CimplyFive's Monthly Newsletter

iComply

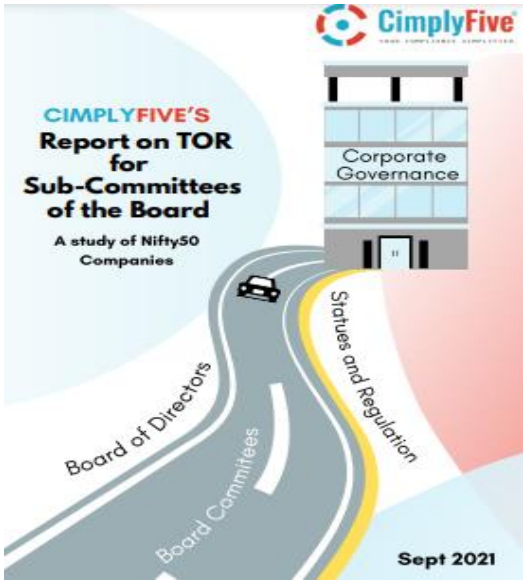
October, 2021

Editorial

With stock markets touching new highs and the flood of IPOs continuing unabated, it is time to remember the popular saying '**Valuations are in spot light during bull runs while governance and accounting issues dominate the bear markets.'** Taking a contrarian view, we have looked at governance issues in the current bull market. In our series **5Qs for Corporate Professionals** we have posed questions to check if companies have moved their mindset from their unlisted state to the truly listed state, in both the letter and spirit of law. We believe contemplating these questions is essential in this bull market environment if we are to stay away from disappointments. Read more…

Cimplyfive's release:

CimplyFive's Report on TOR for Sub-Committees of the Board



CimplyFive released its new report on TOR for Sub-Committees of the Board. Read more…

BLISSCAST 2021-05

Interview with Mr. Sathyamurthy CFO, Gokaldas Exports Limited



CimplyFive: How would you describe the last eighteen months of the pandemic on the professional front? What are the main challenges you faced, and your lessons learnt from them?

Mr. Sathyamurthy: COVID-19 has unleashed an unprecedented chain of events that was so sudden and so extensive in its sweep, that it has caught the world unprepared for the economic consequences.
Read more…

What's more in this month's Issue

- What is Hot in Company Law?
- 5 Questions for Every Corporate Professional
- BLISS Tips for the Month
- What's New in BLISS?
- Compliance Calendar
- Gist of Regulatory Changes in the month of September, 2021

Editorial

With stock markets touching new highs and the flood of IPOs continuing unabated, it is time to remember the popular saying **'Valuations are in spot light during bull runs while governance and accounting issues dominate the bear markets.'** Taking a contrarian view, we have looked at governance issues in the current bull market. In our series **5Qs for Corporate Professionals** we have posed questions to check if companies have moved their mindset from their unlisted state to the truly listed state, in both the letter and spirit of law. We believe contemplating these questions is essential in this bull market environment if we are to stay away from disappointments.

In our interview series, **BLISSCAST**, where we interview company secretaries and corporate governance champions in leading Indian companies, we have featured Mr. Sathyamurthy **CFO, Gokaldas Exports Limited,** the leading garment exporter, who shares his rich professional insights and learnings from dealing with this unprecedented pandemic situation.

Our other regular features like –**Gist of Changes in the Companies Act, 2013, SEBI's LODR, 2015 and IB Code, 2016** and **Statutory Compliance Calendar** are also included in this Issue.

Please share your feedback on this newsletter with us at contact@cimplyfive.com, we eagerly look forward to it.

Happy reading,
Shankar Jaganathan
Editor of iComply
October 5, 2021

BLISSCAST 2021-05

Interview with Mr. Sathyamurthy CFO, Gokaldas Exports Limited

CimplyFive: How would you describe the last eighteen months of the pandemic on the professional front? What are the main challenges you faced, and your lessons learnt from them?

Mr. Sathyamurthy: COVID-19 has unleashed an unprecedented chain of events that was so sudden and so extensive in its sweep, that it has caught the world unprepared for the economic consequences. While economic disruptions induced by the pandemic was far greater, its impact differs from industry to industry, as it taught us how to stay put despite all odds, be resilient and rediscover means to overcome this challenge.

