



Team CimplyFive Wishes you all a very happy, prosperous and compliant new year 2020



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## OPINION:

### What is Hot in Company Law?



Our free to use website [www.ca2013.com](http://www.ca2013.com) has the unique distinction of providing an integrated view of the Companies Act, LODR and IB code. [Read more...](#)

### Compliance calendar

Due dates for Professional tax, Goods and Service Tax, Companies Act, 2013 among others has been captured for your ready reference. [View the list...](#)

### Gist of Regulatory Changes in Companies Act, 2013, SEBI (LODR), 2015 and Insolvency & Bankruptcy Code, 2016 in the month of December, 2020

Five Regulatory changes in Companies Act, 2013, SEBI (LODR), 2015 and Insolvency & Bankruptcy Code, 2016 were made in the month of December.

[View the list...](#)

### Tech 4 Company Sec ethical Hacking for Company Secretaries (eH 4 CS)



By Shankar Jaganathan

'The more things change, the more they remain the same' is an old proverb that stands the test of time, even in this digital age. [Read more...](#)

### BUT: BLISS Useful Tips for the Month

**BUT#99:** [Changes made in the agenda/minutes gets Auto-saved in BLISS](#)

**BUT#100:** [Delegation Made Easy With BLISS \(Updated feature\)](#)

**BUT#101:** [Get your Past Records digitized with BLISS \(Updated feature\)](#)

**BUT#102:** [Generate Customised Reports from Statutory Registers](#)

### What's new in BLISS?

In BLISSPLUS and BLISSLISTED:

1. Director to vote with Comment
2. User style guide adoption enhanced

In BLISS, BLISSPLUS and BLISSLISTED:

1. Check on Attachment/Annexure upload

[Read more...](#)

### January 2020 Release

Our research report CimplyFive's India Secretarial Practice 2019, A Study of Nifty 50 Companies is near complete, undergoing final proofing. Expect this informative report in January 2020.

## Team CimplyFive Wishes you all a very happy, prosperous and compliant new year 2020

2019 was a momentous year for the Indian corporate professionals for it saw unprecedented action, reaction and response on the regulatory front, triggered by the penalty provisions relating to mandatory CSR spends. A major fallout of this uproar was the move to de-criminalise most of violations under corporate law. This is a welcome move for it not only corrects a major anomaly of uncertain and delayed enforcement, but also promises certain and swift action for non-compliance thereby ushering in the era of much more compliant Indian corporate sector.

CimplyFive too had a memorable 2019 as we got three certification ISO 27001 for ISMS, ISO 27017 for Cloud Operations and ISO 27018 for Protecting Personally Identifiable Information, certification. This is in addition to the SOC2 Type 2 certification that we have from a Certified Public Accountant who is also a CISA (Certified Information Security Auditor) since January 2018.

Our product portfolio is growing steadily over the last five years both in product range and features:

- At the product variant level, we have BLISS for small unlisted companies, BLISSPLUS for large unlisted companies, BLISSLISTED for debt and equity listed companies, BLISSGLOBAL for foreign subsidiaries of Indian companies and BLISSDOCS our paperless board app for directors, and
- At the feature level, we add fifteen major enhancements to provide a richer experience to our user base. A brief summary is listed here for your ready reference:

S no	Feature	Customer Value
1	Multiple Admins	<b>Security enhanced:</b> by preventing sharing of passwords
2	User-defined Sub-committees	<b>New Functionality:</b> to meet the needs of large listed companies, NBFCs and PE Invested companies

3	Circular resolution for sub-committees	<b>New Functionality:</b> to meet the needs of companies with shareholder agreements having covenants requiring board approval for many operational decisions
4	User defined frequency for generating reminders	<b>Customize to user needs:</b> Based on customer feedback we have made the four features configurable thereby enabling users to adapt to technology faster from their current methods.
5	Option to place attachments in Board agenda- at the end or after each resolution	
6	Creating agenda and minutes using user defined style guide	
7	Creating user defined folders in e-repository	
8	Annotate Agenda and Minutes	<b>Ease of use:</b> for directors in referring to the board documents thereby enhancing productivity
9	Bookmark feature for Agenda and Minutes	
10	Corporate Action Planner for 12 major corporate events with checklists and calendar	<b>Enhanced productivity for corporate secretarial teams:</b> by automating repetitive and manual work by leveraging technology thereby enhancing the quality of work and enriching job content.
11	Generate user defined Reports from Registers	
12	Upload multiple files in a single click	
13	Replicate entire meetings	
14	Automatic update of approval date on approval of circular resolution	
15	Prefilled forms for Registering, Modification and Satisfaction of Charges	

As we move into 2020, we are happy to inform you that our hands are full executing new ideas that will further enhance the quality of work and enrich the job content for the corporate secretarial professional, while at the same time providing corporate directors with peace of mind on the compliance front, as they devote their energies to create value for their stakeholders.

