JS Global Values Indian Solutions.

INSIDE THIS ISSUE

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2019 – "Year of Conflicts" - Overtly or Covertly

"Governance is evaluated overtly not covertly"

STOP PRESS – REVISED DUE DATES FOR REGISTRAR OF COMPANIES (ROC) RETURN FILINGS

Sl. No.	Particulars	Due Date	E- Form	Notifications
1	Filing of Form PAS-6 (Half Yearly Audit Report on Reconciliation of Share Capital), with the ROC	**Due date : - On or before 30.11.2019 (due date extended to)** Within 60 days from the date of deployment of the form on the website of Ministry of Corporate Affairs.	PAS-6	http://www.mca.gov.in/Ministry/pdf/FormPAS6_28112019.pdf
2	Filing of NFRA-2 by every auditor referred to in rule 3 of NFRA rules with the Authority.	**Due Date On or before 31.12.2019 (due date extended to)** within 90 days from the date of deployment of the form on the website of NFRA.	NFRA-2	http://www.mca.gov.in/Ministry/pdf/NFRA_27112019.pdf
3	Relaxation of additional fees and extension of last date for filing of form AOC-4 (Financial Statement) under the Companies Act, 2013- UT of J&K and UT of Ladakh - reg.	**Due Date On or before 30.11.2019 (due date extended to) 31.01.2020**	AOC-4/ AOC-4 XBRL	http://www.mca.gov.in/Ministry/pdf/MGTAnnualReturnAOC4FinancialStatement_28112019.pdf

4.	Relaxation of additional fees and extension of last date for filing of forms MGT-7 (Annual Return) under the Companies Act, 2013- UT of J&K and UT of Ladakh - reg.	**Due Date 31.12.2019 (due date extended to) On or before 31.01.2020**	MGT-7	http://www.mca.gov.in/Ministry/pdf/MGTAnnualReturnAOC4FinancialStatement_28112019.pdf

HEADS UP ON EVENTS THAT LED TO HEADS TURN IN NOVEMBER 2019

Income tax department cancels registration of six Tata Trusts:

The income-tax department has cancelled the registration of six Tata Trusts — Jamsetji Tata Trust, RD Tata Trust, Tata Education Trust, Tata Social Welfare Trust, Sarvajanik Seva Trust and Navajbai Ratan Tata Trust. The order was issued by the office of the principal commissioner of income tax, Mumbai, on October 31. "The Trusts would like to clarify that this order of cancellation is a culmination of the decision taken by these six Trusts in 2015 to surrender, of their own volition, their registration under the Income Tax Act and to not claim the associated tax exemptions. The decision to surrender the registration (an option available in law) was taken in the best interests of the Trusts and to maximise the resources available to the Trusts for their charitable work which is the principal object and focus of the Trusts,"

The statement reiterated the stand of the Tata Trusts that the cancellation should take effect from 2015. "While the tax department's order has cancelled the Trusts' registration with immediate effect, we believe that as a matter of law and consistent with the department's own decision in the past, the cancellation should take effect from 2015, when the registrations were surrendered and the Trusts themselves consented to cancellation." Tata Trusts said they are studying the order and will take legal recourse soon. "The Trusts are examining the order and will take necessary next steps in accordance with the law. The Trusts have effective legal options to vindicate their grievances against the order both factually and legally," said the statement from Tata Trusts.

According to sources familiar with the issue, the tax authorities have 'refused' to accept the Trusts' contention that the cancellation should be with effect from 2015. Sources said the I-T department will soon send a demand notice. "There is no merit in the Trusts' contention that since they have surrendered their licence in 2015, provisions of Section 115 (TD) cannot be applied. The cancellation order has been passed, and it will be followed by a demand notice that amounts to several thousand crores," said a person privy to the development. According to Section 115 (TD) of the I-T Act, a trust whose registration is cancelled must pay tax on accumulated income. In July, the tax department had served notices on the six Tata trusts seeking to reopen assessment and questioning their decision to 'surrender' registrations in 2015. Replying to the notice last month.

Source:http://economictimes.indiatimes.com/articleshow/71858277.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

Infosys: No prima facie evidence to support allegations of whistleblower group:

Infosys has said there is no prima facie evidence to corroborate any of the allegations made in the whistleblower group's complaint. In a statement to the NSE, Infosys said the Audit Committee had retained the services of the law firm Shardul Amarchand Mangaldas & Co. to investigate the matter. Moreover, even before the appointment of the independent investigator, the Audit Committee began consultations with independent internal auditors Ernst & Young. The independent internal auditors were given the mandate to review certain processes on the basis of the allegations in the Anonymous Complaints. The company has not received any supporting evidence to substantiate the allegations.

