



Editorial

Together, we all completed our first month of Work from Home (WFH). [Read more...](#)

OPINION:

What is Hot in Company Law?



Our free to use website 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 April, 2020

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

[View the list...](#)

BUT: [BLISS Useful Tips](#) for the Month

BUT#115: [BLISS generates auto-filled MBP 1 and DIR 8 forms](#)

BUT#116: [Schedule your meetings in advance and create a calendar invites for the same \(Updated feature\)](#)

BUT#117: [Board dockets with One-point store for all meeting related documents](#)

BUT#118: [Conduct Paperless Board Meetings with BLISSDOCS](#)

Questions Every Corporate Professionals Need to Answer

By Shankar Jaganathan



I. **Is the Record shared online Authentic and Secure?**

II. **Is Your Digital Data Secure?**

III. **Is Your Electronic Record Valid?**

[Read more...](#)

What's new in BLISS?

In BLISSPLUS and BLISSLISTED

1. Provision to send calendar invites at the time of scheduling meetings.

In BLISS, BLISSPLUS and BLISSLISTED:

2. Download DIR-8 for all Directors from Register of Directors

The series' First of First



Here is the collection of 22 short articles that appeared in our newsletter iComply under the series **First of First- The Origin of Basic Concepts in Corporate Law**, penned by Shankar Jaganathan, our Founder & Chief Executive. [Read more...](#)

Editorial

Together, we all completed our first month of Work from Home (WFH). A mixed experience where the positives of eliminating time wasted in commute and the comfort of working in shorts and t-shirt was compensated by endless days -no start time, no end time and no weekends coupled with missing the enriching experience of interactions with colleagues and business partners. We have to get used to this new normal, as even when the lockdown gets lifted, it may not be life back to normal. We may have to blend WFH with WFO, hopefully striking the right balance between commute time, formal dressing, social interactions and scheduled free time for relaxation.

Given the reality of WFH, we started a series of weekly posts on how we can leverage this optimally. The three articles that we posted in the form of Five Questions to the reader is included in this issue.

Further we consolidated all the 22 articles in the series **First of First** that had appeared in our earlier issues into a single post and used the WhatsApp mode for circulation. We are extremely delighted at the positive response we have got for it and the appreciation received from many of you. We thank you for your words of encouragement and hope to do more.

Our other regular features –**What is Hot in Company Law, Gist of Changes in the Companies Act, 2013** and **Statutory Compliance Calendar** are also included in this Issue.

Please share your feedback on this newsletter at contact@cimplyfive.com. We look forward to it with interest and will strive to improve in everything we do.

Happy reading,
Shankar Jaganathan
Editor of iComply
May 5, 2020

OPINION:

What is Hot in Company Law?

Our free to use website www.ca2013.com has the unique distinction of providing an integrated view of the Companies Act, LODR and IB code. Proving its utility, perhaps much more in the days of lockdown, it crossed **7 million page-views** on April 2nd and attracts over 3000 users accessing around 6000 pages a day. Listing of the most viewed sections in the Companies Act, LODR and IB code for the month of April 2020 is based on pages accessed by the visitors to our site.

Company Law Top 5 Chartbuster sections -April 2020

Rank in March	Change in Rank	Rank in April	Section reference	Section title
N	↑	1	188	Related Party Transactions
1	↓	2	62	Further issue of share capital
2	↓	3	135	Corporate Social Responsibility
5	↑	4	42	Offer or invitation for subscription of securities on private placement
4	↓	5	179	Powers of Board

Section 188 is a new entrant, replacing section 149

LODR Top 5 Chartbuster Regulations-April 2020

Rank in March	Change in Rank	Rank in April	Regulation reference	Regulation Title
2	↑	1	17	Board of Directors
1	↓	2	30	Disclosure of Events or Information
N	↑	3	24	Corporate governance requirements with respect to subsidiary of listed entity
3	↓	4	23	Related party transactions
N	↑	5	34	Annual Report

Regulation 24 and 34 are new entrants, replacing Regulation 26 and 33.

IB Code Top 5 Chartbusters in April 2020

Rank in March	Change in Rank	Rank In April	Section reference	Section Title
2	↑	1	5	Definitions
N	↑	2	30	Submission of resolution plan
N	↑	3	53	Distribution of Assets
N	↑	4	6	Persons who may initiate corporate insolvency process
N	↑	4	21	Committee of Creditors

Sections 30, 53, 6 and 21 are new entrants, replacing sections 59, 4, 7, 9 and 26.

Questions Every Corporate Professionals Need to Answer

By Shankar Jaganathan

I. From Onsite to Online: Is the Record shared online Authentic and Secure?

Triggered by the lockdown imposed on our society due to the Covid-19 pandemic, onsite activities like even the secretarial audit, with a higher sanctity, have moved online. Secretarial Auditors, given their statutory position, need to examine and verify original secretarial records. Given the shift from onsite audit to online audit, what meets the criteria of 'original' secretarial records in the digital world? and how is it authenticated and secured?

