for each inspection.

4. Notice seeking information about significant beneficial owners. –

A company shall give notice seeking information in accordance with under sub-section (5) of Section 90, in Form No. BEN-4.

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5. Application to the Tribunal. –

The company may apply to the Tribunal in accordance with sub-section (7) of section 90, for order directing that the shares in question be subject to restrictions, including –

- (a) restrictions on the transfer of interest attached to the shares in question;
- (b) suspension of the right to receive dividend in relation to the shares in question;
- (c) suspension of voting rights in relation to the shares in question;
- (d) any other restriction on all or any of the rights attached with the shares in question.

6. Non-Applicability. –

These rules are not made applicable to the holding of shares of companies/body corporates, in case of pooled investment vehicles/investment funds such as Mutual Funds, Alternative Investment Funds (AIFs), Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs) regulated under SEBI Act.

HEADS UP ON EVENTS THAT LED TO HEADS TURN IN AUGUST 2018**Being on boards of eight other companies went against Deepak Parekh at HDFC vote**

US proxy advisory firm ISS had advised investors to vote against the resolution to reappoint Deepak Parekh as nonexecutive chairman of HDFC Ltd as he is on the boards of eight other companies and time constraints may prevent him from discharging his duties effectively.

“In addition to... directorship at the company, Deepak Parekh currently serves as directors of eight public companies,” said ISS Proxy Analysis & Benchmark Policy Voting Recommendations. The firm said investors may be concerned whether directors are able to fulfil their fiduciary responsibilities when they are serving on many boards. “While the demands of each board will vary, and the capacity of each person will vary, holding the equivalent of more than six directorships with publicly listed companies may make it challenging for a director to devote adequate time to the affairs of each company,” it said.

Apart from HDFC, Parekh is on the boards of DP World Ltd, Vedanta Resources Plc, Fairfax India Holdings Corporation, HDFC Standard Life Insurance, GlaxoSmithKline Pharmaceuticals Ltd., Siemens and The Indian Hotels.

Foreign institutional investors own over than 72% in the mortgage lending company. Some large investors include Aberdeen Asset Management, Oppenheimer Funds and GIC Singapore. “We didn’t vote against and in addition we believe Deepak Parekh is doing a good job,” said the spokesperson for Aberdeen Standard Investments in an email response to ET’s query. shares of HDFC fell 1.64% to Rs 1,994.75 on the Bombay Stock Exchange.

Source:<https://economictimes.indiatimes.com/industry/banking/finance/banking/being-on-boards-of-eight-other-companies-went-against-deepak-parekh-at-hdfc-vote/articleshow/65221240.cms>

Tycoon Pallonji Mistry battles to unlock \$17 billion of his wealth in India

Billionaire Pallonji Mistry has about 84 percent of his estimated \$20 billion fortune locked up in a legal battle with India’s largest conglomerate.

The conflict between Mistry and the Tata Group began with a boardroom coup in 2016, when the former’s son was ousted as chairman of the latter.

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Mistry is one of the largest shareholders in Tata Sons Ltd., which controls the \$100 billion conglomerate, and his family has since filed numerous lawsuits against the holding company's board, alleging suppression of minority interests and governance lapses.

The courtroom battle has continued, most recently focused on a move by Tata Sons to restrict shareholders from freely selling their stake -- a change recognized by the government this month. Mistry, who derives an estimated \$16.7 billion of his fortune from his 18.4 percent equity in Tata Sons, can no longer sell those holdings without the approval of a board his family has been fighting for two years. Mistry's Shapoorji Pallonji group didn't reply to an email seeking comment. A Tata Sons spokesman declined to comment. While Tata Sons has always been a closely held private entity, it was considered a public limited company due to its size under an old legal provision. That allowed investors greater flexibility in transferring their shares, according to Daizy Chawla, a New Delhi-based senior partner at law firm Singh & Associates. The law was altered some years back, allowing Tata Sons's shareholders to approve a change to its legal status last year, overriding objections from Mistry's son.

"Being a private company there is now restriction on the free transfer of shares by its shareholder and the transfer needs to be done with the approval of the board of directors,"

Source: <https://www.bloomberg.com/news/articles/2018-08-20/tycoon-battles-to-unlock-17-billion-of-his-wealth-in-india>

RBI asks rating firms to scan companies' bank details

Corporates will soon come under pressure to disclose bank statements with credit rating agencies.