Two of the Anonymous Complaints were received on September 30, 2019. On October 16, 2019, the company was made aware of a letter that referred to a September 30, 2019 complaint purportedly written to the Office of the Whistleblower Protection Program, Washington D.C. In statements to the stock exchanges on October 21, 2019 and October 22, 2019, the company had said the Anonymous Complaints were placed before the Audit Committee on October 10, 2019 and the non-executive members of the board on October 11, 2019, in accordance with the whistleblower practice of the company. Disclosure under SEBI regulations: For an event/ information to warrant disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, read with SEBI Circular CIR/CFD/CMD/4/2015 dated September 9, 2015 ("LODR Regulations"), unless such event/ information is specifically listed as a deemed material event, the event/ information needs to be disclosed only if determined by a company to be material.

The Company's Policy for Determining Materiality for Disclosures inter-alia requires for the determination of 'materiality' on a case-to-case basis, depending on the specific facts and circumstances relating to the information/ event, and further based on an application of the qualitative and quantitative criteria mentioned therein.

Source:https://www.thehindubusinessline.com/companies/infosys-no-prima-facie-evidence-to-support-allegations-made-by-whistleblower-group/article29876740.ece

Johnson & Johnson says tests find no asbestos in baby talc

Late last week, Johnson and Johnson (J&J) said it had conducted over 60 new tests on the same bottle of baby powder previously tested by the United States Food and Drug Administration (USFDA). But found no asbestos. This round of testing had followed a voluntary recall of the product by J&J, after the USFDA had found that a sample from one lot of the product contained chrysotile fibres, a type of asbestos.

"Consumers who have Johnson's Baby Powder lot #22318RB should stop using it immediately and contact Johnson & Johnson for a refund. The FDA stands by the quality of its testing and results and is not aware of any adverse events relating to exposure to the lot of affected products," the USFDA had said. Against this backdrop, J&J's latest test findings may bring it some cheer, as the multinational remains locked in litigation in the US over possible links between its talcum powder and ovarian cancer. However, the test findings may not quite clear the air of confusion that continues to linger over baby talc and other such talcs that crowd the marketplace. In the US, the loop will need to be closed with the USFDA, which had raised the red flag on the baby talc.

And in India, say regulatory experts, the Drug Controller General of India needs to send out a clear advisory on whether talc products are safe to use. Regulators' nod needed In its latest clarification, J&J said that 15 new tests from the same bottle of Johnson's Baby Powder previously tested by the US regulator found no asbestos. An additional 48 new laboratory tests of samples from the single lot of Johnson's Baby Powder that the company had voluntarily recalled (Lot #22318RB) also confirm that the product does not contain asbestos. "These tests were conducted by two third-party laboratories as part of the Company's ongoing testing and investigation," the company said. But former Maharashtra FDA Commissioner Mahesh Zagade, who had hauled up baby talc years ago for another harmful ingredient, pointed out that consumers cannot take the company's word for it and would need an "all clear" from a regulatory authority.

Source: https://www.thehindubusinessline.com/companies/johnson-johnson-says-tests-find-no-asbestos-in-baby-talc/article29888609.ece

Birla's may let Voda Idea go insolvent if government doesn't help:

Aditya Birla Group will not infuse any fresh equity into Vodafone Idea Ltd, its telecom joint venture with Vodafone Group of UK, and let it opt for insolvency if the government does not provide substantial relief, including on the telco's adjusted gross revenue (AGR)-based dues, which could be over 39,000 crore, senior executives aware of the matter said. "The telecom business seems to be making money for everyone else except the players. It is unviable and unsustainable and will only drag down the group's profitability.