We have listed down five simple questions that enables you to assess the authenticity and security of your secretarial records. Higher the number of affirmative answers, more authentic and secure is your secretarial records.

Ready to answer the questions?

1. Do you share or send your secretarial records?

Secretarial records can be sent to the Auditor as an email attachment or the location where the secretarial records are stored can be shared with the auditor. Where secretarial records are sent as

email attachments, there is no certainty that the records sent is the final version; however where the location of secretarial records is shared with the auditor, as one other user, like it is done with Directors, mismatch in versions is less likely.

2. Are the secretarial records digitally signed?

In the traditional world, secretarial records are signed manually, and the original copy refers to the documents manually signed. However, in the digital world, documents signed digitally using class 2 or class 3 digital signature tokens are considered equivalent to the original.

3. Are their controls enforced for accessing your secretarial records?

Corporate law for listed companies and business prudence demands maintaining confidentiality of secretarial records as they contain business plans, key financial information and sensitive corporate information. In its traditional mode, sharing of secretarial records is done in closed room and only to select audit staff thereby ensuring confidentiality. In the online mode, it is important to ensure the same level of confidentiality is maintained by enforcing access controls in the form of enforcing a minimum password strength and multi-factor authentication that only the authorized individuals have access to these records, in view only mode, i.e without the right to modify the document.

4. Are the access logs maintained for your secretarial records that are shared?

Like justice, security should not only be there, but also be visible for all to see. Moving to online sharing of secretarial records, availability of access logs of who accessed the records and at what time should not only be recorded and available, but the users should know that it is being recorded and available for scrutiny.

5. Are the digital records which are shared capable of capturing the identity of the individual forwarding, printing or otherwise transmitting the document to others?

Digital records can be copied, forwarded or printed in seconds if not minutes. Hence confidentiality of digital records is ensured, when the identity, often the email id of the transmitter

is watermarked in the documents transmitted by them.

II. WORKING FROM HOME: Is Your Data Secure?

Working from home is no longer a luxury enjoyed by a few, but a necessity for all, triggered by the lockdown imposed on our society due to the Covid-19 pandemic.

Given this necessity, we have formulated five simple questions that enables you to assess the level of security that you have for your data. If your answer to all the five questions is yes, you have Five-Star security, however, but with every no, your security level drops a notch.

Ready to take the test to know where you stand?

1. Is the website you access https enabled?

Data-in-transit is vulnerable as it can be intercepted in transit by hackers and needs protection. The most popular form for achieving this is using TLS (Transport Layer Security) certificates. Secure websites have the address prefixed with https, standing for hyper-text-transfer-protocol-secure. It ensures that your data in transit between your browser and the website is secure by using encryption method.

2. Do you need a password to access the website?

Sites that require password for access are safer than sites that do not as they capture not only the user details but also their password, thereby enabling traceability of the user.

3. Does the website have a second level authentication like biometric validation or an OTP?

Second factor authentication like biometric details and One Time Passcodes supplement the password access control and further strengthen the access controls by preventing unauthorized access.

4. Is your data encrypted 'at rest' in the website?

Data in human readable form is called plain text. Hence your data stored in secure website, i.e. data at rest, is protected by converting plain text to cyber-text using encryption techniques. Common encryption techniques are substitution, where one set of characters are replaced by another set,

and transposition, where the characters are rearranged to displaced from their original location.

5. Is your website or application ISO 27000 series certified for security and confidentiality?

Cyber security is a highly technical and evolving domain which has standards for security certification. ISO 27000 series is the most popular certification for Information security. ISO 27001 is or Information Security Management Systems (ISMS), 27017 for Information Security on Cloud and 27018 is for protecting Personal Identifiable Information on Cloud.

III. WORKING FROM HOME: Is Your Electronic Record Valid?

Papers out, files in; replacement of hard copies with softcopies is a significant and necessary fallout of work from home. For company secretaries responsible for maintaining secretarial records, it is a critical choice, since a legally valid document is the only evidence of corporate decisions. Given its criticality, Rule 27 and 28 of the Companies (Management & Administration) Rules, 2014 defines the features of a legally valid electronic record in corporate law.

We have formulated five simple questions that enables you to assess the validity of your electronic records. Please note, you have to answer not one, but each and every one of these five questions in affirmative. Further a few other criteria need to be met, but it is highly probable that you will meet them if your answer is affirmative to these five questions. Ready to take the test to know where you stand?