We were severely tested by COVID-19 in the last 18 months when lockdown resulted in store closures in most markets and enforced factory shutdowns in India and other producing countries resulting in volatile order flow and disrupted supply chain. This took a toll on the financial health of most companies and above all, the second wave of COVID-19 further tested our ability to deal with our lives; in addition to such challenges, we also had to deal with price pressures as global orders were far lower than the global supply. Further challenges were in managing cash flow situation in the company. All these ensured a testing time for professionals yet, I would say, the year was quite eventful as well.

The biggest lesson we learnt was to keep the morale of the organization at the highest level, take people along, and plan everything, speed in action with agility in our work. Another important aspect was to ensure and keep our customer confidence high.

CimplyFive: Given your rich experience as an accomplished corporate leader, how did your experience prepare you to handle this unusual situation?

Mr. Sathyamurthy: In response to these enduring challenges, we revisited every aspect of our operations and everything was reviewed at zero base level, and questions like why is it required, what are the alternatives, and what is best for the organization given the alternatives, etc., were asked at all level. We learned to manage our costs well, stopped non-value-added activities, rationalized our production capacity,

streamlined operations through sheer agility, and ramped up our order book.

During the peak pandemic, we also learned to be innovative: we produced PPE (Personal Protective Equipment) kits for the Government of India that not only helped the society but also helped us get cash inflows to tide over the fiscal deficit during the early part of the year.

At a personal level, I was deeply focusing on managing the cash flow situation better and always keeping it healthy under any circumstances, as that's the lifeline. Planned better and kept adequate liquidity to meet short term obligations of the company, built deeper engagement with suppliers, customers, and bankers for the facilities, etc. were my constant focus and I ensured, our company has adequate cash at its disposal and is well-positioned to manage its operational and financial requirements in the current period as well as in the coming months.

More important, we ensured that customer confidence stays high. We consistently met our commitments through all these challenges which helped good customer relations and gaining customer trust. This was possible only because of a "can do" approach of the team and the commitment of our company to be a true partner to our customers.

CimplyFive: Given the constraints of the pandemic times, is there any initiative you would like to mention that your initiated or were part of to ensure that the governance standards were maintained or if not enhanced?

Mr. Sathyamurthy: Amid the challenging times, we undertook many initiatives at all levels that are a) protecting our balance sheet (margin, costs, cash flows, and CAPEX), b) retaining employee confidence level c) building customer relationship d) ensuring smooth supply chain and e) overall enhanced governance to keep the company stronger and nimbler.

During the early onset of the pandemic, we converted the crisis into an opportunity and entered the PPE business. We became the pioneers in PPE when this segment was unheard of in India. We seized the opportunity to design and manufacture PPEs and became one of the largest producers of PPEs. This not only improved our cash flows to tide over the fiscal deficit during this period, but also ensured high efficiency in our manufacturing process, controlled our costs well, contained the working capital deployed, and improved connects with our customers. All these ensured a stronger balance sheet throughout.

At the employee level, we put in place robust protocols for workplace safety and social distancing norms keeping in mind the safety, health, and well-being of the employees. We ensured our employees are safe and secure at the workplace.

Our supply chain activity focused on timely receipt of raw material and on-time delivery for our customers. In both aspects, we reinforced deeper engagement with our long-standing business partners and ensured timely delivery of services as we also gave them business during these difficult times, and ensured their payments are honoured well in time. They too supported us with the extension of supply, service credits, of course, these again go with ensuring mutual interest.

I would summarise, we ensured better corporate governance at all levels, and I am happy to say our company has emerged stronger than before. This credit also goes to our leadership, who taught us to take a long-term view, and learn to be highly adaptable and agile. We could take bold decisions and harnessed opportunities amidst challenges.

CimplyFive: What are the top 3 enduring changes brought about by this pandemic to the corporate governance domain that will continue post the pandemic?

Mr. Sathyamurthy: Everything is changing as a result of COVID-19. The new environment is characterized by pressures and demands from various stakeholders, also heightened expectations for societal engagement, more on the EHS side for being a good corporate citizen amid radical uncertainty about the future. If I have to categorize three enduring changes owing to the pandemic which would leave a lasting impact in the coming time, these are

a) health and resilience of the company is at the center - the pandemic has made it too clear that a well-functioning company is paramount as its basic needs regardless of any circumstances.

b) the pandemic has shown the importance of every stakeholder group to a company's ability to function effectively. Hence, the company needs to do a self-assessment process to review its

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capabilities and readiness to meet promises to its shareholders and stakeholders.

c) keep the strategies and plans at deliberative decision-making level because of the fast-changing business environment, one has to stay ahead of the curve. Stay agile and open for adaption,

CimplyFive: What would be your one advice to young budding professionals as they enter the corporate world?