We need to rethink our capital allocation better in a difficult business environment," said a senior group executive. A group official said the Indian conglomerate agreed with the comments of Vodafone Group CEO Nick Read. "If you don't get the remedies being suggested, the situation is critical," Read said after Vodafone Group's quarterly results on Tuesday. "If you're not a going concern, you're moving into a liquidation scenario - can't get

any clearer than that." Read added that without any government relief, the future of the India JV was in doubt, and that the global telco won't be infusing any further equity into the venture. He sought to go back on some of his remarks on Wednesday. In an apology letter to the Indian government, Read said his comments were distorted and thanked the administration for setting up a committee of secretaries to devise a relief package for the stressed sector. This followed the government conveying its displeasure to the company at his remarks. The Vodafone Idea stock ended 7.5% lower at Rs 3.70 on the BSE on Wednesday.

Source: https://economictimes.indiatimes.com/industry/telecom/telecom-news/birlas-may-let-voda-idea-go-insolvent-if-government-doesnt-help/articleshow/72047968.cms?from=mdr

Airtel, Voda-Idea report combined loss of ₹73,000 cr

The future of Sunil Bharti Mittal's and Kumar Mangalam Birla's telecom empire is looking bleak with Bharti Airtel and Vodafone Idea reporting second-quarter losses that together amount to over ₹73,000 crore. While Airtel reported its highest-ever loss of ₹23,045 crore compared to a net profit of ₹119 crore in the corresponding period last year, Vodafone Idea recorded a loss of ₹50,921 crore, the highest-ever loss for a corporate in India. Tata Motors held that record after posting a loss of ₹26,961 crore for the third quarter of 2018.

Both operators have made provisions to pay Adjusted Gross Revenue dues to the Centre following an adverse ruling by the Supreme Court. Provisions for AGR: Airtel has provided for an additional charge aggregating to ₹28,450 crore. Vodafone Idea has provisioned ₹25,677.9 crore for AGR payments.

The loss for Vodafone Idea would have been higher had it provisioned for the total estimated payout of about ₹44,150 crore. Both operators said that they were hoping to get relief on AGR payments from the government. "We are in active discussions with the government seeking financial relief following the recent Supreme Court ruling," said Ravinder Takkar, Managing Director and Chief Executive Officer, Vodafone Idea.

Analysts tracking the telecom sector said that if the government insists on collecting the dues without giving any relief, then a number of companies will have no option but to shut their operations. "Other than Reliance Jio, all the other operators will find it difficult to sustain operations with this kind of payout. Telecom, once the poster boy of reforms, is set for a huge crash if the government does not step in," said an analyst.

Source:https://www.thehindubusinessline.com/info-tech/airtel-voda-idea-report-combined-loss-of-73000-cr/article29975154.ece

Coal scam: Court awards 3-year jail term to two directors of Company

A Delhi court on Thursday awarded varying jail terms to three persons in a coal scam case related to irregularities in the allocation of the Jharkhand-based North Dhadhu coal block. Two directors of Pawanjay Steel and Power Limited (PSPL), Gyanchand Prasad Agarwal (70) and Umesh Prasad Agarwal (58), were sentenced to rigorous imprisonment for a period of three years each for the offences of criminal conspiracy (120-B of IPC) and cheating (420 of IPC), while 65-year-old S K Kanungo, Chief Manager (Marketing) of Hari Machines Ltd (HML), was jailed for a period of two years for the offence punishable under 120-B of the IPC. Special judge Bharat Parashar also imposed a fine of Rs 75 lakh on the company, while Rs 40 lakh each was imposed on the Agarwals. Besides, the court also directed Kanungo to pay a fine of Rs one lakh.

It said "dishonest misrepresentation" was made by the accused before the Screening Committee and it continued even before then Prime Minister Manmohan Singh, who was also holding the portfolio of Minister of Coal, approved the recommendation of the committee. "Off-late the anti-social activities of persons of the upper socioeconomic strata of the society in their occupation and which have come to be known as 'white collar crimes' have attracted attention... "Such white collar crimes are in fact more dangerous to the society than ordinary crimes, firstly, because the financial losses are much higher, and, secondly because of the damages inflicted on public morale," the court said.

Source: https://economictimes.indiatimes.com/news/politics-and-nation/coal-scam-court-awards-3-year-jail-term-to-two-directors-of-company/articleshow/72056441.cms?from=mdr

Penalise companies for non-compliance with Ambient Air Quality Norms: CII-Niti Aayog report:

The monitoring mechanism for air pollution should be strengthened and entities must be penalized for not complying with Ambient Air Quality Standards, recommends the CII-Niti Aayog report on clean industry for reducing air pollution from major industrial sources in Delhi-NCR. Individuals, organizations and utilities who own or service the building and any other infrastructure in the national capital region (NCR) cities and towns may be penalized 5-10 per cent of the project cost for not being able to comply with the ambient air quality standard, says the report.

