iComply

Editorial

I am sure like me all of you are also praying for a change of scene, where the spectre of COVID-19 recedes replaced by the optimism of a new dawn ushered in by the festival of lights- Diwali in November. 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 October, 2020

Eight Regulatory changes in Companies Act, 2013, SEBI (LODR), 2015 and Insolvency & Bankruptcy Code, 2016 were made in the month of October.
View the list…

BLISS Tips for the Month

#140: Board Document reference during the Meeting enabled for longer durations with BLISS
#141: Provision to enable Different User Defined Templates for Different Periods
#142: Comprehensive templates for Board Meeting Agenda & Minutes generated in BLISS using User Defined Style Guide
#143: BLISSTAT-Tax Assessment Tracker

5 Questions for Every Corporate Professional

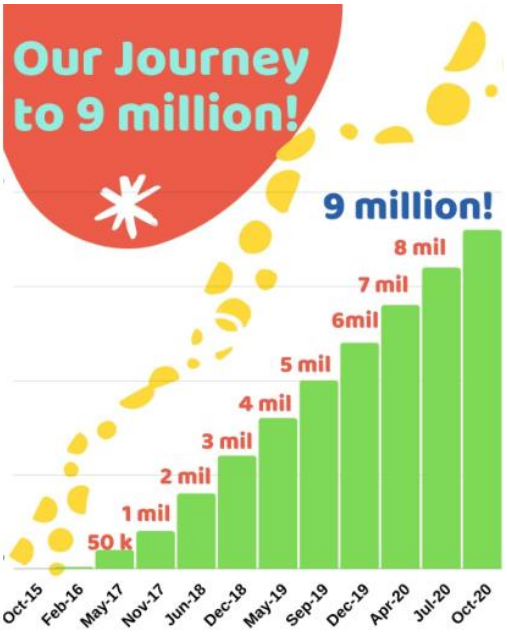
By Shankar Jaganathan



CimplyFive's 5Qs to ascertain if post COVID-19 era Board Meetings Using VC facility is Effective

Prior to the COVID-19 pandemic, board meetings through video conference facility meant one or two members attending through the Video Conference (VC) and the majority attending in person.
Read more…

CAIRR- The Companies Act Integrated Ready Reckoner



Our free to use website www.ca2013.com crossed 9 million page-views.

Editorial

I am sure like me all of you are also praying for a change of scene, where the spectre of COVID-19 recedes and is replaced by the optimism of a new dawn ushered in by the festival of lights- Diwali in November. While the economic loss suffered by the business is staggering, the social costs borne by the households, especially in the vulnerable section is considerable and requires a healing touch from all concerned. We at CimplyFive join the rest of the world in praying for a healthy, prosperous, and happy new year starting with the Diwali celebrations.

On the corporate law front, changes continue unabated as the regulators try to find the fine balance between promoting ease of doing business and protecting stakeholders' interests. We on our part continue to enhance our technology solutions to facilitate ease of doing business without diluting stakeholders' interest.

In this issue, we have included an article **Five Questions for Conducting Effective Board Meetings in the Post COVID-19 Era,** where you can assess if your board meeting practices have kept pace with the changing environment. Our other regular features like –**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 with us at contact@cimplyfive.com, we look forward to it.

Happy reading,
Shankar Jaganathan
Editor of iComply
November 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. This site crossed 9 **million page-views** on **October 13**, 2020 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 October 2020 is based on visitors to our site.

Company Law Top 5 Chartbuster sections in October 2020

Rank in Sept	Change in Rank	Rank in October	Section reference	Section title
1	↔	**1**	**188**	Related Party Transactions
N	↑	**2**	**135**	Corporate Social Responsibility
N	↑	**3**	**139**	Appointment of Auditors
N	↑	**4**	**137**	Copy of financial statement to be filed with Registrar
N	↑	**5**	**62**	Further issue of share capital

Four new sections have entered the top 5 ranks, replacing Section 149, 179, 129 and 186.

LODR Top 5 Chartbuster Regulations in October 2020

Rank in Sept	Change in Rank	Rank in October	Regulation reference	Regulation Title
2	↑	**1**	17	Board of Directors
1	↓	**2**	30	Disclosure of events or information
5	↑	**3**	33	Financial Results
4	↔	**4**	29	Prior Intimations
3	↓	**5**	23	Related Party Transaction

All the five regulations have retained their top 5 ranks with only their position changing.