The Reserve Bank of India (RBI) has directed rating firms to scan bank account details — capturing the flow of fund in and out of a company — in assessing its ability to repay loans. Many companies, it is widely believed, would be reluctant to part with such information which are shared with an external agency only when banks or regulators order a forensic audit of a borrower's books.

A rating agency tracking such data on money flows could be in a position to red flag possible diversion of fund through subsidiaries, shell companies or other parties.

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Understandably, any evidence of suspicious fund movements could put a company under rating watch and raise its cost of borrowing from banks and financial institutions, said a person familiar with the decision. About 25,000 companies are rated in the country, of which half are estimated to be below investment grade. The rating agencies are, however, overwhelmed by the task which would involve scrutinising thousands of bank statements in judging a company's debt servicing capability. “

Agencies have told the banking regulator about the enormity of the exercise – the sheer logistics and time it would involve, that credit rating firms are not auditors. But, RBI is insistent,” said a banker. The rating companies may have to use special software for analysing bank statements. While the RBI directive pertains to rating of bank loans, any adverse action on a bank debt rating immediately influences ratings of other tradable securities like bonds and debentures floated by the company to raise funds.

“Corporates are not under RBI's jurisdiction. So making them share bank statements could call for a government intervention,” said a source. The recent move follows RBI's decision to give rating agencies the mandate to rate debt instruments based on the resolution plan prepared with the consent of lenders and bankruptcy court for reviving a company.

Source: <https://economictimes.indiatimes.com/industry/banking/finance/banking/rbi-asks-rating-firms-to-scan-companies-bank-details/articleshow/65495475.cms>

Supreme Court notices to WhatsApp, Indian authorities

The Supreme Court on Monday issued notices to WhatsApp and Indian authorities, seeking their responses over a petition questioning the way the messaging service functions and its move to launch a payments platform while not having a physical presence in the country. A bench comprising Justices RF Nariman and Indu Malhotra issued notices to the ministries of law, home affairs, electronics and IT, finance and the Telecom Regulatory Authority of India, along with the US company. The petition said the telecom ministry was treating WhatsApp only as an OTT (over the top) service, whereas for all practical purposes it was functioning like a telecom service provider. Therefore, it said, the company must follow all conditions mandated for telecom operators, including having a grievance redressal system and data localisation.

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Both Facebook, which owns WhatsApp, and Google have appointed grievance redressal officers, but they are based outside India, it said. The petition said this was important in the runup to the 2019 elections when political parties would hire cyber warriors to influence results in the 48-hour no-campaigning period. ‘MUST STORE DATA IN INDIAN SERVERS’ WhatsApp has admitted it can use artificial intelligence to prevent fake accounts and stop a lot of the problematic content from being created, the petition said. This means the company has the means to stop inappropriate content and therefore must be held liable for transmission of such material on the platform, it said. This process must start with the appointment of a grievance officer, said the PIL, filed by Centre for Accountability and Systemic Change through lawyer Archana Pathak Dave. Lawyer Virag Gupta argued the case for the NGO. The petition urged the court to restrain the company from going ahead with the payments service it began testing in February, since it did not have an India office as mandated by the Information Technology (Intermediaries Guidelines) Rules, 2011. “In order to provide payment services, WhatsApp must be directed to store data in Indian servers as mandated by the RBI, and pay taxes on income caused due to its operations in India,” it said. Kartik Ganapathy, partner at IndusLaw, said the petition “merely makes several points about WhatsApp having a large user base and significant revenues in India but by virtue of having no (physical) presence in India being able to pick and choose the laws it wants to comply with. It, therefore, seeks a common ground of forcing WhatsApp to incorporate in India and therefore be subject to Indian taxes, rules and regulations.”

While the demand for a domestic presence seems fair and appropriate on the face of it, there are also other issues, he said. “Can a commercial enterprise be victimised due to actions of the user (a user it has no real ability to control)?” he said, adding, in this case, can WhatsApp be held responsible for what users spread on the platform — should it be bound to censor communications? “Isn’t it just as dangerous for WhatsApp to have a censor role as to not have one at all? What impact does this have on freedom of speech and expression? These are questions that need to be asked,” he said. “It also begs the question as to whether the state is in some manner abdicating its duty to serve and protect.”

He said it was “fair and appropriate” that commercial enterprises with a significant India connection to establish a presence in India. “We could think about what a significant India connection is (and it need not be purely commercial),” he said.