It recommends a two-tier monitoring and enforcement mechanism which includes monitoring and enforcement at local level by conducting random checks through local bodies at hotspots of air pollution. The tier-II includes real-time monitoring and enforcement which needs to be strengthened by the concerned state pollution control boards, suggests the report. “It is recommended that competent authority (Central Pollution Control Board) notifies under the

Air (Prevention and Control of Pollution) Act, 1981 that the civic agencies (local bodies, authorities, landowning agencies, etc) may be penalised for non-compliance in their area," recommends the report. Such sources include construction and demolition of urban infrastructure or buildings; maintenance of urban infrastructure; and operations of public or private utilities.

In addition to penalties for individuals and organisations, civic or landowning agencies may be penalised based on the direct correlation of estimated health impact from air pollution and cost to society. The proposed notification under the Air (Prevention and Control of Pollution) Act, 1981, may suggest an appropriate mechanism for attributing social and environmental cost to these activities, the report said. Key anthropogenic activities addressed in this report include fugitive emissions from construction, demolition and allied activities (manufacturing and transportation of construction materials) and energy-related emissions from diesel generators, thermal power plants and brick kilns.

Source:https://www.thehindubusinessline.com/companies/penalise-companies-for-non-compliance-with-ambient-air-quality-norms-cii-niti-aayog-report/article29998597.ece

Audit failure: Punish the guilty, do not debar firms, suggests company law panel:

Large audit firms may have a cause for cheer with the Company Law Committee (CLC) veering around to the view that debarring an audit firm should be an exception, and not a rule, when tackling audit failures. The 11-member panel headed by Corporate Affairs Secretary Injeti Srinivas has, in its report submitted to the Finance Minister, taken a view that an audit firm should be debarred only if the firm refuses to cooperate in the proceedings or if its top management is involved in the fraud.

The CLC said debarment may be restricted to those individuals/partners associated with the firm actually involved in the fraud. It suggested that this may be taken up in the next round of company law reforms. Simply put, this clarity could be introduced in the company law at a later date when the next round of legal changes are contemplated. 'Harsh' regime:

This is in variance with the current regime where the National Financial Reporting Authority (NFRA), the new regulator of auditors in listed and large companies, is empowered to pass an order debarring any auditor — an individual or a firm — from being appointed an auditor, an internal auditor or a valuer for a minimum period of six months and a maximum of 10 years. Also, there is no legal provision to limit the debarment to the partner(s) actually involved in the wrongdoing. The CLC's stance is bound to come as music to the ears of several professional firms, especially those operating as Limited Liability Partnerships with, say, 200-300 audit partners.

Source:https://www.thehindubusinessline.com/economy/policy/audit-failure-punish-the-guilty-do-not-debar-firms-suggests-company-law-panel/article30041457.ece

MCA wants accounts of fraud-hit CG Power to be restated:

The Ministry of Corporate Affairs (MCA) wants fraud-hit CG Power and Industrial Solutions to restate accounts of the past five fiscal years reflecting the actual financial position of the company, including receivables from companies linked to erstwhile promoter Gautam Thapar, sources said. The new management of the company, soon after the fraud came to light, had on August 30 expressed desire to restate financial accounts for last five years and it will now expedite the process. Sources said MCA has filed a petition before the Mumbai-bench of the National Company Law Tribunal (NCLT) seeking permission to re-open the books of account and recast the financial statements of CG Power and its subsidiary companies for the past five financial years beginning 2014-15. Wants auditors to re-open account books:

It wants chartered accountants to re-open the books of account and recast the financial statements of the company and its subsidiary firms. MCA had previously asked its Serious Fraud Investigation Office (SFIO) to probe the affairs of the company along with 15 other firms, including two subsidiaries CG Power Solutions Ltd and CG International BV. CG Power, which has ousted its chairman over allegations of financial irregularities, had plans to re-examine its accounts over the past fiscal years to ascertain whether similar transactions may have escaped detection after an internal probe into current performance revealed nine such deals.

A recent investigation by the company revealed that the nine wrongful transactions caused the company to lose around Rs 3,300 crore. It has asked companies linked to promoter Gautam Thapar, among others, to return the money and has initiated the second phase of the probe to fix responsibility for the alleged fraudulent transactions.

