

MCA UPDATES APRIL 2020

Sr. No.	YEAR	DATE	TYPE	UPDATE	PARTICULARS	REFERENCE	CDE ASIA
1	2020	29.04.2020	RULES	Companies (Appointment and Qualification of Directors) Second Amendment Rules, 2020	MCA has issued Companies (Appointment and Qualification of Directors) Second Amendment Rules, 2020 which are applicable from 29th April 2020 and by this Registration of details of Independent Directors in Independent Directors Data Bank who were director on 1st December 2019 is been allowed till 30th June 2020. Revised rules now provide that Every individual who has been appointed as an independent director in a company, on the date of commencement of the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019, shall within a period of seven months from such commencement apply online to the institute for inclusion of his name in the data bank for a period of one year or five years or for his life-time, and from time to time take steps as specified in sub-rule (2), till he continues to hold the office of an independent director in any company	Companies (Appointment and Qualification of Directors) 2nd Amdt Rules 2020	There are two Independent Directors in the Company both the independent directors should register for the same

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2	2020	30.04.2020	CIRCULAR	Extension of the last date of filing of Form NFRA-2	In continuation of the Ministry's General Circular No. 7/2020 dated 05th March, 2020 and after due examination, it has been decided that the time limit for filing of Form NFRA-2, for the reporting period Financial Year 2018-19 will be 210 days from the date of deployment of this form on the website of National Financial Reporting Authority (NFRA).	 General Circular No. 19/2020 (859 KB)	NFRA is not yet applicable to CDE Asia. NFRA is applicable to Lited entities and in case of Public Company when the following conditions are fulfilled:- (i) having paid-up capital of not less than Rs. 500 crores or; (ii) having annual turnover of not less than Rs. 1000 crores or; (iii) having, in aggregate, outstanding loans, debentures and deposits of not less than Rs. 500 crores.
3	2020	21.04.2020	CIRCULAR	Holding of AGMs by Companies whose financial year ended on 31st December, 2019	MCA has clarified that if the companies whose financial year (other than first financial year) has ended on 31st December, 2019, can hold their AGM for such financial year within a period of 9 months from the closure of the financial year (i.e. by 30th September, 2020) and the same shall not be viewed as a violation. The references to due date of AGM or the date by which the AGM should have been held under the Act or the rules made thereunder shall be construed accordingly.	 General Circular No. 18/2020 (859 KB)	Not applicable to CDE Asia. As in the Companies case Financial year ends on 31 st March every year

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4	2020	13.04.2020	CIRCULAR	Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and rules made thereunder on account of the threat posed by Covid-19.	This Circular also provides that where certain companies intend to transact a business only through postal ballot (without convening a general meeting) in accordance with the applicable provisions of the Companies Act, 2013/rules made thereunder, then in such case, the relevant provisions of the Companies (Management and Administration) Rules, 2014 with regard to voting by electronic means and the framework provided for e-voting in the present Circular and earlier Circular dated 08th April, 2020 issued by MCA would be applicable mutatis mutandis. Moreover an entire process is also been explained in the circular- 1. Manner and mode of issue of notices to the members before convening the General meeting - - For Companies which are required to provide the facility of e-voting under the Act, or any other Company which has opted for such facility. -For Companies which are not required to provide the facility of e-voting under the Act. 2.The Chairman present at the meeting shall also ensure that the facility of e- voting system is available for the purpose of voting during the meeting held by VC or OVAM. 3. Companies can now send notices to all its shareholders who have registered their email addresses with the Company or Depository Participant / Depository. The Company would also be duty bound to provide a process of registration of e- mail address and the same needs to be stated in the public notice. Moreover, as no meeting will be called the communication of assent or dissent of members would only take place through remote e-voting system. 4. The poll will take place only during the meeting, and the members may convey their assent or dissent only at such stage on items considered in the meetings by sending e-mails.	General Circular No. 17/2020	In case any Extra ordinary general meeting needs to be conducted during the period of this pandemic - Covid -19 CDE Asia needs to follow this procedure for sending notices to all the shareholders and voting during the General meeting