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Source: <https://economictimes.indiatimes.com/tech/internet/supreme-court-notice-to-centre-whatsapp-against-payments-service/articleshow/65560368.cms>

Shareholders await RBI decision on Kotak Mahindra Bank preferential share issue:

A few minority shareholders are understood to have raised eyebrows at the recent allotment of preferential shares by Kotak Mahindra Bank to pare the stake of the lender's founder and promoter Uday Kotak to 19.70 per cent from 30 per cent. These include foreign fund houses, which are uncertain about the transaction, and are waiting to see whether it will pass muster with the Reserve Bank of India. "Legally, there is nothing wrong with the transaction. But whether the promoter stake could have been reduced in another way is the main question," said a person familiar with the development, adding that they are on a wait-and-watch mode.

Paid-up capital: Kotak Mahindra Bank had last week issued non-convertible perpetual non-cumulative preference shares (PNCPS) on private placement basis to raise ₹500 crore. "Subsequent to this issue of ₹500 crore of PNCPS, the paid-up capital of the bank has increased from ₹953.16 crore to ₹1,453.16 crore," the lender had said in a regulatory filing. "This is part of the paid-up capital of the bank and we have informed the RBI," said Jaimin Bhatt, Group CFO, Kotak Mahindra Bank. Sources said the RBI is likely to revert later this month, and the allotment is in line with the central bank's guidelines. They also pointed out that a substantial dilution in equity would have adversely affected minority shareholders and this way their equity has not been diluted. "As of now, none of the minority shareholders have officially come forward with concerns," said a second person.

Shareholding pattern: According to the bank's shareholding pattern as on June 30, 2018, mutual funds and UTI hold 6.85 per cent equity in the lender, insurance companies hold 1.6 per cent stake, and foreign bodies 5.10 per cent. Analysts said the main issue is that there should be unified rules on ownership of banks, whether public or private, to ensure that their risk is contained through regulations and audits. "In this particular case, our analysis shows that if the RBI rules were to be implemented strictly, it would have hurt all stakeholders," said JN Gupta, Managing Director, Stakeholders Empowerment Services. In an earlier report, SES had said that cap on voting rights, board composition, and approval on appointment – coupled with oversight by the RBI – serves as sufficient deterrent on promoters' say. "Unless some other cogent reason is found, it is very clear that reduction in promoters holding will hurt investors as well as the bank without in any way strengthening the RBI control," it had said.

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A report by Morgan Stanley has dubbed the transaction by Kotak Mahindra Bank as an “interesting move”. It noted that the RBI’s recent guidelines have defined promoter ownership based on paid-up equity-share capital. “We need to see if the RBI is comfortable with the above move. If the RBI is fine, this reduces an overhang of big equity supply from the stock,” it said.

Source: <https://www.thehindubusinessline.com/money-and-banking/shareholders-await-rbi-decision-on-kotak-mahindra-bank-preferential-share-issue/article24617182.ece?homepage=true>

Norm to regulate foreign proxy advisory firms will create level-playing field: Experts

Kotak Mahindra Bank CEO & MD Uday Kotak’s call for regulation of foreign proxy advisory firms in India has found favour with experts who believe it will create a level-playing field but have warned that the right of foreign investors to vote must be respected. Kotak on Monday said concentration of voting through global proxy advisory services leads to concentration of voting power in the hands of a few global agencies and added that foreign players in India should be regulated in the same way as local proxy services are regulated. His comments came after nearly 23 per cent investors voted against re-appointment of Deepak Parekh as a director on the HDFC board based on the advice of two US proxy advisory firms. Proxy advisory firms are independent research outfits and provide investors with research and data about companies and opinion on issues on which shareholders have to vote on. In India, such home-grown firms have to register with market regulator SEBI and are regulated by it while global companies have no such obligation.

Significant contribution: Experts point out that in the past, these firms have done significant work and have also flagged issues in companies such as Infosys and even the stand-off between Cyrus Mistry and Ratan Tata. But, if companies or directors don’t do their jobs or fail to show up for meetings, then shareholders will take action, they noted. “Regulation is not a gagging order. If we are seeking funds from foreign investors in our companies, then we also need to respect their right to vote,” noted Shriram Subramaniam, MD, InGovern. Arvind Mahajan, Senior Partner, Samiksha Advisors, pointed out that proxy advisory firms have raised many corporate governance issues in various companies. “They have an important role to play. But foreign firms should also be regulated by SEBI, which is already regulating Indian firms,” he said, pointing out that even in the US, the Securities and Exchange Commission looks into such firms.