Source:https://www.thehindubusinessline.com/companies/mca-wants-accounts-of-fraud-hit-cg-power-to-be-restated/article30059691.ece

Karvy clampdown: SEBI order leaves many questions unanswered:

On Friday evening SEBI put out an emergency order 'partially' restraining Karvy Stock Broking (KSBL) from doing business. The order kicked up a storm as KSBL is one of the largest retail brokerage house in India. It was an 'ex-parte-ad-interim' order that said KSBL cannot take any new clients, and instructed Depository Participants to not take any instructions from the broker for transfer of client securities, even if they hold power of attorney

from clients, unless the securities are backed from full payment from clients. This is tantamount to a virtual halt to Karvy's client business.

The order has now drawn many critics as it leaves the following crucial questions unanswered: Forensic audit without an order spelling out the charges SEBI, in its order, said that it was issuing the order against Karvy "pending forensic audit." It is now learnt that Karvy is undergoing a forensic audit, and accounting firm EY has been put on the job. Surprisingly, this is a rare case where SEBI has allowed a forensic audit without passing an appropriate order.

Recent instances show that SEBI issues a well-reasoned order against those companies giving out the detail charges which required a forensic audit. But in the case of Karvy, that has not been done. Recent instances where SEBI issued a forensic audit and clearly spelt out the charges in an order include action against companies like Fortis Healthcare, Religare, CG Power and its order against a large number of companies that were declared as shell. Also, the forensic audit is ordered by SEBI mainly under three circumstances including manipulation of accounts of company, non-disclosure of key financial transactions, siphoning of funds by company promoters or key management.

Source:https://www.thehindubusinessline.com/markets/stock-markets/karvy-clampdown-sebi-order-leaves-many-questions-unanswered/article30075305.ece

Company directors can't just resign and walk away:

As the rejection of the resignation of Anil Ambani and others from Reliance Communications brought out, directors must stay and ensure smooth resolution of the IBC process. The stand taken by the Committee of Creditors of Reliance Communications in rejecting the resignation of Anil Ambani and four other directors of the company

y is right, as it ensures that the people who were at the helm while the company was run to the ground are around to ensure the completion of the resolution process; until the dues of the creditors are, at least partly, paid.

The beleaguered company had to shut down its mobile operations after being unable to pay dues exceeding ₹33,000 crore. Asking Ambani and other directors to continue with their duties and responsibilities and provide full cooperation in the insolvency resolution is only justified as they would be the most well-equipped to provide information regarding the assets and liabilities of the company. The rules on handling the resignation of the managing director and members on the board of the corporate borrower are not explicitly spelt out in the Insolvency and Bankruptcy Code.

The adjudicating authority accepts the suspension of powers of the board of directors and their transfer to the resolution professional, once the insolvency resolution process begins; however, the board members and the managing director are expected to continue discharging their duties pertaining to the running of the business. The main difference is that while the chief executive functioned under the supervision of the board of directors earlier, he would function under the supervision of the resolution professional once insolvency proceedings commence.

Source:https://www.thehindubusinessline.com/opinion/editorial/company-directors-cant-just-resign-and-walk-away/article30099436.ece?homepage=true

Case law	*DUNCANS INDUSTRIES LTD v. A.J. AGROCHEM [SC]*
Decided on	*October 04, 2019*
Legislation	*IBC*
Brief facts	*That the appellant is a Corporate Debtor. It is a company which owns and manages 14 tea gardens. Out of 14 tea gardens, the Central Government vide notification dated 28.01.2016, in exercise of its power under Section 16E of the Tea Act, 1953 has taken over the control of 7 tea gardens.* *It used to supply pesticides, insecticides, herbicides etc. to the appellant. According to the respondent operational creditor, a sum of Rs.41,55,500/- was due and payable by the appellant corporate debtor to the respondent operational creditor. That the respondent initiated the proceedings against the appellant corporate debtor before the NCLT under Section 9 of the IBC. Initiation of the proceedings under the IBC would be maintainable or not?*

Facts: In the present case the Division Bench of the High Court of Calcutta has permitted the appellant corporate debtor to continue with the management of the said tea estates. In the facts and circumstances of the case, and more particularly when, despite the notification under Section 16E of the Tea Act, the appellant corporate debtor is continued to be in management and control of the tea gardens/units and are running the tea gardens as if the notification dated under Section 16E has not been issued, Section 16G of the Tea Act, more particularly Section 16G (1) (c), shall not be applicable at all.