Mr. Sathyamurthy: There is a great deal to learn when it comes to pursuing and excelling in a career. I would advise that you have to come out of your comfort zone, learn and learn from everything, and a positive attitude is the key.

In the initial phase of career, you have to absorb as much as possible from your work environment and work on the criticism, feedback and cultivate perseverance. Remember that a job doesn't give your life meaning, every job will have unexpected inconveniences. Hence, hard work would always pay.

CimplyFive: Can you share your experience with CimplyFive?

Mr. Sathyamurthy: CimplyFive is a great application and one of the best cloud-based applications to meet the A to Z needs of a company's secretarial function. It is very comprehensive as it tracks and drives us to stay compliant ahead of the time.

All our secretarial records, since inception, were paper-based and stored physically. We digitized with the help of CimplyFive and today, we are completely digitized, and everything is on the Cloud. We can retrieve documents as and when required and we are conducting paperless board meeting with CimplyFive's BLISSDOCs.

We have been using this application for the last ~3 years. The experience is seamless and flawless. In my view, amid ever-growing challenges in Company's Act compliance, this is a must-have application for every company to stay-complied always.

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. Our site crossed 14 **million page-views** on September 1, 2021 and it attracts over 5000 users accessing around 20,000 pages a day. Listing of the most viewed sections in the Companies Act, LODR and IB Code in the month of September 2021 here is based on visitors to our site.

For the Month of September 2021
Top 5 Chartbusters in the Companies Act, 2013

Rank in Aug	Change in Rank	Rank in Sept	Section reference	Section title
2	↑	**1**	**135**	Corporate Social Responsibility
N	↑	**2**	**129**	Financial statement
5	↑	**3**	**188**	Related party transactions
3	↓	**4**	**62**	Further issue of share capital
4	↓	**5**	**179**	Powers of Board

One new section has entered the top 5 rank replacing section 134.

LODR Top 5 Chartbuster Regulations

Rank in Aug	Change in Rank	Rank in Sept	Regulation reference	Regulation Title
1	↔	**1**	30	Disclosure of events or information
2	↔	**2**	17	Board of Directors
N	↑	**3**	15	Applicability
N	↑	**4**	23	Related Party Transactions
N	↑	**5**	2	Definitions

Three new regulations have entered the top 5 rank replacing Regulations 4,19 and 34**.**

IB Code Top 5 Chartbusters

Rank in Aug	Change in Rank	Rank in Sept	Section reference	Section Title
2	↑	**1**	5	Definitions
1	↓	**2**	59	Voluntary liquidation of corporate persons
N	↑	**3**	53	Dissolution of corporate debtor
N	↑	**4**	3	Definitions
N	↑	**5**	4	Application of this part

Three new sections have entered the top 5 ranks. They have replaced sections 6, 14 and 33.

5 Questions for Every Corporate Professional

CimplyFive's Five Qs to Answer While Preparing for an IPO or a Listed Company benchmarking its Governance Practices

It would not be wrong to say it is raining IPOs. Not just in India, but globally too, IPOs are at a record level, both in terms of numbers and value. Globally 2021 has seen 739 IPOs, which is almost ten times its number in 2009, the year that saw 79 IPOs, being the lowest number in the current millennium. India too saw its share with 28 IPOs in the first seven months of this year raising around Rs.42,000 crores. As we look ahead, the IPO flow seems set to continue unabated.

Given this scenario, with large number of companies that have gone public or are planning to go public, what changes await a newly listed company? The obvious answer is in the higher number of regulations that a listed company needs to comply with. In India, on an ongoing basis, a listed company in addition to the Companies Act, 2013, needs to comply with SEBI's Listing Obligation & Disclosure Requirements, 2015, Prohibition of Insider Trading Regulations, 2015 and Substantial Acquisition of Shares & Takeovers Regulations, 2011. While compliance with these regulations can be either by the letter of law or the spirit of law, the five questions posed here helps a professional to understand the spirit of law and choose the level at which they want to comply.