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JN Gupta, Managing Director, Stakeholders Empowerment Services, said proxy advisory firms, both Indian and foreign, do not have much direct impact on the voting outcome of general meetings in India, except in related-party transactions, as in most cases promoters' shareholding is usually significant and non-institutional shareholders' participation is low. "However, investors' anger and dissatisfaction demonstrated through negative votes can make the company management sit up and notice," he said, while calling for regulation of foreign proxy advisory firms as well to create a level-playing field.

Source: <https://www.thehindubusinessline.com/markets/norm-to-regulate-foreign-proxy-advisory-firms-will-creat-level-playing-fields-experts/article24635681.ece>

Bhushan Steel MD Neeraj Singal arrested for corporate fraud:

The Serious Fraud Investigation Office (SFIO) has arrested Neeraj Singal, Managing Director of Bhushan Steel, for indulging in corporate fraud. According to the Ministry of Finance and Corporate Affairs, he is accused of siphoning off funds of over ₹2,000 crore from the loans availed by Bhushan Steel Ltd (BSL), using more than 80 companies. The companies were used for rotation of funds through bogus loans and advances, investments, etc. The investigation was carried out by the SFIO after complaints from various sources, an official release said, adding that Singal was produced before the court of competent jurisdiction on Thursday and was sent to judicial custody till August 14. During the course of the investigation, the SFIO found that the erstwhile promoters used fraudulent means to divert/siphon off funds raised by the then management of BSL from public sector banks using several associate companies. "This has led to wrongful losses to the banks and other investors in these companies," it said. "The erstwhile promoters/ directors of BSL have not been cooperating during the investigation till now. Apart from failing to appear before the investigation team, the material facts were also concealed," it added. After insolvency resolution, the ownership and control over BSL has been transferred to the Tata Group, it said.

Source: <https://www.thehindubusinessline.com/companies/bhushan-steel-md-neeraj-singal-arrested-for-corporate-fraud/article24646702.ece>

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The curious case of Infosys CFO's resignation:

The resignation of Infosys CFO MD Ranganath within three years of his predecessor Rajiv Bansal putting in his papers has caught the IT industry by surprise. The Infosys board announced on Saturday that the resignation of Ranganath, a veteran, has been accepted. The board put on record its appreciation of his contribution towards the growth and success of Infosys. "During his long stint in the company, I have seen him in a wide spectrum of leadership roles and in each of them he has delivered results with distinction. "With Ranga as CFO, the company has, in the last three crucial years, delivered a strong and resilient financial performance on multiple fronts, implemented an efficient capital allocation policy, and earned the respect of all stakeholders through enhanced value creation," said Infosys Chairman Nandan Nilekani. Industry sources pointed out that it was quite unusual for a CFO to quit before the board could find a replacement for him. While the board has said that it will start the search for a person to replace him immediately, clearly it was caught unawares by the development, the sources said. Sources said colleagues at Infosys expected Ranganath to get a seat on the board as a reward for successfully managing the crisis, along with top executives, when NR Narayana Murthy and others had raised issues about the way the acquisitions of Panaya and Skava were handled. Murthy had put out a media statement within hours of Ranganath quitting saying he was an outstanding executive. According to multiple sources BusinessLine spoke to, his colleagues had expected an announcement during the recent AGM about Ranganath's elevation to the board.

Source:<https://www.thehindubusinessline.com/money-and-banking/the-curious-case-of-infosys-cfos-resignation/article24731941.ece?homepage=true>

NCLAT directs Tata Sons not to force Mistry family to sell its stake:

Providing a sense of interim relief to Cyrus Mistry, the National Company Law Appellate Tribunal ruled that Tata Sons must not invoke provisions to force the Shapoorji Pallonji (SP) group to sell its stake. The SP group is the single largest minority shareholder in Tata Sons, with an 18.4 per cent stake. The SP group is currently run by Shapoor Mistry, elder brother of Tata Sons' ousted chairman Cyrus Mistry. The appellate tribunal, which also admitted Mistry's petition, will start the hearing in the case from September 24. BusinessLine has reviewed a copy of the order. "