Therefore, considering Section 238 of the IBC, which is a subsequent Act to the Tea Act, 1953, shall be applicable and the provisions of the IBC shall have an overriding effect over the Tea Act, 1953. A In view of the above and for the reasons stated above, the present appeal fails and the same deserves to be dismissed and is accordingly dismissed.

Decision: **Appeal dismissed.**

Source: https://indiankanoon.org/doc/132105056/

Case law	*SURESH CHANDER GUPTA v. VATIKA LIMITED [CCI]*
Decided on	*October 3, 2019*
Legislation	*Competition Act, 2002*
Brief facts	*The Informant has alleged that there is selling of property through unfair means by nexus between Vatika and property dealers. The Informant has also alleged that Vatika has not taken appropriate action to promote 'Vatika Town Square' and is probably diverting funds collected from Block-D for other projects. The Informant has further alleged that the BBA is completely silent on its obligation to inform buyers and take mitigating measures to minimize adverse impact of force majeure event. The Informant has, inter-alia, sought to conduct an enquiry into the anti-competitive conduct on the part of Vatika and refund of advance payment and suitable compensation for mental harassment*

Facts: The Commission observes that the provisions of Section 3 of the Act have no application to the present case as the Informant is a consumer and agreement with a consumer does not fall within the ambit of the Section 3 of the Act. With regard to Section 4 of the Act, the Commission observes that the matter relates to sale of commercial units in a project developed by Vatika which was booked by the Informant and an advance was paid by him. The relevant product market for the purposes of the present case is the "provision of services for development and sale of commercial space" and the relevant geographic market in the instant case would be 'Gurugram'. Thus, the relevant market would be the market of "provision of services for development and sale of commercial space in Gurugram".

Decision: **Dismissed.**

Source: https://indiankanoon.org/doc/8085518/

FROM THE GOVERNMENT

Ministry of Corporate Affairs Updates

Companies (Meetings of Board and its Powers) Rules, 2O14

In exercise of the powers conferred by sections 173, 177, 178 and section 186 read with section 469 of the Companies Act, 2013 (18 of 20I3), the Central Government hereby makes the following rules further to amend the Companies (Meetings of Board and its Powers) Rules, 20 14, namely:-

(a) in sub-clauses (i) and (ii). the words "or rupees one hundred crore, whichever is lower", shall be omitted;

(b) in sub-clause (iii), for the words "amounting to ten per cent or more of the net worth of the company or ten per cent or more of turnover of the company or rupees one hundred crore, whichever is lower", the words "amounting to ten per cent or more of the turnover of the company" shall be substituted; and

(c) in sub-clause (iv), the words "or rupees fifty crore, whichever is lower". shall be omitted.

Source: http://egazette.nic.in/WriteReadData/2019/214065.pdf

Notification - Section 396 dt 30.10.2019 for ROC Jammu -Jurisdiction of UT of JK and UT of Ladakh

In exercise of the powers conferred by sub-sections (1) and (2) of section 396 of the companies Act, 2013 (18 of 2013), the Registrar of companies shall have jurisdiction in respect of Union territory of Jammu and Kashmir and Union territory of Ladakh, for the purpose of registration of companies and discharging the functions under the aforesaid Act..

Sources: http://www.mca.gov.in/Ministry/pdf/NotificationIICA_22102019.pdf

Preamble – The Insolvency and Bankruptcy (Application to Adjudicating Authority for Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) Rules, 2019

In exercise of the powers conferred by sub-section (1), clauses (g), (h), (i), (m), (n) and (o) of sub-section (2) of section 239 read with clause (e) of section 2 and sub-section (2), clauses (c) and (e) of sub-section (14) and clause (e) of sub-section (15) of section 79 of the Insolvency and Bankruptcy Code, 2016 (31 of 2016), the Central Government hereby makes the rules.