We at CimplyFive look forward to serving you in 2020 and beyond. Please do share your ideas with us as we build a long and mutually beneficial relationship.

**Yours Sincerely,**  
**CimplyFive Team**  
**January 6, 2020**

## OPINION:

### What is Hot in Company Law?

Our free to use website [www.ca2013.com](http://www.ca2013.com) has the unique distinction of providing an integrated view of the Companies Act, LODR and IB code. Proving its utility, it crossed **6 million page-views** in December and attracts over 3000 users accessing 6000 pages a day. Listing of the most viewed sections in the Companies Act, LODR and IB code for the month of December 2019 is based on visitors to our site.

#### Company Law Top 5 Chartbuster sections in December 2019

Rank Nov.	Change in Rank	Rank Dec.	Section ref.	Section title
1	↔	1	188	Related party transactions
New	↑	2	179	Powers of Board
4	↑	3	186	Loan and investment by company
New	↔	4	139	Appointment of Auditors
2 New	↓ ↑	5 5	135 185	Corporate Social Responsibility Loans to directors, etc.

Section 179, 139 and 185 are new entrants, replacing sections 134 and 130.

#### LODR Top 5 Chartbuster Regulations in December 2019

Rank Nov.	Change in Rank	Rank Dec.	Regulation reference	Regulation Title
4	↑	1	17	Board of Directors
1	↓	2	30	Disclosure of Events or Information
3	↔	3	23	Related party transactions
New	↑	4	34	Annual Report
5	↔	5	29	Prior Intimations

Regulation 34 is new entrant replacing Regulation 33.

#### IB Code Top 5 Chartbusters in December 2019

Rank Nov.	Change in Rank	Rank Dec.	Section ref.	Section Title
1	↔	1	5	Definitions
2	↔	2	59	Voluntary liquidation of corporate persons
4	↑	3	7	Initiation of corporate insolvency resolution process by financial creditor
New	↑	4	8	Insolvency resolution by operational creditor
3	↓	5	9	Application for initiation of corporate insolvency resolution process by operational creditor

Section 8 is a new entrant replacing section 30.

## Tech 4 Company Sec ethical Hacking for Company Secretaries (eH 4 CS)

By Shankar Jaganathan

'The more things change, the more they remain the same' is an old proverb that stands the test of time, even in this digital age. Two thousand years ago, Chanakya in Arthashastra- Book II, Chapter VIII, paragraph 67, listed out forty techniques of embezzlement. His intent was not to train embezzlers, instead, it was to educate auditors and help them catch embezzlements and design systems to prevent it.

In the digital world, ethical hacking is a concept like the auditor of Chanakya's time who were trained to catch embezzlement by studying different methods of embezzlement. Likewise, ethical hackers test software for vulnerabilities to be fixed before they are adopted for real world usage. The primary objective of an ethical hackers is to identify all potential points of vulnerability in a software and prevent it from being hacked by unethical 'hackers' who may misuse the software's vulnerability.

Intent is the only point that separates an ethical hacker from an 'unethical' hacker; while the former wants to protect the software and make it safe for all users, the later seeks to take advantage of the vulnerabilities in a software for their personal, often unethical gains.

### ethical Hacking

Internet based software is a boon for the users as it is easily accessible, not very expensive and can be implemented in a short time span. At the same time, internet based software opens up untold risks of misuse that can have serious implications related not just to the availability of the software for future use but also to potential misuse of information in the software leading to financial losses to the owners, reputational blemishes to the parties concerned and endanger the personal safety of the individuals whose personal information are made public.