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If the appellants are forced to sell their shares which may affect the merits of the appeal, as they will cease to be member(s) of the company, we direct the respondents (Tatas) not take any step in terms of Article 75 for transfer of shares of minority shareholders like appellants and others during the pendency of the appeal,” the appellate tribunal said in its order. “No further interim order is required to be passed at this stage,” it said, adding, “the appeal is admitted for hearing”. However, NCLAT declined to pass an order on Mistry’s plea to prevent Tata Sons from converting itself into a private firm. On Friday, a two-member bench of justices SJ Mukhopadhaya and Bansi Lal Bhat said the tribunal will decide on the conversion issue after the final hearing of the case. In September last year, Tata Sons had received shareholders’ nod to convert itself into a private firm and also change the name to Tata Sons Pvt Ltd

Source: <https://www.thehindubusinessline.com/companies/nclat-directs-tata-sons-not-to-force-mistry-family-to-sell-its-stake/article24774099.ece>

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Corporate Development Judicial

CASE LAW	Balkrishan Gupta & ORS v. Swadeshi Polytex Ltd & ANR [SC]
DECIDED ON	February 12, 1985
LEGISLATION	Companies Act, 1956- Section 169- member's right to vote
BRIEF FACTS	requisitionists' meeting shares of one of the requisitionists were attached by collector and receiver was also appointed – whether such shareholder's shares could be considered for the eligibility criteria – whether such requisitionist could participate in the meeting- Held, Yes.

Facts: The dispute involved in this case relates to the validity of an extraordinary general meeting of the Swadeshi Polytex Ltd. (hereinafter referred to as 'the Polytex Company'), held pursuant to a notice issued under Section 169 of the Act by some of its members. The principal ground urged on behalf of the appellants is that the extraordinary general meeting had not been validly called since the Cotton Mills Company had ceased to enjoy the privileges of a member of the Polytex Company by reason of the appointment of a Receiver by the Collector of Kanpur in respect of the ten lakhs shares in the Polytex Company held by the Cotton Mills Company, the attachment of the 9 lakhs shares out of the said 10 lakhs shares and also the pledge of 3,50,000 shares out of the said 10 lakhs shares with the Government of Uttar Pradesh as security for the loans advanced by it. The total paid-up equity share capital of the Polytex Company is Rs. 3,90,00,000 (39,00,000 shares of Rs. 10 each) and it is not disputed that if the 10 lakhs shares held by the Cotton Mills Company are omitted from consideration, the remaining requisitionists would not have sufficient voting strength to issue a notice under Section 169 of the Act. The appellants contend that the Cotton Mills Company could not, therefore, join the other requisitionists in issuing the notice under section 169 of the Act calling upon the Polytex Company to call the extraordinary general meeting and without the support of the shares held by the Cotton Mills Company, the remaining requisitionists would not have been eligible to requisition the meeting.

Decision: Appeal Dismissed

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CASE LAW	Executive Engineer, PWD & ORS v. Commissioner Workmen's Compensation [J&K]
DECIDED ON	June 4, 2018
LEGISLATION	Workmen's Compensation Act, 1923- injury to contract labour
BRIEF FACTS	Permanent disablement- whether principal employer is liable to pay compensation-Held, Yes.

Facts:

The respondent No. 2, an iron smith by profession, engaged by respondent No. 3 as labour for construction of road for Appellant, while working with respondent No. 3 sustained grievous injuries in an accident. Respondent No. 2 was immediately shifted to District Hospital, Doda, where owing to his injuries, his right forearm below elbow was amputated. As a result of these injuries, respondent No. 2 was rendered permanently disabled. He preferred a claim petition before respondent No. 1, which was allowed.

The appellant appealed to the High Court challenging the award passed by respondent No. 1 on the following grounds: —

(a) That in the absence of the privity of contract between the appellant and respondent No. 2, the liability to pay compensation could not have been fastened on the appellant.

(b) That the accident had not occurred during or in the course of employment and, therefore, the appellant was not liable to pay any compensation.

Decision: Appeal Dismissed

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From the Government

Companies (Registration of Charges) Amendment Rules, 2018

[Issued by the Ministry of Corporate Affairs vide F. No. 01/10/2013 CL-V dated 05.07.2018. Published in the Gazette of India Extraordinary, Part - II, Section - 3, Sub Section (i) vide Notification No. G.S.R. 614(E) dated 06.07.2018]

In exercise of the powers conferred by 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 (Registration of Charges) Rules, 2014, namely: —

1. (1) These rules may be called the Companies (Registration of Charges) Amendment Rules, 2018.

(2) They shall come into force from the date of their publication in the Official Gazette.

