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MCA UPDATES FOR THE MONTH OF DECEMBER 2019**CIRCULARS****1. General Circular 17/2019
(December 30, 2019)**

MCA has granted relaxation of additional fees and extension of the last date of filing of CRA-4 (cost audit report) for FY 2018-19 under the Companies Act, 2013. On the basis of the several representations received from various stakeholders for extension of the last date, MCA has decided that the last date of filing of CRA-4 (cost audit report) for all eligible companies for the Financial Year 2018-19, without payment of additional fee, has been further extended till 29.02.2020. However, it may be noted that the said extension is given for the entire process starting from 'preparation of Annexures to the Cost Audit Report' to 'submission of Cost Audit Report by the Cost Auditor to the Company' and finally, filing of Cost Audit Report by the Company with the Central Government'.

For More Information:-

http://www.mca.gov.in/Ministry/pdf/Circular17_30122019.pdf

NOTIFICATIONS

1. Notification of Special Courts in state of Uttarakhand and Union Territories of Jammu & Kashmir and Ladakh **(December 19, 2019)**

MCA in exercise of the powers conferred by section 435 of the Companies Act, 2013 and with the concurrence of the Chief Justices of the High Court of Uttarakhand, Nainital and High Court of Jammu and Kashmir has designated the Courts as Special Courts. For the purpose of providing speedy trial of offenses punishable with imprisonment of two years or more as per clause (a) of sub-section (2) of section 435 of the Act, Court of IV Additional District and Session Judge, Dehradun State of Uttarakhand and Principal Sessions Judge, Leh Union territory of Ladakh, respectively as the Special Courts. Further, for the purpose of providing speedy trial of other offenses as mentioned in clause (b) of sub-section (2) of section 435 of the Act, Court of II Additional Chief Judicial Magistrate, Dehradun State of Uttarakhand, Sub-Judge/Special Mobile Magistrates, Jammu and Srinagar Union territory of Jammu and Kashmir, Chief Judicial Magistrate, Leh Union Territory of Ladakh respectively, as the Special Courts.

For More Information:-

http://www.mca.gov.in/Ministry/pdf/SpecialCourtNotification_23122019.pdf

General

The Ministry of Corporate Affairs and Indian Institute of Corporate Affairs (IICA) have introduced a comprehensive online databank for all existing and aspiring Independent Directors. This databank draws its origin from Companies (Appointment and Qualification) Rules, 2019. As per the rules, all existing Independent Directors need to empanel with this databank within 3 months of commencement of these rules. Simultaneously, acting as a facilitator and educator, the Ministry has provisioned for the capacity building of Independent Directors through an integrated Learning Management System (LMS) to deliver an interactive and engaging library of eLearning courses. The databank has many key features to offer such as Empanelment of professionals acting as Independent Directors, Empanelment of professionals with/without DIN who wish to serve as Independent Directors, Online courses offered through an integrated Learning Management System (LMS), Newsletter and knowledge resources for continued professional development and most important is the Profile sharing for corporate access for helping them appoint well-trained and informed Independent Director. The empanelment process is quick and simple and independent directors can choose the subscription plan of their choice. There are three different subscription plans available – 1 Year, 5 Years, and Lifetime. The fee for 1 Year plan is Rs. 5,000 + 18% GST (five thousand only + 18% GST). The fee plan for 5 Years and Life Time will be notified later.

1. **The Union Cabinet approved the proposal to make amendments in the Insolvency and Bankruptcy Code, 2016, through the Insolvency and Bankruptcy Code (Second Amendment) Bill, 2019.** The amendments aim to remove certain difficulties being faced during insolvency resolution process to realise the objects of the code and to further ease of doing business. The Amendment Bill seeks to provide additional thresholds for Financial Creditors represented by an authorized representative due to large numbers in order to prevent frivolous triggering of the Corporate Insolvency Resolution Process (CIRP). Further, for ensuring that the substratum of the business of the corporate debtor is not lost, and it can continue as a going concern by clarifying that the licenses, permits, concessions, clearances, etc. cannot be terminated or suspended or not renewed during the moratorium period.
2. **MCA has introduced the Insolvency and Bankruptcy Code (Amendment) Ordinance, 2019 to further amend the Insolvency and Bankruptcy Code, 2016.** The Amendment will remove certain ambiguities in the Insolvency and Bankruptcy Code, 2016 and ensure smooth implementation of the Code. Under the Amendments, the liability of a corporate debtor for an offence committed prior to the commencement of the corporate insolvency resolution process shall cease, and the corporate debtor shall not be prosecuted for such an offence from the date the resolution plan has been approved by the Adjudicating Authority. Subject to relevant provisions the corporate debtor shall, as required, extend all assistance and co-operation to any authority investigating an offence committed prior to the commencement of the Corporate Insolvency Resolution Process. Further, the amendment to Section 7(1), the financial creditors for the Corporate Debtor who is operating in the Real Estate sector, an application for initiating the process shall be filed jointly by the minimum 100 creditors of the same class or 10% of the members of the same class, whichever is less.

Hope the information will assist you in your Professional endeavours. In case of any query / information, please do not hesitate to write back to us at E: pcschinki@gmail.com and M: +91 9050320565.

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Best Regards '



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