1. Are your electronic records protected from unauthorized access to prevent unauthorized alteration or tampering?

The software you use to create and update the electronic records should have access control that restricts access only to the authorized users. Further the software should also have the feature to have an audit trail of who created or modified the records along with the date and time of such action.

2. Are adequate systems in place to protect your electronic records against loss due to damage or failure of the media on which it is maintained?

While it is prudent and sensible to have Business Continuity Process (BCP) and Disaster Recovery Plans (DRP) in place for your electronic records, the company law rules mandates for daily data backup of your records along with evidence of the daily data backup.

3. Are your electronic records capable of being accessed and reproduced accurately for reference later?

Electronic records need specific software and operating systems to create, access and reproduce the files originally created. However with file forms like pdf (portable document format), all the required software and fonts to access and reproduce the files is embedded in the document file itself, giving files like pdf the ability to view and generate out put in formats created without any external dependence.

4. Are your computer systems, software and hardware adequately secured and validated to ensure their accuracy, reliability and consistent intended performance?

The software and hardware used to create and store the electronic records should be adequately secured and validated to ensure accuracy, reliability and consistent intended performance. As the word 'adequately' is used, a prudence approach would be to have a software that is certified for security and availability using accepted standards like ISO 27001 and ISO 27017.

5. Are your records capable of being dated and signed digitally?

Class 2 and Class 3 digital signatures as defined in the Information Technology Act, 2000 are the approved modes for signing digitally. In Class 2 - the identity of the individual is verified with recognized consumer data bases and in Class 3, personal appearance is needed, before the certifying authorities issue the digital certificates.

CimplyFive's secretarial automation and risk management software BLISS and its variants provides you secure online sharing of secretarial records, Five-Start Security and affirmative answer to all the above questions.

Board Leaders Integrated Software Solutions



BLISSPLUS

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 size based compliance under the Companies Act,2013

BLISS LISTED

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

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.

BLISSDOCS

An Android/IOS based Board app for Directors which provides secure access to Board documents on Tablets/mobile phones, enhancing Directors productivity and making the Board meetings efficient & effective

CAIRR⁺ LODR Integrated

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

Compliance Calendar

May 7 th	TDS payment for April
May 15 th	Pay PF contribution for April
	ESIC payment for April
May 20 th	Professional Tax payment
May 25 th	PF Return for April

Due to Covid-19, MCA and SEBI have extended certain compliance requirements. [Click here](#) for details.

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

• 08.04.2020

[MCA issues clarification on passing of ordinary and special resolutions by Companies under the Companies Act, 2013 and its Rules, due to CoVID-19 pandemic.](#)

In line with the various relaxations provided by the MCA to combat Corona Virus and ensure social distancing, MCA has issued an advisory which needs to be followed by companies holding an EGM on or before June 30, 2020 for passing of ordinary and special resolutions.

The key highlights of the advisory are:

- EGM to be held via video conferencing or other audio-visual means for which no provision was earlier facilitated under Companies Act, 2013
- Recorded transcripts of the proceedings shall be maintained by all companies and for public companies, same to be made available on its website
- Facility of two way conferencing to be enabled to ensure members and participants do not face any challenges in posing questions
- Facility to permit participation of at least 1000 members
- Resolutions passed under this mechanism shall be filed with the RoC within 60 days from the date of such meeting and compliance towards these advisories must be indicated in such filings

• 13.04.2020

- [MCA vide this Circular intends to remove the difficulties faced by the stakeholders. This circular is in continuation to its earlier Circular dated April 8, 2020 which detailed the procedures on convening of EGM through VC or other Audio Visual Means.](#)

This circular broadly covers the following areas:

- Manner and mode of issue of notices to the members.
- Requirement for voting by show of hands.
- Passing of certain items only through postal ballot without convening a general meeting.
- Sending of emails by members where a poll on any items is required.

➤ [Circular on filings under Section 124 and 125 of CA, 2013](#)

With the intent of responding to various representations received from stakeholders for seeking relaxations in relation to filings and procedures pertaining to IEPF Rules, MCA vide its circular dated April 13, 2020 has clarified that relaxations in terms of the same have already been provided through waiver on additional fees till 30th September 2020 that may arise in case of delayed filings.

• 17.04.2020

[Additional relaxations in compliance with certain provisions of the SEBI \(Listing Obligations and Disclosure Requirements\) Regulations, 2015 \('LODR'\) due to the COVID-19 pandemic](#)

Below is the summary of relaxations granted by SEBI under the regulations indicated hereunder:

S. No.	Regulation	Relaxation	Original Provision
1.	Prior intimation to Stock Exchanges about Board Meetings	2 days before the board meeting, for meetings held till July 31, 2020.	At least 5 days before the meeting if financial results are to be considered;

	under Regulation 29(2)		2 working days in other cases.
2.	Submission of information regarding loss of share certificates and issue of the duplicate certificates, to the stock exchange under Regulation 39(3)	For intimations to be made between March 1, 2020 to May 31, 2020, any delay in submission of information doesn't attract penalty	Within two days of receipt of information by the company
3.	Publication of Advertisement in newspapers by entities that have listed NCDs and NCRPs under Regulation 52(8)	Exempted till May 15, 2020	

Further, SEBI has also clarified that authentication / certification of any filing / submission made to stock exchanges under LODR may be done using digital signature certifications until June 30, 2020.