Twenty first century has seen significant progress made in automating the process of identifying vulnerabilities in software by automated VAPT (Vulnerability Assessment and Penetration Testing) tools. A plethora of tools are available both in the

market and in the open source domain for conducting VAPT tests. Due to fierce competition and varied requirements of the users, there is no one leader in this space. Some of the leading players in this segment are Synopsys (Cigital), Acunetix, Checkmarx, Qualys, Rapid7, CA Technologies (Veracode), Hewlett Packard Enterprise, IBM, Whitehat Security, Trustwave, Contrast Security, Portswigger, Wireshark and Netsparker among others.

Like in all other automation suites, in VAPT tools too only what is known is automated. As new hacking techniques and practices evolve, ethical hackers keep pace with it by supplementing tool-based penetration testing with manual efforts that cover new, evolving and untried techniques. Hence the quality of ethical hacking that a software undergoes is a result of both the quality of tools used and the capability of the individual who supplements it.

### Ethical Hacking for Company Secretaries

It goes without saying that any software used by Company Secretaries need to be safe and secure for, they deal in confidential information most of the time and in some specific instances with personal information too. This requirement is necessary not only for software accessed over the internet but also for desktop software as most desktops have internet access and hence can be "reached" by an unethical hacker.

To play it safe, Company Secretaries should ensure that the software they use which can be accessed over internet is certified for security and availability using standards like ISO for data security and confidentiality. Further, they need to ascertain if their software has undergone VAPT and the frequency at which VAPTs are conducted. The accepted industry standards on frequency is once a year or after every major enhancement, whichever comes earlier.

As their name suggests, company secretaries are required to keep their company's secrets, and to ensure that that they protect the information in their custody, before they use any software, they need to be aware of and ask for VAPT reports from their software vendors to ensure that their corporate secrets are safe and secure.

## Board Leaders Integrated Software Solutions



### BLISSPLUS

### BLISS LISTED

### BLISSGLOBAL

### BLISSDOCS

### CAIRR<sup>+</sup> LODR Integrated

BLISS is a Cloud hosted software that automates the routines, provides an e-repository, timely alerts and a real-time dashboard, all aimed at ensuring compliance and good corporate governance. By doing so, it provides complete peace of mind to the Board of Directors and assurance to professionals by providing them with real-time compliance status with respect to the Companies Act,2013

An advanced variant of BLISS with multiple premium features like Directors view, facility to store past Secretarial records, automated compliance tracker for sizebased compliance under the Companies Act,2013

An advanced variant of BLISSPLUS for Listed Companies with Companies Act,2013 and SEBI's LODR 2015 compliances integrated to provide a single point compliance automation, risk manager & e-repository for secretarial records including past secretarial records.

BLISSGLOBAL for Global Corporate Secretarial teams which helps in handling compliances for companies incorporated across the world by providing Risk Management DashBoard, activity tracker and e-repository of secretarial records.

An Android/IOS based Board app for Directors which enables conducting paperless Board Meetings by providing secure access to Board documents on Tablets/mobile phones, thereby enhancing Directors productivity and making the Board meetings efficient & effective

CAIRR is a free to use website from CimplyFive that provides at your fingertips, an integrated view of the Companies Act, 2013, IB Code, 2015 and LODR, 2015. The site and app is updated daily at 10AM for changes in the Act & Regulations. For more details, please visit [www.ca2013.com](http://www.ca2013.com)

## Compliance Calendar

January 7 <sup>th</sup>	TDS payment for December
January 15 <sup>th</sup>	Pay PF contribution for December
	ESIC payment for December
	Submit Corporate Governance Report to Stock Exchange (Reg 27(2) of LODR)
January 20 <sup>th</sup>	GST Payment for December - GSTR 3B
	Professional Tax payment
January 21 <sup>st</sup>	Statement of Investor complaints (Reg 13(3) of LODR)
	Submit Shareholding Pattern to Stock Exchange (Reg 31 of LODR)
January 25 <sup>th</sup>	PF Return for month of December
January 31 <sup>st</sup>	For registered persons with aggregate turnover up to ₹ 1.5 Crores GSTR-1 (Oct-Dec,2019)

## Gist of regulatory changes in Companies Act, 2013, SEBI (LODR), 2015, SEBI (PIT), 2015 and Insolvency & Bankruptcy Code, 2016 in the month of December, 2020

- **19.12.2019**

### [Designation of Special Court for Jammu and Kashmir, Uttarakhand and Ladakh](#)

The Central Government with the concurrence of the Chief Justices of the High Court at Uttarakhand, Nainital and Jammu and Kashmir designate the below mentioned Courts as Special Courts-

A. To ensure speedy trial of offences punishable with imprisonment of two years or more-

- 'Court of IV Additional District and Session Judge, Dehradun' for State of Uttarakhand (and).
- 'Principal Sessions Judge, Leh' for Union territory of Ladakh.