1. **Who are the stakeholders recognized by your company while taking decisions?**
   Companies have large number of stakeholders, primary among them are customers, suppliers, employees, regulators, lenders, local community, and the shareholders. While in companies whose shares are not listed, it is only the customers who are an open-ended group and communication to them is addressed to both the existing customers and the potential customers. However, as a listed company the community of investors are another open-ended community consisting of both the existing shareholders and the potential shareholders which covers the entire investing community at large. This is a major change, which is recognized by the regulators and hence the company needs to be conscious of this new class of stakeholders in all the decisions it takes and conducts its affairs as required under the law.

2. **What is the nature of information that your company considers confidential or sensitive?**
   The usual categories of confidential or sensitive information for a business includes business plans, Intellectual properties, financial performance, and client/vendor/employee related information. However, when a company lists its shares in the stock exchange, a new category of information enters this sensitivity domain, i.e. price sensitive information. Price sensitive information is not an enumerated list but an inclusive list that contains among others, win or loss of large contracts, addition or separation of senior managerial personnel, disruption to operations or large expansions. With the addition of this new open-ended list, the responsibility of all the employees of the company in how they share this (should this be 'any'?) information becomes critical, as it can exposes the concerned individual and even the Company to the risks of litigation in the form of insider trading. Hence listed companies, to maintain and preserve their reputation as good corporate governance practitioner, need to sensitise and train their employees to this new requirement.

3. **How does your company communicate with its shareholders/investors?**
   A company's communication strategy depends on its need. For an unlisted company its communication strategy, especially the domain of investor communication is not that material. However, as the company lists its securities on the stock exchange, by virtue of its share price being in the public domain, the implications of its performance on the stock exchange has a major bearing on the corporate brand. Hence, a proactive communication strategy based on the need to genuinely communicate and engage investors is a key requirement for complying with the spirit of law.

4. **When does your company time its communication?**
   Timing of communication, especially regarding compliance related disclosures is not that material for an unlisted company. However, for listed companies, creating a brand for good governance requires communicating at the first available opportunity, rather than wait for the due dates. Quick and timely communication reflects good systems in place, a competent team, and clear intent to be transparent, which puts the outside stakeholders on par with the privileged insiders.

5. **What is the nature of voluntary communication that your company adopts?**

Voluntary communication initiated by most companies is in areas of marketing to get new customers or in recruitment of key resources, often senior managers or key talent that is scarce. With listing, a company has the need to adopt voluntary communication with its shareholders and potential investors in building a reputation for good corporate governance. This is all the more essential when a company wants to engage with institutional investors like insurance companies, pension funds, FIIs and family offices with longer investment horizons. Hence adopting voluntary communication especially on sustainability covering social, environment and financial spheres is essential if not critical for promoting good corporate governance.

Listing is only the first step in the long journey of an equity listed company. While a good intent helps to stay steadfast on the course, given the large number of regulatory requirements to comply with, it needs to be matched with a competent team for governance & compliance and investment in robust digital systems. This can help translate the good intent into performance.

BLISS Tips for the Month

#188: Maintain Digital Registers in BLISS for Extracting Reports in a Single Click

#189: CIMPLYBEST-Board Evaluation Survey Tool (Updated features)

#190: With BLISS Automate Your Private Placement Compliances under the Companies Act, 2013

#191: With BLISS get updated Model Charters/Terms of Reference for Sub-committees of the Board of Directors

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What's New in BLISS?

1. **Beta Launch - Automation of Private Placement process:** Based on our product roadmap and customer prioritisation, we have launched a beta version of automated private placement, which automates the process and documentation involved in the issue of securities (i.e., Equity & Preference). This includes:

   i. Pre-drafted resolutions for Private Placement proposal for the Board meeting, Approval for issue at Shareholders' Meeting and Allotment of Shares at a subsequent Board Meeting

   ii. Auto fill Allottee details in the data sheet provided with all these resolution by just entering the folio no. or PAN for the existing members from the Register of Members maintained in BLISS.

   iii. Provision to download pre-filled and latest MCA prescribed

   a. PAS-4 (Private Placement Offer Cum Application Letter),

   b. PAS-5 (Record of a Private Placement Offer to be kept by the Company) at Board Meeting and Shareholder Meeting stage and

   c. Pre-filled PAS-3 (Return of Allotment) post Allotment Meeting or Circular Resolution.

   d. AOC-4 of last two years can be uploaded for prefilling the relevant year's financial position related details in PAS-4.

   e. Pre-filled registers are triggered based on the data sheet details of allottees for both existing members and new members.

   This feature eliminates multiple time data entry and saves user's time. Accurate and MCA prescribed latest formats ensures complete compliance coverage to users.