➤ [**SEBI relaxes strict enforcement of specified regulations to boost technological innovation in the Indian Securities Markets ecosystem**](#)

Though the introduction of Securities and Exchange Board of India (Regulatory Sandbox) (Amendment) Regulations, 2020, SEBI has amended the specified regulations to encourage technological innovation in the securities markets, where the applicants, upon satisfying the criteria specified by the Board, may be exempted from enforcement of all or any of the provisions of the list of SEBI regulations specified in the said regulation for a period as may be specified but not exceeding twelve months. During the exempted period, the approved applicant could engage in live testing ('regulatory sandbox') of new products,

processes, services, business models, etc. and the same may be deployed on a limited set of eligible customers in the securities markets.

➤ [**NSE issues revised deadlines for complying with SEBI \(Listing Obligations and Disclosure Requirements\) Regulations, 2015, SEBI \(Substantial Acquisition of Shares and Takeovers\) Regulations, 2011, and SEBI \(Depositories and Participants\) Regulations, 2018 due to COVID-19 pandemic**](#)

To enable Indian Corporates that have listed their shares with NSE in tracking the revised due dates so as to comply with various compliances under the aforesaid regulations, NSE has issued a revised compliance calendar, in line with the extensions in deadlines granted by SEBI.

➤ [**IBBI excludes lockdown period due to COVID-19 pandemic for computation of timelines under Insolvency and Bankruptcy Board of India \(Liquidation Process\) Regulations, 2016**](#)

Through this notification, IBBI has notified that the duration of lock-down period due to CoVID-19 pandemic shall be excluded for the purpose of computation of the time-line for any task that could not be completed due to such lockdown, in relation to any liquidation process under the aforementioned regulation.

● **20.04.2020**

[**NSE enables Debt Listed Entities to submit periodical compliance filings in XBRL mode**](#)

In line with its efforts to eliminate redundancy and to facilitate ease in compliance filings for debt listed companies across multiple Stock Exchanges, NSE offers XBRL based reporting in its online platform NEAPS (NSE Electronic Application Processing System), featuring identical and homogeneous compliance data structures between Stock Exchanges.

Therefore, Debt Listed entities can now upload Financial Results using the XBRL file generated using their back office / through utility provided by other stock exchanges in NEAPS system.

- **21.04.2020**

[MCA extends deadline to Companies whose Financial Year \(FY\) ended on 31/12/2019 for holding Annual General Meetings \(AGMs\) by 3 months to September 2020](#)

In line with the various relaxations provided by MCA due to CoVID-19 pandemic, it has now extended the deadline to nine months (i.e. 30/09/2020), as against the original deadline of six months from the close of the FY (not being the first FY) and not later than a period of 15 months from the last AGM, for holding AGMs by Companies whose FY ended on 31st December, 2019.

- **23.04.2020**

[SEBI extends deadline for top 100 Listed Entities by market capitalization whose Financial Year \(FY\) ended on 31/12/2019 for holding Annual General Meetings \(AGMs\) to September 2020](#)

In line with the MCA Circular No. 18/2020 dated 21/04/2020 extending due date for holding AGM by Companies whose FY ended on 31/12/2019, SEBI, too, has extended the deadline to 30/09/2020 for holding of AGMs under Regulation 44(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR') by the 'top 100 Listed Entities based on market capitalization' whose FY ended on 31/12/2019

- **29.04.2020**

[Extension of deadline for Independent Directors to get themselves registered with the Data Bank from April 30, 2020 to June 2020.](#)

Through this notification, MCA has extended the deadline for those individuals who were acting in the capacity of Independent Directors as on 01/12/2019 to get themselves registered with the Data Bank as prescribed by Companies (Appointment & Qualification of Directors) Fifth Amendment Rules, 2019 to June 2020, as against the earlier deadline of April 2020.

- **30.04.2020**

[MCA extends due date by 60 days for filing form NFRA – 2 for FY 2018-19 to 06/07/2020](#)

MCA vide this circular has extended the deadline for filing form NFRA – 2 from 150 days to 210 days from the date of deployment of the aforesaid form on NFRA website, which is 09/12/2019.

With this extension the due date for filing the form shall be 06/07/2020.

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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To view the previous issues of ***iComply*** [click here](#)