IB Code Top 5 Chartbusters in October 2020

Rank in Sept	Change in Rank	Rank In October	Section reference	Section Title
1	↔	**1**	5	General Obligations of Compliance
N	↑	**2**	3	Definitions
N	↑	**3**	30	Submission of resolution plan
N	↑	**4**	29	Preparation of Information memorandum
N	↑	**4**	14	Moratorium

Four new sections have entered the top 5 ranks, replacing sections 10, 7, 14 and 30

5 Questions for Every Corporate Professional

By Shankar Jaganathan

CimplyFive's 5Qs to ascertain if post COVID-19 era Board Meetings Using VC facility is Effective

Prior to the COVID-19 pandemic, board meetings through video conference facility meant one or two members attending through the Video Conference (VC) and the majority attending in person. Post March 2020, Board meeting through VC means almost all members attend through it. Given this change, there is a need to ensure meeting practices are effective. Answer these five questions to ascertain how effective your board meetings are now using VC.

1. **Is the Agenda notice circulated in advance with all the supporting documents to enable informed decision making?**

In a board meeting conducted with members physically present, companies may present supporting documents for some resolutions at the meeting. However, for Post COVID-19 meetings through VC, providing supporting documents at the last minute or just before the commencement of meetings may result in ill-informed decision making and hence is avoidable.

2. **Is adequate time allocated prior to the meeting for ensuring all members can connect to the meeting?**

Technology can often spring a nasty surprise, especially when using a new software, or device. Hence organisers of the Board Meeting through VC need to allocate adequate time before the board meeting to ensure that all the participants are familiar with the software used and where required, a trial run is conducted to ensure hassle free meetings.

3. **Are all participants required to make an opening statement to ensure that they have got the notice and can participate effectively in the meeting?**

In board meetings through VC, the body language of participants is not as visible unlike in a meeting with physical presence. Hence, it is essential that every participant is given an opportunity to make a few generic comments along with the opening statement that is required to be made by the regulations for participants through VC. Their generic observations and concerns set the tone for the meeting thereby laying a strong foundation for conducting fruitful meetings.

4. **Is an opportunity provided to each of the participants to share their views on each resolution before it is voted on?**

Following the practice outlined at the start of the meeting in the earlier question, it is essential that each participant, excluding the interested directors, is provided an opportunity to share their views on each of the proposed resolution before a decision is arrived at. While in a meeting with physical presence, this is a desirable action, in meetings with majority attending through video conference, this is an essential requirement to ensure that there is no misunderstanding on where each of the members stand on the issues deliberated upon and decided.

5. **At the end of the meeting does the Chairperson or the Secretary provide a summary of all the decisions taken in the meeting by listing it out one by one to get concurrence of all the members?**

Despite best of technologies, connectivity can be a bottleneck and where wireless connectivity is used, often transmission signals can fluctuate thereby causing intermittent disruptions. To ensure that these disruptions do not vitiate or reduce the effectiveness of meetings, the Chairperson/ Secretary should sum up all the decisions taken in the meeting. This helps all participants to be on the same page and eliminate misunderstanding. Summarization of decisions taken at the end of the meeting is in addition to the legal requirement to conclude each agenda item discussed by stating the decision taken.

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

BLISSPLUS is 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

BLISSLISTED 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 is a cloud hosted key document management solution with Action Tracker that provides master data capture of the entity, e- repository for document management, Automated Tracker for managing event based and calendar-based activities.

BLISSDOCS

BLISSDOCS is 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

CIMPLYBEST

CimplyBest is a tailormade software for Indian Corporates in conducting Corporate Board Evaluation which will optimize Board's Time & Effort with confidentiality assured.

BLISSTAT

BLISSTAT Is a cloud hosted custom built software to automate Direct Tax assessment processes and provide a comprehensive action tracker enabling workflow automation with a e-repository for storing all tax assessment records.

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

November 7th	TDS payment for October
November 10th	GSTR 7 – Return filed by the persons required to deduct TDS
	GSTR 8- Return filed by the e-commerce operators
November 11th	GSTR 1 (Oct, 2020)- Turnover exceeding Rs. 1.50 Crores or opted to file monthly return
November 13th	GSTR 6- Monthly return filed by an Input Service Distributor
November 15th	Pay PF contribution for October
	ESIC payment for October
November 20th	Professional Tax payment
November 20th, 22nd, 24th	GSTR 3 B
November 25th	PF Return for October

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

- **08.10.2020**

SEBI clarifies certain provisions with respect to Insider Trading regulations

Key highlights of the revised FAQ issued by SEBI with respect to the Insider Trading Regulations are as follows:

1. While pre-clearance is not required for exercise of such stock options, sale of shares by employees after the exercise of Stock Options shall be subject to pre-clearance
2. Employees of Indian companies who are foreign nationals shall trade in ADRs and GDRs subject to adhering to the Code of Conduct prescribed by the PIT regulations.
3. Pursuant to the changes made to the PIT regulations with respect to maintaining Structural Digital Database by the Listed Companies, details of Unpublished Price Sensitive Information (UPSI), details of persons who have shared and with whom it has been shared shall be stored in the database. These details shall also be captured by the intermediary/fiduciary in their databases, in accordance with the Regulation and its schedules.
4. If a designated person resigns from the Listed Company, the company/intermediary/ fiduciary should make efforts to maintain updated address and contact details of such persons for one year after resignation from service, and such data shall be preserved for a period of 5 years.