2. **Enhanced E-mail functionality:** Email sent from BLISS are enhanced to include the following:

   i. The Signature of Company Secretary or Convening Authority can be uploaded under the 'Settings' page once and the user sending the mail can choose to use or delete the signature for e-mails to be sent by them.

   ii. Zipped folders (i.e., with .rar, .zip extensions) can be attached in e-mails sent from BLISS

   This feature makes the email sending and attachment functionality more comprehensive and customized.

3. **MIS download in PDF format:** On customer request, the users will now have an option to download MIS Report on Compliances completed in BLISS even in PDF format. The downloaded MIS Report would be Time Stamped (i.e., the date and the time of download). This feature makes the auto-generated MIS Report from BLISS more reliable, non-tampered and acceptable to be produced as timely compliance proof to the Auditors.

4. **Financial year-wise DIR-8 download:** The users will now have a provision to download DIR-8 from Part-C of Register of Directors and KMP for a specific reporting financial year. This feature helps the users to download and know the Directorship details even for past years. This feature makes BLISS **more comprehensive**.

5. **Pending Registers and Returns will have the Associated Meetings and Agenda Items:** Users will now be able to view the Associated Meetings and Agenda items for which a particular Register and Return triggered right in the Pending Register and Pending Returns page. This feature makes it easy for the users to relate and work on **timely completion** of compliances and also makes these details available for future references or during the Audit purposes.

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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 CompaniesAct,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 every business day by 11 AM for changes in the Act & Regulations. For more details, please visit www.ca2013.com

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Compliance Calendar

October 7th	TDS Payment for September
October 13th	GSTR 1 (July-Sep, 21)- Opted for quarterly filing as per QRMP scheme
October 15th	Pay PF contribution for September
	ESIC payment for September
October 18th	CMP 08- A special statement-cum-challan filed by Composition Dealer
October 20th	Professional Tax payment
October 20th, 22nd, 24th	GSTR 3 B (based on turnover and principal place of business)
October 25th	PF Return for September

Gist of regulatory changes in Companies Act, 2013, SEBI (LODR), 2015 and Insolvency & Bankruptcy Code, 2016 in the month of September, 2021

- **03.09.2021**

IBBI permits online delivery of educational courses and Continuing Professional Education (CPE) by Insolvency Professional Agencies (IPAs) and Registered Valuers Organisations (RVOs) till 31/12/2021

IBBI has permitted Insolvency Professionals (IPs), Registered Valuers and prospective IPs to undergo online classes delivered by IPAs and RVOs, to enable them fulfill the requirements w.r.t pre-registration educational course, CPEs under IBC, 2016, its Regulations, Companies Act, 2013 and its Rules, by extending the validity of its guidelines on online delivery of classes by IPAs and RVOs till 31/12/2021 (from its earlier deadline of 30/09/2021).

- **07.09.2021**

The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2021

This amendment essentially modifies the existing compliance and disclosure framework applicable to Non-Convertible Securities Listed Companies ("NCSLC"). The key highlights of these changes are listed below –

1. An entity which has listed its non-convertible debt securities and has an outstanding value of listed non-convertible debt securities of Rupees Five Hundred Crore and above shall be categorized as the "High Value Debt Listed Entities"
2. The SEBI has extended corporate governance framework (composition of board, constitution of Committees, ID appointment, RPT approvals etc.) which is applicable to equity listed companies to High Value Debt Listed Entities. The implementation of these amendments is on 'comply or explain' basis till March 31, 2023 and mandatory thereafter.
3. The periodicity of financial results approval and submission by NCSLC changed from 'half yearly' to 'quarterly' (only standalone results are mandatory on quarterly basis);
4. NCSLC are mandated to give at least 2 working days prior notice to Stock Exchange for Board Meeting held to consider financial results
5. NCSLC are mandated to submit statement of deviation and variation of fund raised through Non-Convertible Debt Securities on quarterly basis (against existing half yearly requirement)
6. NCSLC are mandated to submit to the Stock Exchange a quarterly report on total interest/principal due for payment during the quarter within 5 Working Days prior to commencement of quarter and a certificate confirming payment of all interest/ principle due for payment during the quarter within 7 Working Days from the end of each quarter.
7. Website disclosure requirements for High Value Debt Listed Entities are made at par with Equity Listed Entities.
8. IEPF related provisions have been made applicable with regard to unclaimed debt securities and interest with regard to the same.