Sources: http://egazette.nic.in/WriteReadData/2019/213963.pdf

Securities & Exchange Board of India (SEBI) updates

Enhanced Governance Norms for Credit Rating Agencies (CRAs)

In order to further enhance governance and accountability of Credit Rating Agencies (CRAs), the following directions are being issued: 1. In partial modification of para 3B of Annexure A of SEBI circular No. SEBI/HO/MIRSD/MIRSD4/CIR/P/2016/119 dated November 1, 2016 regarding MD/CEO being a member of rating committee, it has been decided that:

A. MD/CEO of a CRA shall not be a member of rating committees of the CRA.
B. Rating committees of a CRA shall report to a Chief Ratings Officer (CRO).
C. One third of the board of a CRA shall comprise of independent directors, if the board is chaired by a non-executive director. In case the board of the CRA is chaired by an executive director, half of the board shall comprise of independent directors.

Source: https://www.sebi.gov.in/legal/circulars/nov-2019/enhanced-governance-norms-for-credit-rating-agencies-cras-_44862.html

Enhanced Due Diligence for Dematerialization of Physical Securities

The Securities and Exchange Board of India (SEBI) has vide, the SEBI (Listing Obligations & Disclosure Requirements) (Fourth Amendment) Regulations, 2018, inserted the following proviso clause under Regulation 40(1) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (SEBI LODR): Provided that, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. The said proviso clause provides that unless the securities are held in dematerialized form, no request for transfer of the securities shall be processed. The sole exception being transmission or transposition of securities.

Source:https://www.sebi.gov.in/legal/circulars/nov-2019/enhanced-due-diligence-for-dematerialization-of-physical-securities_44863.html

RBI Updates

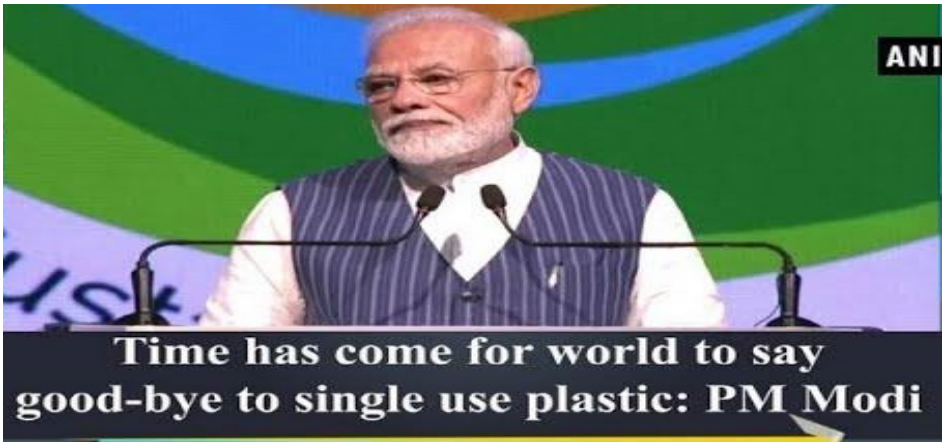
Foreign Exchange Management (Deposit) (Third Amendment) Regulations, 2019:

In exercise of the powers conferred by clause (f) of sub-section (3) of section 6, sub-section (2) of section 47 of the Foreign Exchange Management Act, 1999 (42 of 1999), the Reserve Bank of India makes amendment in the Foreign Exchange Management (Deposit) Regulations, 2016 (Notification No. FEMA 5 (R)/2016-RB dated April 01, 2016)

Source: https://www.rbi.org.in/scripts/FS_Notification.aspx?Id=11736&fn=5&Mode=0

SAVE OUR ENVIRONMENT

Time has come for the world to say good-bye to single-use plastic:



Prime Minister Narendra Modi said that the time has come for the world to say 'good-bye' to single-use plastic. **"**My government has announced that India will put an end to the single-use plastic in the coming years. I believe the time has come for even the world to say good-bye to single-use plastic,**"** Prime Minister Modi said while addressing the 14th Conference of Parties (COP14) to United Nations Convention to Combat Desertification (UNCCD). The conference is being held at a time when India has assumed the COP Presidency for two years.

"India looks forward to making an effective contribution as we take over the COP Presidency for a two-year term," Prime Minister Modi added.

Last month, during his monthly radio address to the nation, 'Mann Ki Baat', the Prime Minister had pitched for launching a "new mass movement" against single-use plastic from October 2, the birth anniversary of Mahatma Gandhi. He also spoke about the initiative during the Independence Day address, urging people to join the movement.

Source:https://economictimes.indiatimes.com/news/environment/the-good-earth/time-has-come-for-the-world-to-say-good-bye-to-single-use-plastic-pm-modi/articleshow/71045348.cms