SEBI notifies LODR (Third Amendment) Regulations, 2020

SEBI vide its notification dated October 8, 2020 has taken enhanced measures towards securing the interests of Debenture Holders. The key highlights are:

1. Mandating a minimum of 100% asset cover or asset cover as per the Information Memorandum/Offer Document/Debenture Trust Deed which shall be sufficient to discharge the principal amount at all times
2. An asset cover certificate by the statutory auditor as against practicing chartered accountant shall be submitted on half yearly basis.
3. Norms for disclosures, asset cover maintenance have been strengthened for Banks & NBFCs

These amendments are in sync with SEBI's attempt to empower Debenture Trustees & to secure the interest of Debenture holders by making related amendments to Debenture Trustee Regulations & ILDS Regulations.

- **09.10.2020**

IBBI Issues Circular to bring in uniformity with regard to Meetings of the Disciplinary Committee and Appellate Panel of the RVOs

The key highlights of the circular are:

1. Meetings should be held only if there is an agenda for the meeting.
2. Meetings are to be held preferably, through an appropriate Video Conferencing (VC) facility, keeping in view the current pandemic;
3. One week's notice is to be given to all the members for holding any meeting and notice for the same is to be sent through email;
4. The minutes shall be signed by the members of the committee present during the meeting;
5. The quorum for the meeting should be as provided in the Bye laws of the RVO but should be a minimum of two members including the Chairperson and;
6. If a member of the committee is related to the person against whom action is proposed, or there is any other issue of conflict of interest, the member shall recuse himself/herself from the proceedings.

- **13.10.2020**

SEBI issues circular for standardisation of procedure to be followed by Debenture Trustee(s) in case of 'Default' by Issuers of listed debt securities

After consultation with stakeholders involved, SEBI vide its circular dated October 13, 2020 has decided to standardize the procedure to be followed by Debenture Trustee(s) in case of 'Default' by Issuers of listed debt securities.

The key highlights of the circular are:

- In case of presence of multiple ISIN's which may have been issued under the same Information Memorandum(s) ("IM(s)") or a single ISIN which may have been split across multiple IM(s) - Event of default shall be reckoned at ISIN Level.
- Process to be followed in case of execution of Inter Creditor Agreement ("ICA") as per the terms stipulated in the RBI's Prudential Framework for Resolution of Stressed Assets.
- Broad Conditions for signing of ICA by Debenture Trustees on behalf of investors

- **16.10.2020**

Procedural amendment with respect to Private Placement offers made to Qualified Institutional Buyers under the Companies Act 2013 and its Rules

Through this amendment, it will now suffice if the company that makes an offer or invitation to subscribe to securities to the Qualified Institutional Buyers through private placement, obtains members' approval through a previous special resolution only once in a year for all the allotments to such buyers during the year, as against the earlier requirement to pass a special resolution for each of the offers or invitations.

20.10.2020

MCA dispenses with the requirements towards minimum residency of Directors of a Company for FY 2020-21

Further to its earlier circular dated March 24, 2020 pertaining to financial year 2019-20, MCA has now dispensed with the requirement of at least one Director of every Company requiring minimum residency of at least 182 days in India during a financial year pursuant to section 149 for 2020-21 as well.
Consequently, now failure to maintain residency for both financial years 2019-20 & 2020-21 shall not be treated as a non-compliance.

- **29.10.2020**

Procedure to submit online application to the Board for initiating Corporate Insolvency Resolution Process (CIRP) under IBC, 2016

Further to the amendments made to Rules 4, 6 and 7 of Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules 2016, requiring an applicant to provide a copy of the application for initiating CIRP against a corporate debtor, inter alia, to the Board, before filing the same with the Adjudicating Authority, the Board has made available a facility on its website to file the same online. The procedure and format of filing the online application are provided in the circular.

Amendment to Voluntary Information Disclosure under Insider Trading Regulations

As per this amendment, any Original Information provided by the Informant under the Insider Trading Regulations shall be construed as timely only if, as on the date of receipt of the duly completed Voluntary Information Disclosure Form by the Board, a period of not more than three years has elapsed since the date on which the first alleged trade constituting violation of insider trading laws was executed. Further, Informant is now required to provide detailed information on the alleged violation and submit self-certified copies of the relevant documents in the Voluntary Information Disclosure form.

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



CAIRR

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