- **15.09.2021**

Stock Exchanges Mandate Debt Issuers listed on their exchange to file in XBRL mode with immediate effect

For ease of compliance, Exchanges have put in place a common XBRL taxonomy for the debt listed issuers to file the disclosures specified in (i) only in XBRL mode and (ii) in XBRL mode and in pdf with immediate effect.

i. SEBI vide its Circular SEBI/HO/DDHS/DDHS1/P/CIR/2021/572 dated June 04, 2021 required listed Debt issuers to submit disclosures of Credit Rating, Interest

Payment, Redemption Payment and Default History Information as per the timelines prescribed therein.

ii. Regulation 60 of SEBI (Listing Obligations and Disclosure Requirements) 2015, required listed Debt issuers to submit an advance notice of 7 working days regarding the Record Date for payment of interest, dividend and payment of redemption or repayment amount.

- **23.09.2021**

MCA extends due date for AGMs by two months to 30/11/2021 for the FY 2020-21

MCA has directed ROCs to issue orders extending the timeline for holding AGM for FY 2020-21 by 2 months to 30/11/2021 from 30/09/2021. It is also hereby clarified that no separate application for extension of time in Form GNL-1 need to be filed and the relief granted under the ROC order will be applicable to all pending and rejected applications.

- **30.09.2021**

Clarification on filing of disclosures on Related Party Transactions (RPTs) in XBRL mode under LODR Regulations

Listed entities submitting only standalone financial result/ both standalone & consolidated financial results under Regulation 33 of LODR regulations, shall file RPT disclosures on standalone /consolidated basis respectively in XBRL mode, under Regulation 23(9) of said regulation.

IBBI's Electronic Platform for hosting Public Notices of Auctions of Liquidation Assets under the IBBI (Liquidation Process) Regulations, 2016

To improve visibility for the liquidation assets being sold and to expedite the realization of proceeds, IBBI has launched a centralized platform on its website(www.ibbi.gov.in) to host all public notices of auctions of liquidation assets of ongoing liquidation processes, in which the Liquidators shall upload the public notice of every auction of any liquidation asset on the day of its publication in newspapers, with effect from 01/10/2021.

IBBI amends Corporate Insolvency Process Regulations

Key highlights of the amendment are:

a. Changes to invitation of expression of interest from the prospective resolution applicants, evaluation matrix or resolution plan shall not be made more than once.

b. The Committee of creditors constituted under this regulation shall reject resolution plans that are received beyond the specified timeline or from a person who doesn't appear in the final list of prospective resolution applicants or doesn't comply with the criteria indicated in the Code and in the Regulations with respect to filing of affidavit, declaration etc.

IBBI amends Liquidation Process Regulations

Key highlights of the amendment are:

a. Stakeholders' Consultation Committee:

Increase in Scope: The committee to advise the liquidator on appointment and remuneration of professionals, in addition to sale related matters.

Class Representation: If the stakeholders of any class fail to nominate their representatives, such representatives shall be selected by a majority of voting share of the class, present and voting (as against electing based on stakeholders with the highest claim amount in that class).

Progress Report: Where the liquidator takes a decision different from the advice given by the consultation committee, the same shall be recorded in the next progress report.

b. Auction process: Non-refundable deposit or fee for participation in an auction is not required under the liquidation process. Also, the earnest money deposit shall not exceed 10% of the reserve price. If the liquidator rejects the highest bid, the reason for such rejection shall be communicated to the highest bidder and shall be recorded in the next progress report.

Cimplyfive's release:

CimplyFive's Report on TOR for Sub-Committees of the Board

CimplyFive's report on TOR for Sub-committees of the Board covers the four critical committees, namely, Audit Committee, Nominations & Remuneration Committee, Independent Directors Committee and Shareholders Grievance Redressal Committee. Our report by analysing the Charters of Nifty 50 companies presents:

- Coverage in the charters of Nifty 50 companies w.r.t. prevailing regulations
- Voluntary practices adopted by Nifty 50 companies in their charters and
- Model Charters based on our analysis of the prevailing regulations and study of Nifty50 Companies.

Click here to read full report.

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



Say hello to

BLISS

Board Leaders Integrated Software Solution

Automation of Corporate Secretarial Work

E - Repository for All Secretarial Records

Risk Management Dashboard & Email Alerts

Request a free demo now!

080-23441212 www.cimplyfive.com contact@cimplyfive.com

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