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5	2020	13.04.2020	CIRCULAR	filings under section 124 and section 125 of the Companies Act 2013 r/w IEPFA (Accounting, Audit, Transfer and Refund) Rules 2016 in view of emerging situation due to outbreak of COVID- 19.	In view of the situation emerging out of the outbreak of COVID-19, which requires adherence of social distancing norms, the stakeholders have pointed about various difficulties and sought relaxation especially in procedures related to transfer of money remaining unpaid or unclaimed for a period of seven years in terms of the provision of section 124(5) of the Companies Act, 2013 (the Act) and transfer of shares under Section 124(6) of the Act read with the IEPFA (Accounting, Audit, Transfer and Refund) Rules. 2. In this regard, it may be noted that the Ministry of Corporate Affairs has already allowed filing in MCA-21 registry without additional fees till 30th September 2020 through General Circular No. 11/2020, dated 24th March, 2020 and General Circular No. 12/ 2020, dated 30th March, 2020. Therefore, the necessary relaxation, insofar as filing of various other IEPF e-forms (IEPF-1, IEPF-1A, IEPF-2, IEPF-3, IEPF-4, IEPF -7) and e-verification of claims filed in e-form IEPF-5, is concerned, the same has already been provided. Therefore, the stakeholders may plan other concomitant actions accordingly.	General Circular No. 16/2020 (859 KB)	Transfer of money remaining unpaid or unclaimed for a period of seven years to IEPFA the due date of many forms allied to this provision is been extended upto September 30,2020 due to the outbreak of COVID-19
6	2020	13.04.2020	CIRCULAR	COVID-19 related FAQs on CSR	The Ministry has been receiving several references/ representations from various stakeholders seeking clarifications on eligibility of CSR expenditure related to COVID-19 activities. In this regard, a set of FAQs along with clarifications are provided below for better understanding of the stakeholders- (i) Contribution made to PM Cares Fund shall qualify as CSR Expenditure (ii) 'Chief Minister's Relief Fund' or 'State Relief Fund for COVID-19' shall not qualify as CSR Expenditure (iii) Contribution made to State Disaster Management Authority to combat COVID-19 shall qualify as CSR expenditure (iv) Amounts spend on funds for COVID-19 related activities like promotion of health care including preventive health care and sanitation and disaster management shall qualify as CSR expenditure. (v) payment of salary/ wages to employees and workers during the lockdown period (including imposition of other social distancing requirements) shall not qualify as admissible CSR expenditure (vi) payment of wages to temporary or casual or daily wage workers during the lockdown period shall not count towards CSR expenditure. (vii) If any ex-gratia payment is made to temporary / casual workers/ daily wage workers over and above the disbursement of wages, specifically for the purpose of fighting COVID 19, the same shall be admissible towards CSR expenditure as a onetime exception provided there is an explicit declaration to that effect by the Board of the company, which is duly certified by the statutory auditor	General Circular No. 15/2020	CDE Asia can plan CSR activity after referring to the FAQs. Summary of FAQs is mentioned in column F

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7	2020	08.04.2020	CIRCULAR	Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and rules made thereunder on account of the threat posed by Covid-19.	In continuation of the earlier Circular (General Circular Number 14/2020) issued by the Ministry of Corporate Affairs (MCA) on 8th April, 2020 regarding conduct of extraordinary general meetings (EGMs) through video conferencing (VC) or other audio visual means (OAVM), the MCA has issued another Circular (General Circular Number 17/2020) today to provide greater clarity regarding issue of notices to members for such meetings by using only electronic means, in view of the COVID-19 related lockdown and social distancing requirements, while at the same time ensuring that the relevant companies facilitate registration of email addresses of the members who have not done so and make suitable disclosure in this regard at the time of issue of public notice in the newspapers. The public notice to be issued by relevant companies would also be required to specify the manner in which members who are holding shares in physical form or who have not registered their email addresses with the company can cast their vote through remote e-voting or through the e-voting system during the meeting. A similar framework for smaller companies i.e. companies which are not required to provide e-voting facility to their members has also been specified in the Circular. This procedure is being allowed on account of disruption caused in postal services, whereby it has become difficult to serve or receive notices by post.	General Circular No. 14/2020	In case any Extra ordinary general meeting needs to be conducted during the period of this pandemic - Covid -19 CDE Asia needs to follow this procedure for sending notices to all the shareholders and voting during the General meeting
8	2020	22.04.2020	CIRCULAR	Relaxation provided by Ministry of Corporate Affairs	MCA issued a circular for providing period/ days of extension for Name approval forms and on various forms resubmission	http://www.mca.gov.in/Ministry/pdf/Extension_22042020.pdf	Various extensions are been rendered by the MCA