B. To ensure speedy trial of other offences-

- 'Court of II Additional Chief Judicial Magistrate, Dehradun' for State of Uttarakhand.

- 'Sub-Judge/Special Mobile Magistrates, Jammu and Srinagar' for Union territory of Jammu and Kashmir.
- 'Chief Judicial Magistrate, Leh' for Union territory of Ladakh.

### [Amendment to Notification No. S.O. 1796\(E\) dated 18.05.2016](#)

MCA vide this Notification has amended the Notification No. S.O. 1796(E) to provide that "Courts of Additional Sessions Judges Anti-corruption, Jammu and Srinagar" shall now have Jurisdiction as Special Court for Union territory of Jammu and Kashmir.

- **26.12.2019**

### [The Securities and Exchange Board of India \(Listing Obligations and Disclosure Requirements\) \(Fifth Amendment\) Regulations, 2019](#)

Regulation 34(2)(f) is modified - SEBI requires the top One Thousand Listed Entities based on market capitalization to describe in its business responsibility report the initiatives taken by it from an environmental, social and governance perspective. This requirement was earlier limited to top Five Hundred Listed Entities.

Proviso is inserted to Regulation 42(2) – In case of rights issue, the Listed entities shall intimate the Record Date to the stock exchange/s at least Three working days prior instead of Seven working days.

- **28.12.2019**

### [The Insolvency and Bankruptcy Code \(Amendment\) Ordinance, 2019](#)

The Insolvency and Bankruptcy Code, 2016 is amended vide this ordinance to fill critical gaps by incorporating the following:

- to give the highest priority for repayment of last mile funding to corporate debtor to prevent insolvency,
- to provide immunity against prosecution of the corporate debtor,
- to prevent action against the property of such corporate debtor and successful resolution applicant subject to fulfilment of certain conditions

All the 12 sections amended by this Ordinance is integrated with the IB Code and is available in our site CAIRR ([www.ca2013.com](http://www.ca2013.com)).

- **30.12.2019**

### [Extension of deadline for filing of Cost Audit Report with the Central Government](#)

MCA has extended the deadline for filing of Form CRA-4 (Form for filing Cost Audit Report with the Central Government), from 31/12/2019 to 29/02/2020, for all the eligible companies that are required to submit the cost audit report for the FY 2018-19, without any additional fee.

## **What's new in BLISS?**

### **In BLISSPLUS and BLISSLISTED:**

1. **Director to vote with Comment:** The Directors/Members are now enabled to cast their vote on a particular Board or Sub-Committee **Circular Resolution** directly through mail along with comments or reasoning for their votes, if any. The comments so made by the Directors/Members will be immediately notified through e-mail to the Company Secretary (i.e., user with Admin rights). This feature enables **seamless communication** from Director/Members to the Secretarial Team and also makes BLISS comprehensive.
2. **User style guide adoption enhanced:** Based on customer requirement and practices followed by many Corporates, we have now enabled our users to generate Agenda from BLISS with an Agenda table that will contain user defined fields for inserting Snippets, Actions required for a specific agenda item, attachment details (File name) and page numbers. The usage of these variations with agenda table token is explained in the Tokens dictionary in the Agenda page. This feature makes the **Agenda generated from BLISS more informative to Directors** and meets the style guides of many companies.

### **In BLISS, BLISSPLUS and BLISSLISTED:**

1. **Check on Attachment/Annexure upload:** BLISS will now caution the users, whenever the user misses to upload any attachment/annexure for a particular Agenda Item for which "Attached as Annexure" is selected. This feature **eliminates the chance of errors and makes BLISS more fool-proof.**

## About CimplyFive

### Vision

Leverage research and technology to eliminate procedural non-compliance risk for entities regulated by the Indian Companies Act, 2013.

### Mission

Provide a cost-effective, secure web-based, menu driven, subscription services that provides curated resolutions, timely alerts and informative dashboards to free the management bandwidth for pursuing business goals



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