2. In the Companies (Registration of Charges) Rules, 2014,

(i) in rule 3, in sub-rule (1), for the words “and filed”, the words “shall be filed” shall be substituted;

(ii) for sub-rule (1) of rule 8, the following shall be substituted namely; -

“8. “(1) A company **or charge holder** shall within a period of **three hundred days** from the date of the payment or satisfaction in full of any charge registered under Chapter VI, give intimation of the same to the Registrar in Form No. CHG-4 along with the fee.”;

(iii) in rule 12, in sub-rule (1), for the words “within thirty days” the words “**within a period of three hundred days**” shall be substituted.

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SAVE OUR ENVIRONMENT**SOLAR POWER TREE**

Union Minister for Science & Technology and Earth Sciences, Dr. Harsh Vardhan, launched the 'Solar Power Tree' today in New Delhi. The Solar Power Tree harnesses solar energy for producing electricity with an innovative vertical arrangement of solar cells. It thus reduces the requirement of land as compared to conventional Solar Photovoltaic layout, on one hand, while keeping the land character intact on the other. Even the cultivable land can be utilized for solar energy harnessing along with farming at the same time. The innovation finds its viability both in rural and urban areas. The Solar Power Tree innovatively addresses the challenge of increasing demand for Green Energy by gainfully utilizing scarce land resources in the country.



The device has been functioning effectively at three places in West Bengal as a pilot project. As a future prospect, the Solar Power Tree would be developed in a rotatable module, which would have a motorized mechanism to align itself with the movement of the Sun during the day. Hence, it would be possible to harness 10-15% more power over and above the current capacity. The Salient Features of the Solar Power Tree are:

- It takes only 4 square feet of land for a 5 KW Solar Power tree, whereas in a conventional layout, it requires 400 square feet of land.

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- By holding the photovoltaic panels at a higher height, on an average it gets more sunrays for one hour in a day. As a result, it is possible to harness 10-15% more power in comparison to a conventional layout on ground.
- It has a battery back-up of 2 hours on full load, hence giving light even after sunset.
- It is facilitated with water sprinkler at the top for self-cleaning of panels, that increases the efficiency of the solar panels.
- The estimated cost of the device is around Rs. 5 Lakh for a 5 KW specification.

Source: <http://pib.nic.in/newsite/PrintRelease.aspx?relid=147570>

UPDATES

MCA UPDATES

DATE	SOURCE	DESCRIPTION
August 7, 2018	Updates on MCA	<ul style="list-style-type: none"> • <u>The draft companies (Cost records and Audit) Amendment Rules, 2018.</u> • <u>Notice inviting comments on the draft company (Cost Record and Audit) Amendment Rules.2018</u> <p>Source:http://www.mca.gov.in/Ministry/pdf/CommencementNoti07_08082018.pdf</p>
August 10, 2018	Updates on MCA	<ul style="list-style-type: none"> • <u>Companies (Prospectus and Allotment of Securities) Second Amendment Rules, dated 07.08.2018.</u> <p>Source:http://www.mca.gov.in/Ministry/pdf/RuleProspectusSecurities07_08082018.pdf</p>
August 23, 2018	Updates on MCA	<ul style="list-style-type: none"> • <u>Companies (Registration Offices and Fees) fourth Amendment Rules, 2018 dated 21.08.2018</u> • <u>Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2018 dated 21.08.2018</u> <p>Source:http://www.mca.gov.in/Ministry/pdf/CoRegistrationRule21_2083018.pdf</p>

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RBI UPDATES

DATE	SOURCE	DESCRIPTION
September 1, 2018	Updates on RBI	<ul style="list-style-type: none"> • <u>Foreign investment in India - Reporting in Single Master Form:</u> <p>In the first phase, the first module viz., the Entity Master, was made available online. In the second phase, the second module is being made available with effect from September 01, 2018. With the implementation of SMF, the reporting of FDI, which is presently a two-step procedure viz., ARF and FC-GPR is merged into a single revised FC-GPR. At present five forms viz., FC-GPR, FC-TRS, LLP-I, LLP-II and CN are being made available for filing in SMF.</p> <p>With effect from September 01, 2018, all new filings for the above 5 forms have to be done in SMF only. Further note that the other four forms viz., ESOP, DI, InVi and DRR would be made available subsequently.</p> <p>Source:https://rbidocs.rbi.org.in/rdocs/FEMAMASTER/PDFs/SMF-FIRMS347E34AF5938415DAD0904E0584FB5A1.PDF</p>

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“Governance is being moral; not amoral”